Delivering for future generations

Town Centre Securities PLC

Annual Report and Accounts 2025

Strategic Report

Who we are

Town Centre Securities PLC ('TCS') is a property investment and development company with assets of over £280m.

Our Purpose

Through the acquisition and active management of property in popular locations we create quality spaces for our tenants, help communities to thrive and generate value for Shareholders over the long term.

Financial Highlights

Underlying performance

Statutory profit/(loss) after tax
(£3.4m)

2025	(£3.4m)
2024	(£7.8m)
2023	(£29.5m)
2022	£11.0m
2021	(£0.6m)

Statutory earnings per share
(8.2p)

2025	(8.2p)
2024	(17.5p)
2023	(60.1p)
2022	20.9p
2021	(1.1p)

Total dividends per share
5.0p

2025	5.0p
2024	8.5p
2023	5.0p
2022	5.0p
2021	3.5p

EPRA earnings after tax[1]
£1.8m

2025	£1.8m
2024	£6.3m
2023	£3.1m
2022	£3.3m
2021	£0.3m

EPRA earnings per share[1]
4.2p

2025	4.2p
2024	14.0p
2023	6.2p
2022	6.2p
2021	0.6p

IFRS net assets per share[1]
266p

2025	266p
2024	279p
2023	286p
2022	341p
2021	292p

EPRA net tangible assets per share[2]
261p

2025	261p
2024	272p
2023	279p
2022	333p
2021	284p

Total shareholder return[2]
3.3%

2025	3.3%
2024	14.7%
2023	(3.2%)
2022	(4.5%)
2021	55.8%

Total property return[2]
6.2%

2025	6.2%
2024	1.5%
2023	(6.0%)
2022	8.7%
2021	4.3%

1 Alternative performance measures are detailed, defined and reconciled within notes 11 and 22 and defined within the glossary of these financial statements.
2 Alternative performance measures – See financial review and glossary for definition of these terms at the end of these financial statements.

STRATEGIC REPORT

Chairman & Chief Executive's Statement

This has been a year of continued resilience for Town Centre Securities.

Edward Ziff OBE DL
Chairman & Chief Executive

This Year in Numbers

Property asset sales

£0.0m

2024 | £0.2m
2023 | £37.9m
2022 | £48.0m

READ MORE → PAGE 23

Other investment sales

£3.1m

2024 | £6.7m
2023 | £11.2m
2022 | £0.1m

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Proportion of retail and leisure

30%

2024 | 30%
2023 | 31%
2022 | 29%

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Net asset value per share

266p

2024 | 279p
2023 | 286p
2022 | 341p

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Progressing the development sites and investing in additional accretive property and technological opportunities.

Overview

This has been a year of continued resilience for Town Centre Securities, despite international geopolitical issues causing uncertainty in the wider economy. We have focused on our core operations, maintaining a cautious approach rooted in financial prudence, and positioning the business for long-term value creation. I would like to thank all our colleagues for their ongoing dedication and contributions to the business.

Our property, car park and hotel operations delivered solid performance, with strong levels of occupancy and rent collection, and the completion of the rollout of our parking management system has enhanced efficiency. We did not make any acquisitions or disposals during the reporting period, although we took the decision to serve notice on a lease for one of our car parks in Watford. While some of our occupiers ceased trading during the period, we made some promising new lettings. An example is Dishoom, whose decision to open their first Leeds restaurant at Vicar Lane is a strong endorsement of the location's appeal and long-term potential.

At the end of the financial year, we were delighted to secure planning consent for a landmark student accommodation scheme at the Merrion Centre. The approved plans will transform the vacant 13-storey Wade House and add a 37-storey tower on the adjacent 100MC site to provide 1,039 student bedrooms with top-tier amenities. By adding residential use for the first time, the scheme will further diversify the estate and cement the Merrion Centre's position as a vibrant, mixed-use destination. Our other key development site is Whitehall Riverside, for which we received planning approval in 2024. Enabling ground works were completed in the year, and we are in advanced discussions with prospective occupiers for Z, our next-generation office development that is set to redefine workplace standards in Leeds.

Financial performance

- Our statutory loss in the year of £3.4m (2024: £7.8m loss) includes valuation losses and impairments in our property portfolio of £5.8m, with a like-for-like portfolio valuation down 2.4% from June 2024.
- Taking into account the other comprehensive losses in the year totalling £0.6m and £1.1m in dividends paid, net asset value per share was 266p, compared with 279p at 30 June 2024.
- Net borrowings, excluding lease liabilities, stood at £111.2m at 30 June 2025 (£108.6m at 30 June 2024).
- EPRA[1] earnings per share are 4.2p for the year (2024: 14.0p) with the initial recognition and subsequent movement on deferred tax assets and liabilities accounting for 5.4p of earnings in the prior year. In the current year, taxation has reduced EPRA earning per share by 2.8p.
- 99% of all rent and service charge income invoiced in the year was collected.
- During the year the Company received the final receipt of £3m relating to the sale of its investment in YourParkingSpace. Since the July 2022 sale the Company has received total consideration of over £21m, crystallising a profit of £18.5m in the two-year period.

People

I was deeply saddened to hear of the deaths of former Directors of the Company Clive Lewis, John Nettleton, David Whitehead, and John Leadbeater. We honour them in a dedicated section of this report (see page 4), and I also want to express my personal gratitude for their invaluable contributions to the success of the business, as well as their sound advice and friendship.

Sustainability

Our commitment to sustainability remains strong, and we are pleased that 43% of our portfolio has an EPC rating of B or above.

Dividend

Following completion of requirements associated with our exit from the REIT regime in 2023, we have resumed a regular dividend cycle. An uncovered dividend of 2.5p per share will be paid on 8 January 2026 to shareholders registered on 19 December 2025. Along with the interim dividend of 2.5p paid on 12 June 2025, this brings the total dividend for the reporting period to 5.0p, amounting to £2.1m or 119% of EPRA earnings.

Capital allocation decisions will continue to be evaluated by the Board with the aim of enhancing long-term shareholder value. This includes considering alternative methods of returning capital to shareholders, beyond the regular payment of Ordinary Dividends, where appropriate.

Outlook

Looking ahead, we will maintain our focus on creating long-term value from our existing property portfolio and car parking business, taking a disciplined financial approach to decision making. We are exploring additional investment opportunities, both within traditional real estate and in complementary areas that can add value and further diversify our risk. Our well-balanced portfolio, strong balance sheet, experienced team, and long-term perspective position us well to navigate ongoing economic uncertainty and deliver sustainable growth.

Edward Ziff OBE DL
Chairman & Chief Executive
16 October 2025


CGI – Z Whitehall Riverside

1 Alternative performance measures are detailed and reconciled within note 11 and the financial review and defined within the glossary in these financial statements.

STRATEGIC REPORT

Chairman & Chief Executive's Statement continued

During the last 12 months four former Directors who played key roles in the development of TCS sadly passed away.

David Whitehead

35 years at Town Centre Securities

David Whitehead made a massive contribution to Town Centre Securities. He was the first employee to join my father in 1962. In the early days of the business he was a major contributor to its growth and development. I am very grateful for all the patience and support he gave me when I first arrived in the business. After he retired in 1997, he continued to support me and was always very encouraging about all the Company's activities. David was my father's closest, most trusted, and valued colleague and became a close personal friend to all the Ziff family. I would like to take the opportunity of extending our sincerest condolences to his wife Sandra, his son Miles, and his daughters Shuna and Xanthe.

Johnny Nettleton

13 years at Town Centre Securities

Johnny Nettleton joined the Board of Town Centre Securities in 2004. His first Board meeting was the last one that my father attended prior to his passing. Johnny served on the Board for 13 years during which his knowledge and contribution was incredible. It is fair to say that Johnny's knowledge of real estate and the property business was without parallel and he was always available and happy to provide support, advice and encouragement, not only at Board level, but for many others, particularly our younger colleagues in the business. Johnny's personality and charisma shone through in all his dealings and, whilst always interesting, they were entertaining too. We offer our sincere condolences to his wife Jo, his sons Jonathan and Jeremy and his many grandchildren. I, together with all of the Board and the Ziff family, miss his presence.

Clive Lewis

15 years at Town Centre Securities

Clive joined the Board of Town Centre Securities in 1994 having built the reputation as being one of the best retail property agents of his generation. He founded Clive Lewis & Partners, which became one of the leading practices, not only in the West End of London but nationally acclaimed too. He forged a remarkably close working relationship with my father and was always very actively engaged with, not only Town Centre Securities' activities but also our sister company, Stylo Barratt Shoes. His practice acted for us in many different ways, frequently acquiring and disposing of property investments, letting vacant shops, and providing consultancy and valuation services on various projects.

He brought all of these skills to Town Centre Securities when he joined our Board and always offered sound, sensible and unique advice. Apart from being a close confidante and friend to many within Town Centre Securities, he was always charming and entertaining company. After his retirement he remained in close contact with us right up until his passing on 16 April 2025. He and his late wife Penny were a formidable partnership and couple who we miss enormously. We send our heartfelt condolences to his daughter Victoria and his sons Simon and Mark.

John Leadbeater

28 years at Town Centre Securities

John joined Town Centre Securities in 1973. He was promoted to Estates Manager and then promoted to the Board as Estates Director in 1984. John was a highly technical surveyor, and his knowledge of property law was second to none. His understanding of all aspects of property management was encyclopedic, and he was always determined to ensure that Town Centre Securities' interests were served to the best of his ability. He retired from Town Centre Securities in 2001 although he continued to offer sound advice and guidance. We offer our sincere condolences to his wife Sheila and their children.

STRATEGIC REPORT
Market Overview

Our Market

Over the last 12 months the economy has remained subdued. Here we identify the key trends impacting our business, the opportunities and challenges they present and how we are responding.

UK economic growth – cost of living, inflation, geopolitical unrest and interest rates

Description: A change in government has not necessarily heralded any improvements in the wider economy: the cost-of-living crisis and above-target inflation still persist. Over the last 15 months the Bank of England has steadily reduced the underlying base rate to 4.0%, although the expectation that the pace of further interest rate cuts will be slowed. Geopolitical unrest is furthering uncertainty in both the domestic and global economy.

As a result, existing and potential retail and leisure tenants are still evaluating their own portfolios and potential expansion plans.

How we are responding

88%

Of our assets are located in Leeds and Manchester

with our portfolio diversified over a number of sectors, including retail, leisure, offices, car parking and residential. We are well positioned to take advantage of investments in a number of these areas by developing high-quality assets when opportunities arise.

Ducie House, Manchester

Flexible working and office space

Description: Working practices have remained consistent over the last few years, and employers are still not mandating full-time office working. From talking to our tenants and other stakeholders we see hybrid and flexible approaches when it comes to working practices, which is affecting demand for office space as well as occupancy levels in some of our city centre car parks.

The environmental credentials of a building have always been important to tenants, however for new prime offices these are as important – if not more so – than the underlying rental value. Over the coming years we expect this to affect both the estimated rental values achievable and the underlying investment yields for every property, whether new-build or an existing investment. The new minimum energy efficiency standard of EPC B, which becomes mandatory in April 2030, is a key metric where we invest and update our existing portfolio.

How we are responding

29%

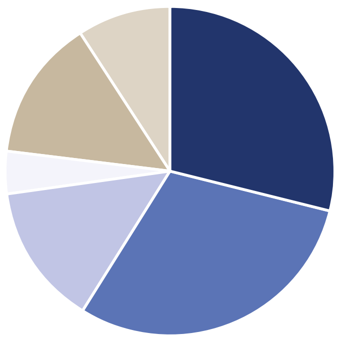
Of our portfolio is currently office space

with our focus on high-quality assets in city centres. The majority of these, including our latest developments, 123 Albion Street and Ducie House, are multi-tenanted and we have focused on providing flexible attractive working environments.

Engagement with our tenants is a key tenet of our business; this year is our first to include reporting on combined emissions, continuing to improve the energy efficiency of our buildings and increasing waste recycling.

Where it is not possible to create attractive office space, we are repurposing existing buildings. This can be seen in the recent planning approval to convert Wade House, an existing 1970s office building, into a new PBSA development.

Portfolio sector analysis



Sector	%
Offices	29%
Retail and Leisure	30%
Car Parking	14%
Hotel	4%
Residential	14%
Development	9%

Changing consumer shopping habits

Online shopping continues to challenge the retail sector's traditional business model of operating large stores on the high street and in shopping centres. Reduced requirements and smaller store sizes are now the norm, with town and city centres having to evolve their offering. This has resulted in further retail casualties during the year, however the operators that keep pace with changing customer needs and identify optimal in-store propositions should be able to thrive.

How we are responding

19%

Of our portfolio is pure retail down from 60% nine years ago

In line with our strategy of the last four years, we have diversified our portfolio and reduced our retail exposure. Pure retail now accounts for only 19% of our portfolio value, down from 60% nine years ago. The majority of our current retail tenants are classed as 'essential' and operate in food, discount and convenience retail.

CitiCharge – a subsidiary of CitiPark

Environmentally friendly and sustainable solutions

Consumers are increasingly focused on the impact of their activities on the planet and are looking for environmentally friendly and sustainable options. In the property sector, this includes minimising the environmental impact of buildings, ensuring buildings are digitally efficient, developing sustainable and energy efficient solutions, as well as considering the health and wellbeing of employees, tenants and visitors. In the automotive sector, demand for electric cars is rising; the Labour Government's plan to phase out the sale of new petrol and diesel cars by 2030 (five years earlier than the previous government's target) means that the infrastructure to charge them when consumers are on the move is now crucial with more charging points needed in more locations around the country.

How we are responding

Across our buildings we integrate high standards of environmental design and target the latest standards including EPC A ratings, BREEAM Outstanding as well as net zero carbon in the operation of our new developments. With wellbeing never so important, our developments will not only focus on first-class places to live and work, but they will offer space to relax, unwind and enjoy the surroundings.

We operate three solar photovoltaic farms on top of buildings we own in Leeds and Manchester, which generated over 219,600 kWh of energy in the year (FY24: 189,000 kWh) and avoided over 39 tonnes of CO_2 (FY24: 111 tonnes). We continue to look at innovative ways to further reduce our environmental impact.

In our Car Parking division, we have continued our roll-out of EV charging points and rapid chargers across our car parks and alongside our buildings. We currently operate 61 chargers across CitiPark's Car Parking portfolio and a further 38 chargers with NHS and retail partners.

Bath Street Refurbishment, Glasgow

At Bath Street in Glasgow, we completed a comprehensive refurbishment of the apartments and communal areas, creating a more modern and welcoming living environment.

The works have delivered fresh interiors and upgraded shared spaces, ensuring the property meets the expectations of today's residents while retaining its character and city-centre appeal.

This investment has not only improved the day-to-day experience for tenants but also strengthened the long-term appeal of the building. By modernising these homes and enhancing the quality of communal areas, we have ensured Bath Street remains a desirable residential address in a competitive market, aligned with our strategy of adding value through thoughtful asset improvement.

STRATEGIC REPORT

Feature Story

Z Building Launch, Whitehall Riverside, Leeds

The launch of Z at Whitehall Riverside represents an important step in the evolution of Leeds' office landscape.

Conceived as a new breed of workspace, Z brings together cutting-edge design with a strong focus on sustainability, technology, and wellbeing. Set on the riverside, the building creates a unique environment that balances innovation with nature, providing a workplace experience tailored to modern occupiers.

This development reinforces our role as a forward-thinking landlord, committed to delivering workplaces that anticipate the needs of future generations. Z is more than just an office building; it is a statement of intent around how we see the future of work – flexible, collaborative, and environmentally conscious.

STRATEGIC REPORT

Feature Story

Repurposing 123 Albion Street

We have successfully repositioned 123 Albion Street by welcoming new operators Riley's and Glee Comedy Club.

This strategic repurposing has transformed the building into a vibrant leisure hub, broadening the mix of uses across our portfolio and ensuring the property contributes positively to the local economy.

A thriving addition to the Leeds leisure scene.

The introduction of these brands demonstrates our ability to adapt spaces in response to market demand. With both operators adding a fresh dynamic to the city's entertainment offer, 123 Albion Street is now better aligned with consumer trends and has established itself as a thriving addition to the Leeds leisure scene.

STRATEGIC REPORT

Feature Story

New Restaurant & Leisure Openings at the Merrion Centre

The Merrion Centre has continued to strengthen its position as one of Leeds' most diverse leisure and dining destinations.

Welcoming a number of new and reimagined operators. Highlights during the year included the arrival of La Fiesta, adding authentic Mediterranean flavours to the mix, and the much-anticipated reopening of the independent favourite Fuji Hiro, which has returned to delight loyal customers and attract new audiences.

La Fiesta, Leeds Merrion Centre

These additions bring fresh energy to the Centre while reinforcing its role as a hub for distinctive, experience-led dining.

Elsewhere, long-standing tenants have shown confidence in the Centre by investing in their offers. Tenpin has undergone a significant upgrade, creating an enhanced entertainment experience, while Bulgogi has been transformed into the vibrant new Mommy Mookrata concept. The introduction of Little Lotus further diversifies the food offering, underlining the Centre's ability to provide something for everyone. Together, these developments showcase the Merrion Centre's ongoing evolution, with a strong blend of local independents, innovative newcomers, and established national operators.

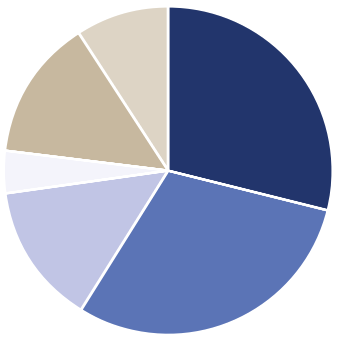
STRATEGIC REPORT
Our Business Model

We have a strong record of creating long-term value through income and capital growth.

What sets us apart – investment case

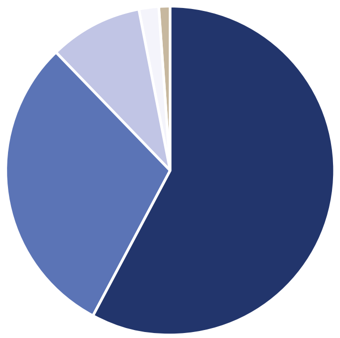
Our diversified portfolio spans a wide range of sectors across key regional locations.

Portfolio value by sector



Offices	**29%**
Retail and Leisure	**30%**
Car Parking	**14%**
Hotel	**4%**
Residential	**14%**
Development	**9%**

Portfolio value by location



Leeds	**58%**
Manchester	**30%**
London	**9%**
Scotland	**2%**
Sheffield	**1%**

Development pipeline of over £400m of high-quality assets
Our pipeline presents significant long-term growth opportunities. With a combination of potential office, residential and car park opportunities.

Established relationships with diverse, high-quality tenants
Our tenants include household names such as Morrisons, Iceland and Greggs, as well as small and growing companies.

A resilient and robust business with 60 years' heritage
We take a long-term view underpinned by a significant family shareholding.

Mix of short and long-term financing
We leverage our portfolio to provide innovative and secure funding.

Experienced team with in-depth knowledge of the communities in which we operate.
We create vibrant local communities in areas of strong economic growth, and contributing to these communities is at the heart of our culture.

What we do

Actively manage assets to optimise income and capital growth
- Refurbish and upgrade
- Renew leases
- Reduce voids

Maximise available capital by utilising a combination of secured lending, retained profits and share capital

Invest in our development pipeline, continuing to unlock existing opportunities and create new ones

Acquire investment assets to diversify our portfolio across sectors, with a focus on Leeds, Manchester and London

Create a long-term quality portfolio

How we generate value for our key stakeholders

For investors
We provide reliable returns and long-term capital growth.

For tenants
For commercial tenants we create spaces that help support businesses and meet their changing needs. We provide safe environments for our residential tenants, with modern city living a prerequisite.

For employees
We are committed to providing a safe and secure working environment with opportunities for career progression.

For communities
We strive to make a positive contribution through development that helps communities to thrive and by supporting local initiatives and charities.

STRATEGIC REPORT

Our Strategy & KPIs

We have clear plans to further enhance shareholder value.

Loan to value 53.1%

Financial liabilities totalling £139.5m plus the net cash overdraft of £0.4m as a percentage of total assets worth £281.4m, less cash and cash equivalents of £18.0m.

See glossary for definition of these terms at the end of these financial statements.

Active Management

of assets to optimise income and capital growth

KPIs

Capital expenditure in FY25 on the existing portfolio

£4.2m

(FY24: £5.3m)

Void rate at 30 June 2025 stands at

7.4%

(30 June 2024: 8.1%)

PROGRESS:

- The proportion of retail and leisure assets in the portfolio has now settled at 30%, down from 60% in 2016. Pure retail now represents only 19% of the total portfolio, and of that, 66% is in the resilient Merrion estate.
- We made no significant disposals within the year following the completion of a successful disposal programme over the last five years.
- We have made progress on opportunities at Vicar Lane, Leeds with the announcement of a key letting to Dishoom.
- We have served notice on an underperforming right-of-use car park in Watford.
- We have begun our 'Pathway to Net Zero' project, initially collecting emissions data for all of our assets.

PRIORITIES

- Future opportunities have been identified at Vicar Lane, Leeds and the Merrion Centre.

Capital maximisation

by utilising a combination of secured lending, retained profits and share capital

KPIs

Loan to value[1] as at 30 June 2025

53.1%

(FY24: 50.8%)

LTV headroom over our bank facilities as at 30 June 2025

£24.6m

(FY24: £20.4m)

Generated from asset and investment sales in the year ended 30 June 2025

£3.2m

(FY24: £6.8m)

Weighted average cost of net borrowings at 30 June 2025

5.2%

(FY24: 5.3%)

1 See glossary for definition of these terms at the end of the financial statements.

PROGRESS:

- Net borrowings (total borrowings of £139.5m and net cash overdrafts of £0.4m less finance lease liabilities of £29.5m) increased 1.7% to £110.4m, with loan-to-value ('LTV') increasing to 53.1% (FY24: 50.8%).
- We extended our existing Lloyds facility by a further year; it now expires in June 2027. There is a further one-year extension that can be requested under this facility, subject to bank consent.
- We extended our existing NatWest facility by a further 15 months; it now expires in December 2026.
- Our existing Handelsbanken facilities expire in June 2026; we will look to renew this facility with a new three-year term loan in the coming months.

PRIORITIES

- We will continue to review our portfolio with an increased focus on bringing forward our development pipeline.
- Optimising our capital structure to reduce gearing and absolute borrowing levels whilst reducing the exposure to variable interest rates is an ongoing focus.

Investment

in our development pipeline, continuing to unlock existing opportunities and create new ones

KPIs

Development pipeline remains in place

£400m

(FY24: £400m)

Electric Vehicle charging bays across our portfolio

61

(FY24: 61)

PROGRESS:

- Our development pipeline, with an estimated GDV of over £400m, is a valuable and strategic point of difference for TCS which we continue to progress and improve.
- In June 2025 we received planning approval from Leeds City Council for 1,039 student bedrooms at the Merrion Centre – including the conversion of Wade House, an existing 13-storey office building, and the creation of a new tower.

PRIORITIES

- We continue to review the sequence of our development pipeline.

Acquisition

of investment assets to diversify the portfolio across sectors, with a focus on Leeds, Manchester and London

KPIs

Retail and leisure proportion of portfolio

30%

(FY24: 30%)

Percentage of portfolio now invested in residential

14%

(FY24: 12%)

Percentage of the portfolio located in Leeds and Manchester

89%

(FY24: 88%)

See our strategy page 16

PROGRESS:

- There were no acquisitions in the year.

PRIORITIES

- We continually review opportunities to acquire new investment assets across all sectors, in particular in Leeds, Manchester and London.
- Sites with asset management and/or development opportunities are a particular focus.

STRATEGIC REPORT

Portfolio Review

Diversified

The Merrion Centre, Leeds

Valuation →

The like-for-like value of our portfolio decreased by 2.4% (£4.2m) after capital expenditure of £4.2m and a £2.1m disposal in the year.

Percentage of Offices

29%

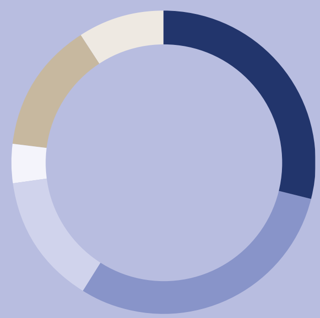
2024 | 28%

Percentage of Residential

14%

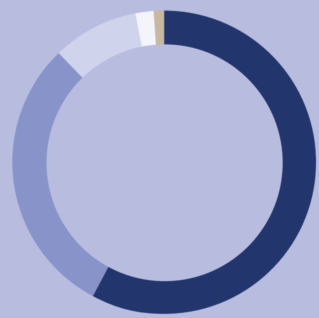
2024 | 12%

Portfolio value by sector



Offices	29%
Retail and Leisure	30%
Car Parking	14%
Hotel	4%
Residential	14%
Development	9%

Portfolio value by location



Leeds	58%
Manchester	30%
London	9%
Scotland	2%
Sheffield	1%

STRATEGIC REPORT

Portfolio Review continued

The valuation of all of our properties (except two) was carried out by CBRE.

Portfolio overview

	Passing rent £m	ERV £m	Value £m	% of portfolio	Valuation incr/(decr)	Initial yield	Reversionary yield
Retail & Leisure	0.4	1.5	15.9	6%	14.5%	2.3%	9.2%
Merrion Centre (exc. offices)	4.0	4.7	48.1	19%	-7.1%	7.9%	9.2%
Offices	4.9	6.5	73.7	29%	0.7%	6.3%	8.3%
Hotels	0.9	0.9	10.2	4%	3.0%	8.5%	8.5%
Out-of-town retail	1.1	1.3	13.1	5%	4.6%	7.6%	9.7%
Residential	1.7	1.9	34.5	14%	6.7%	4.6%	5.1%
	13.0	**16.8**	**195.5**	**77%**	**1.0%**	**6.3%**	**8.1%**
Development property			22.6	9%	-14.9%		
Car parks			36.0	14%	-10.9%		
PORTFOLIO			**254.1**	**100%**	**-2.4%**		

Note: includes our share of Merrion House within Offices (£27.5m – see note 14 of these financial statements) and car park goodwill of £1.7m (see note 13 of these financial statements) arising on individual car park assets, but specifically excluding goodwill arising from car park operation acquisitions. None of the above is included in the table set out in note 12 of these financial statements.

Note: excludes IFRS 16 adjustments that relate to right-of-use car park assets (£20.9m) as the Directors do not believe it is appropriate to include in this analysis assets which have fewer than 50 years remaining on their lease and the Group does not have full control over these assets. These assets are included in the table set out in note 12 of these financial statements.

The table below reconciles the table above to that set out in note 12 of these financial statements:

	FY25 £m	FY24 £m
Portfolio as per note 12	245.8	248.9
50% share in Merrion House	27.5	27.5
Goodwill – Car parks	1.7	2.5
Less – Right-to-use car parks	(20.9)	(22.9)
AS PER THE TABLE ABOVE	**254.1**	**256.0**

Sales and purchases

During the financial year ended 30 June 2025 we did not sell or purchase any new properties, however we did serve notice to terminate the lease on one of our right-of-use car parks, which has resulted in the recognition of a profit on disposal of a leasehold property.

Our continued commitment to asset recycling is clear when opportunities arise. The table below details the £168.4m of disposals made since FY17, of which 71% were retail and leisure assets.

	Sales		Purchases	
	£m	% retail & leisure	£m	% retail & leisure
FY17	22.3	88%	4.0	46%
FY18	10.1	95%	9.0	0%
FY19	14.0	100%	16.0	25%
FY20	2.5	100%	1.7	100%
FY21	48.0	93%	–	–
FY22	37.9	59%	7.0	100%
FY23	33.4	21%	18.8	0%
FY24	0.2	0%	1.5	0%
FY25	0.0	0%	0.0	0%
	168.4	**71%**	**58.0**	**25%**

Retail and leisure

The retail and leisure market has recovered this year. We have seen this with valuation improvements on our retail and leisure assets outside of the Merrion Centre. Renewed interest in our Vicar Lane property following the announcement around Dishoom coming to Leeds is a particular highlight. The wider Merrion Estate is proving resilient, however the internal retail mall is suffering both from existing and potential tenant demand.

As the online retail market grows, high street units are having to diversify their offering to become more than just shops; some are now incorporating experiences, entertainment and restaurants. This is a trend that we are looking to replicate throughout our portfolio.

Regional offices

The valuation of our office portfolio has now stabilised following a number of years of decline and in the year has grown by 0.7%.

Whilst the office market continues to face significant macroeconomic pressures there have been signs of positivity throughout the year, with rental growth being achieved at each building within our office portfolio. This is particularly true at Town Centre House where we have committed significant investment into our suites and communal areas, allowing us to achieve EPC A and assist us in our sustainability targets.

Office space in prime locations continues to be well sought after, and we are seeing more demand for flexible work-space to be offered as part of a wider building amenity, with those taking large space on traditional leases looking for flexible space within the building to scale up and down as necessary.

Residential

The residential market has continued to grow with our residential portfolio increasing by 6.7% in value during the year.

Whilst the Manchester rental market has started to see softening demand there has still been annual growth of 2.4%, with our Manchester portfolio outperforming this due to its positioning within the market, allowing us to remain an attractive option to various parties. The removal of multiple dwellings relief on stamp duty had an affect on our portfolio last year however the market now appears to be rebalancing itself, with demand growing again.

Car parks

During the year, the Company's freehold and long leasehold car park assets fell in value by £4.4m, a drop of 10.9%. Occupancy levels across the portfolio remain consistent however increased operating costs and rental charges negatively impacted the underlying values.

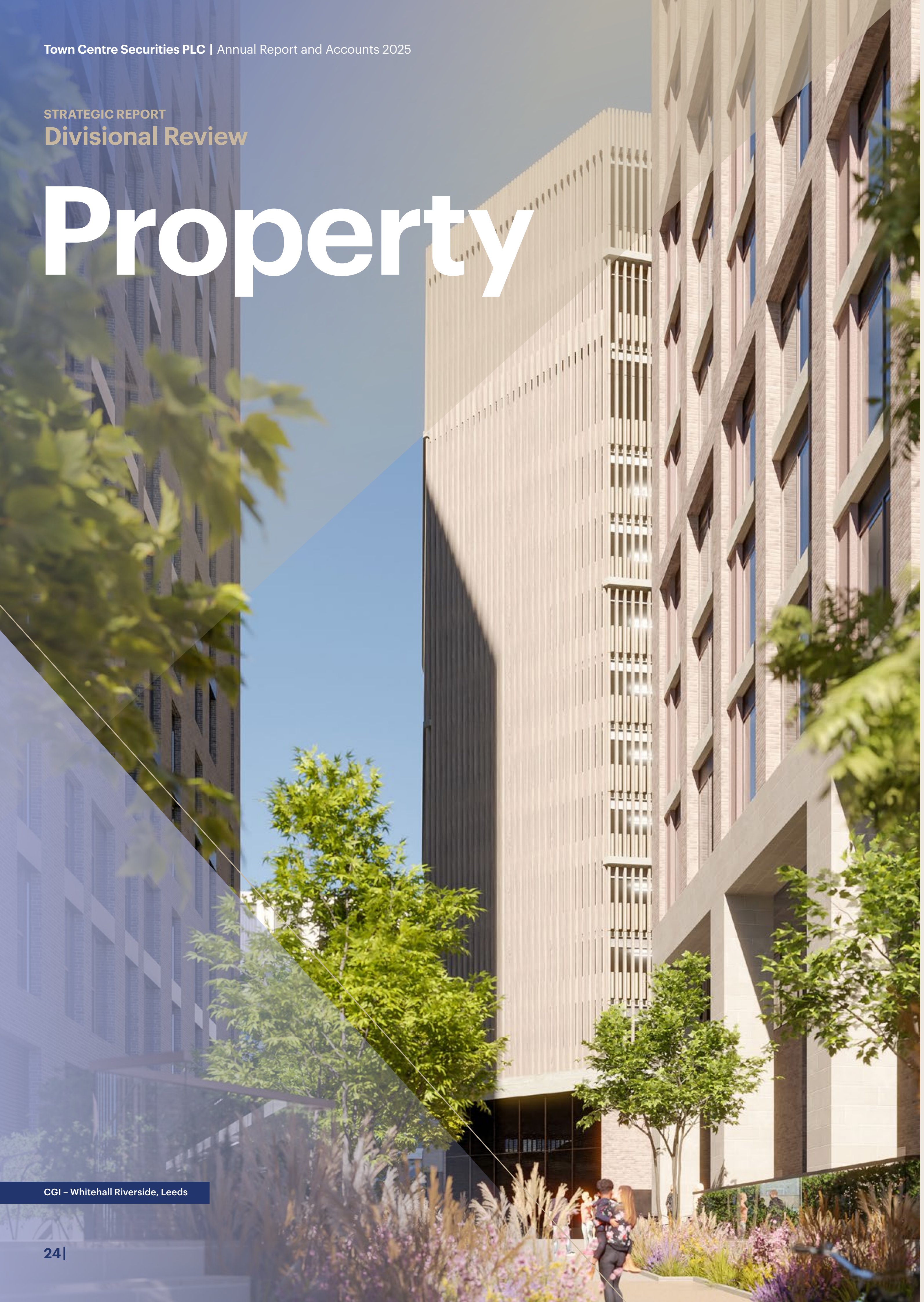
Developments

The value of the Company's development sites reduced by £3.7m or 14.9% in the year.

Town Centre House, Leeds

STRATEGIC REPORT
Divisional Review

Property



CGI – Whitehall Riverside, Leeds

We remain in a strong financial position and continue to take a long-term approach to our portfolio.

Overview →

Our long-term perspective has remained a mainstay of our approach as international geopolitical factors have caused economic uncertainty, and, as such, the reporting period was not one of significant change to the portfolio.

In the main, our assets remain well let, with the exception of some voids and spaces held for redevelopment in Leeds. We did not make any acquisitions or disposals during the year, although we will continue to evaluate opportunities on a case-by-case basis to ensure alignment with our investment criteria and priorities. Excluding the impact of business failure, where three of our tenants went into administration in the year, rent collection has remained robust.

We have continued to progress our development sites, while monitoring economic conditions and market sentiment to inform decisions.

The Merrion Estate, Leeds

STRATEGIC REPORT

Divisional Review continued

Generated revenues

£15.4m

2024 | £15.3m

Performance by segment

Our office locations have seen high occupancy. In line with our asset management strategy to invest in high-quality space, the refurbishment of Town Centre House has gone well, with offices on the ground and fourth floors let, and a tenant on another floor looking to expand.

Across the wider sector, we have continued to see larger corporate occupiers seeking quality spaces with strong sustainability credentials as they encourage a return to office working. Demand for office space continues to be affected by people working from home, however, despite an increase in employers mandating office-based work. There is a great deal of secondary office stock to be absorbed before significant new build office development is likely, particularly in a challenging funding environment with interest rates remaining high, despite the recent reductions in the Bank of England base rate.

There have been winners and losers in the leisure sector, with several of our units affected during the year by restaurant closures. Our team has been busy working on what could replace them, and it is encouraging to see strong interest from prospective occupiers. We have made some high-quality lettings during the period. An example is Dishoom, who have chosen to locate their first Leeds restaurant on Vicar Lane and will occupy 8,000 square feet over two floors of the Coronation Buildings. A high-profile operator like Dishoom coming to Leeds is generating interest from other restaurant operators looking for a presence in the city. We are continuing to explore options for reinventing the vacant nightclub space at the Merrion Centre.

Our residential assets have continued to perform well across our locations. In Glasgow, we completed the refurbishment of Bath Street during the period and have let the apartments at strong rents. Our properties in Manchester and Leeds have also seen high occupancy and increasing rents.

Our Ibis Styles hotel has also enjoyed high occupancy throughout the year, with the UKREiiF (Real Estate Investment and Infrastructure Forum) in May an example of the types of events and conferences attracting high numbers of delegates to Leeds.

ibis Styles Hotel, Leeds

We expect to see a high margin between rents in new build and refurbished properties.

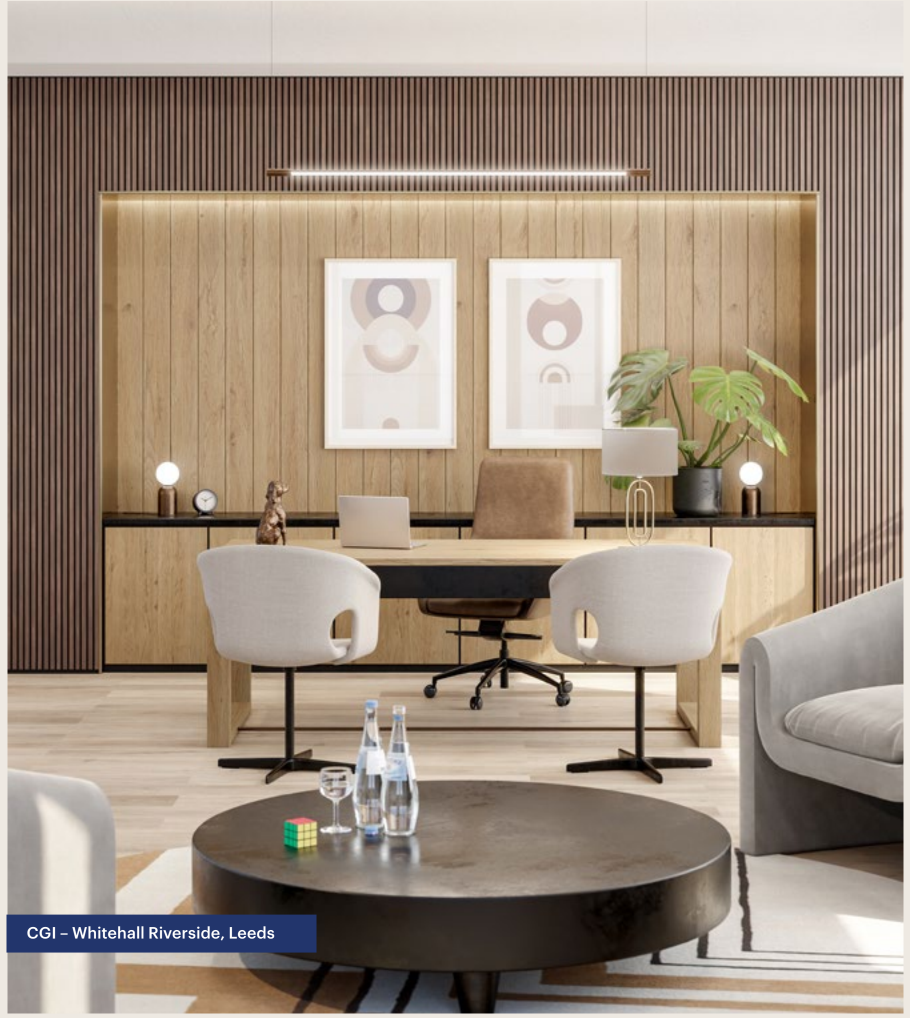
Development pipeline

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

Having received planning permission for our prime Whitehall Riverside site in 2024, we completed groundworks during the year. We recently unveiled details of Z, which will create best-in-class, smart, energy-efficient office spaces as a core element of the wider masterplan that also includes a multi-storey car park, and are in discussions with potential occupiers.

Outlook

As we work to optimise returns from our portfolio and advance our development pipeline, diverse external factors will continue to present opportunities as well as challenges. Our expertise in multiple sectors, financial strength and long-term perspective make us well placed to capitalise on opportunities as they arise, as well as ride out periods of uncertainty in specific parts of the market, and we look forward with confidence.



CGI – Whitehall Riverside, Leeds

CitiPark

CitiPark, Leeds Merrion Centre

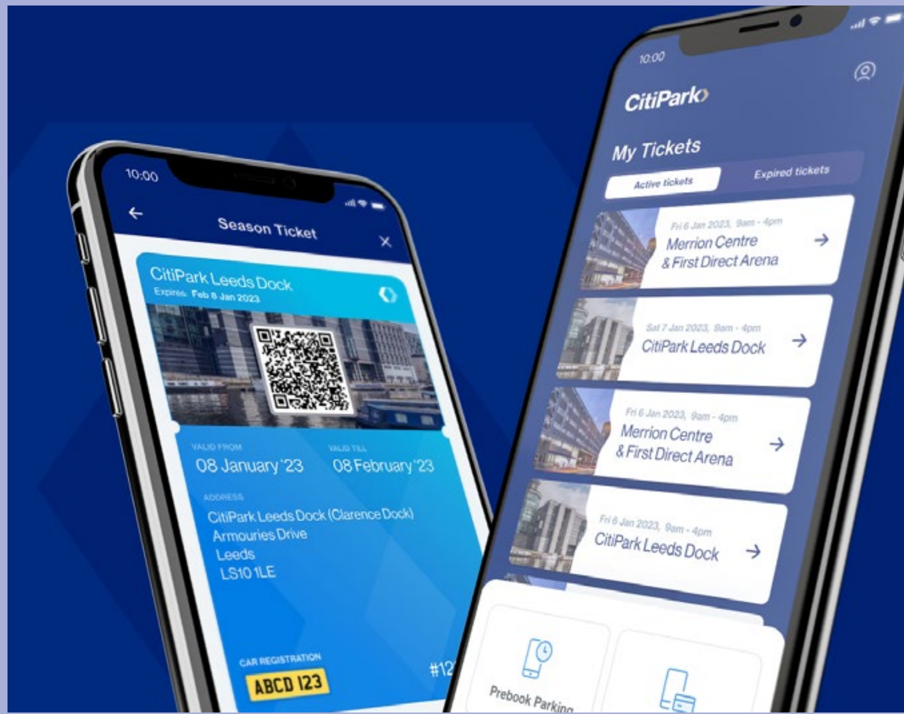
Overview

The past year has been a period of consolidation for CitiPark, with a focus on organic growth of our existing portfolio, while we have maintained a cautious approach to exploring opportunities for growth. Revenues for the year were £14.0m (2024: £13.4m).

Revenues for the year

£14.0m

2024 | £13.4m



Performance

Utilisation of our branches has continued to be influenced by structural factors including fewer working days in the office, as well as local policies to encourage changes in travel patterns, such as traffic management schemes to alter traffic flows. We have maintained our efforts to offset the effects of such challenges by offering different propositions and promotions to local businesses as we work to develop and strengthen relationships.

After taking on management of three branches in the previous reporting period, we have not entered additional car park management agreements this year. We have focused on operating existing locations and generating learnings to support the evaluation of future branches.

As part of our ongoing efforts to optimise our operations, we took the decision to serve notice on a lease for one of our car parks in Watford, and will exit this branch in December 2025.

Technology and innovation

Our parking management system has now been deployed across all our branches – owned and managed – and has been very well received. Our software and the associated hardware have greatly improved the customer experience, supported revenue generation and also created synergies with our enforcement business. We continue to drive improvements and to benefit from cost efficiencies from operating our own platform.

Our investment in EV charging infrastructure has focused on renewals and upgrades. Decisions on expansion of charging points are informed by our data and insights on utilisation as well as customer feedback. Although the number of charging points on our own branches has remained stable, we have increased the number of chargers under our management, adding 29 chargers at the Plateworks in Leeds after we were approached to manage this new location.

Outlook

With a solid, well-invested business across our branches, parking management system and ancillary services, we retain a positive view of CitiPark's prospects. We will continue to apply our rigorous approach to evaluating opportunities for growth and innovation, applying our deep sector expertise as well as data from our operations to guide decision making.

STRATEGIC REPORT

Section 172 Statement

Carvers Warehouse, Manchester

Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

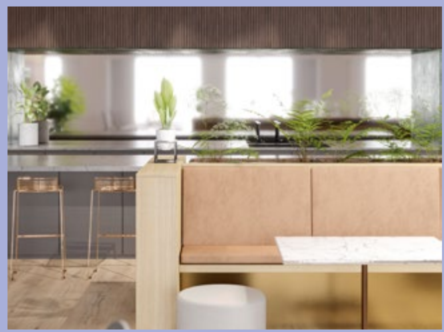
The Board believes that, individually and collectively, they have acted in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in s172(1) (a–f) of the Companies Act 2006. We have continued to protect and generate value for our stakeholders for 65 years and remain committed to pursuing our strategy for long-term value creation.

We believe that consideration of our stakeholders is the foundation of what we do and the basis of every decision that is made throughout the Company. To demonstrate how entrenched this is in the way we act as a business we have included cross-references to where you can find further examples across this report.

Why invest in Town Centre Securities?

Clear demonstration of the value we provide to Shareholders

READ MORE → PAGE 16



Strategy

Clearly defined plans for the future of the business

READ MORE → PAGE 17

Responsible business

Demonstrating understanding of how our business impacts those around us

READ MORE → PAGE 34

STRATEGIC REPORT

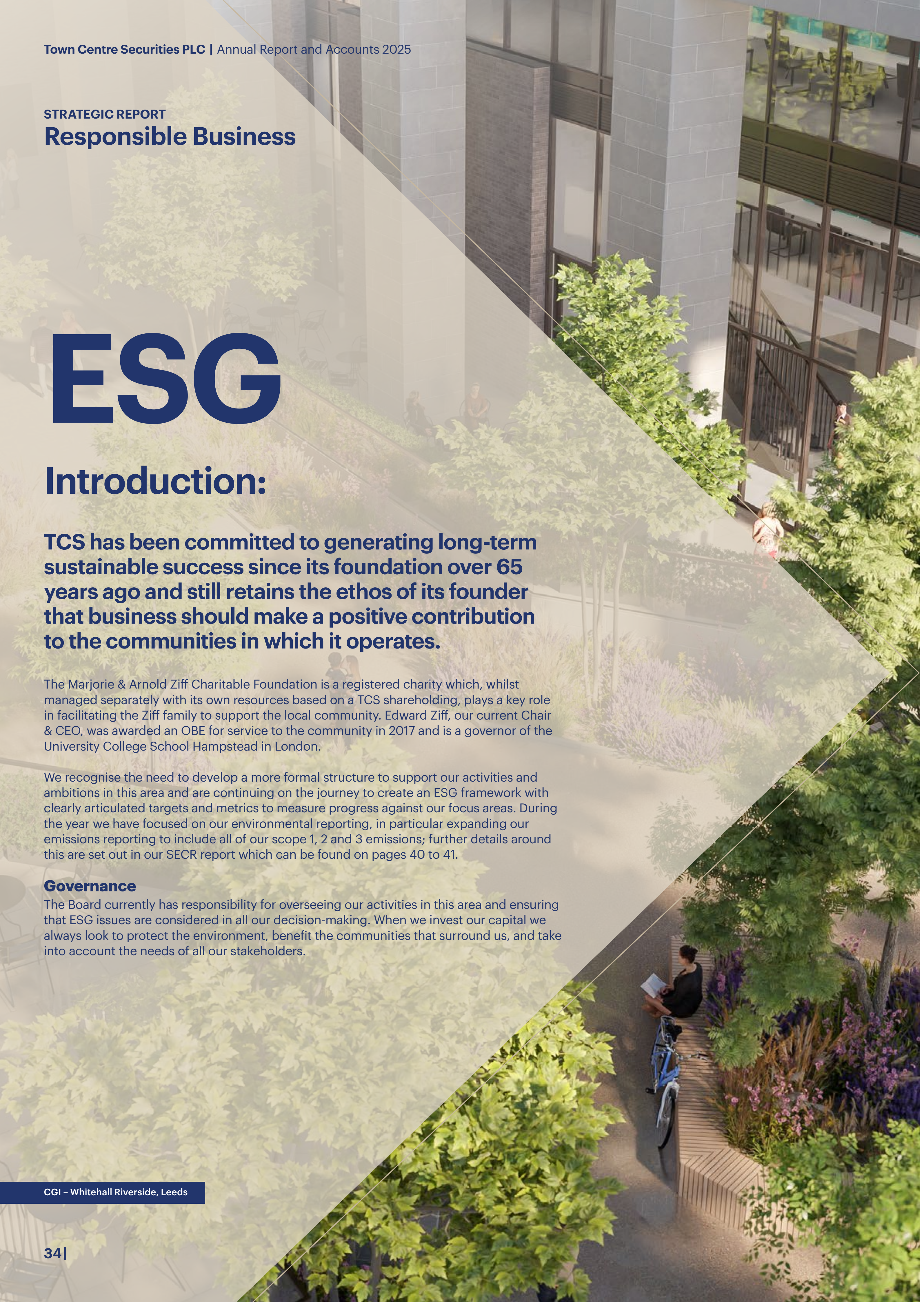
Section 172 Statement continued

How the Board factors its stakeholders into decision-making

The table below sets out who we believe to be our key stakeholders, why they are important to us and, subsequently, how we factored their interests into our decision-making process to promote the success of the business as a whole.

Our stake-holders:	Why they are important:	How we engaged during the year:
SHAREHOLDERS	Shareholders are key to ensuring we have the capital to continue doing what we do. They keep us accountable and provide direction and approval of future plans.	The primary communication with Shareholders is through the Annual Report and Accounts, the half-year release and the Annual General Meeting ('AGM'). All Directors attend the AGM (either in person or by teleconference), and we encourage Shareholders to ask questions of the Board and to meet informally after. In addition, the Chairman & Chief Executive and Finance Director maintain a dialogue with institutional Shareholders and analysts immediately after the announcement of the half-year and full-year results, and at other times throughout the year, taking on board suggestions especially with regard to non-financial reporting. During the year the Board considered key decisions around the implementation of the strategy of the business. Following the recent successful disposal programme that has reduced the Company's exposure to retail and leisure tenants, the levels of debt and increased loan-to-value headroom on its individual bank facilities, the Board reviewed the updated capital allocations and working capital requirements of the Group. Following two tender offers in the last three years and with the current levels of gearing and surplus cash, the Board determined that any further tender offers would not be in the best interests of Shareholders. As part of these processes the Board was provided with briefing papers, prepared and presented by the Executive Directors. Following the Company's exit from the REIT regime and the payment of a special interim dividend in June 2024, the Board has deemed it appropriate to resume a regular dividend cycle with the payment of an interim dividend of 2.5p per share in June 2025 and a proposed final dividend to be paid in January 2026.
EMPLOYEES	Our employees allow us to continue to deliver and maintain quality environments and services for our customers, and sustain long-term growth, providing value to our Shareholders. Ensuring we have happy employees with challenging work, in turn produces higher quality outcomes and benefits all stakeholders.	We are committed to the personal and professional development of our employees, supporting employees through studies. We continue to look for ways to improve the rewards and support we give our staff beyond their base salary, and have a number of schemes in place to enable this. This includes but is not limited to: salary sacrifice schemes for childcare vouchers; cycle to work and electric car initiatives; Westfield Health care and a health screening programme for head office-based staff; a company pension scheme and access to a pension advisor; and a share-save scheme allowing all staff to benefit from the HMRC scheme, with TCS also contributing shares. The canteen and break-out spaces enable all employees and Directors to engage with each other outside of the pure work environment. The Board is also very conscious of the ongoing cost-of-living crisis and 37 members of staff, in the October 2025 pay review, have been awarded bonuses in addition to salary increases. Although not necessarily a formal Board decision matter, the seriousness of the cost of living, inflation and interest rate rises has been discussed both at Board level and at the Remuneration Committee, where the Board decision was then ratified. Ian Marcus, Non-Executive Director, is our workforce representative. Further details on our workforce engagement can be found on page 37.

Our stake-holders:	Why they are important:	How we engaged during the year:
TENANTS	Delivering for customers is at the heart of everything we do. Whether that is locally-based businesses in our mixed-use developments or users of our state-of-the-art car parks. If our customers are satisfied, then we know we are delivering enjoyable and high-quality environments. We value highly the long-term relationships we have with our tenants.	We speak to all our tenants on a regular basis, in an attempt to understand the pressures that they are under and how we can work with them and ensure they remain tenants in the longer term. We have been particularly keen to ensure that small and long-term loyal tenants are helped not only financially but with wider operational support as well. A particular focus in the current year was around waste recycling and engaging with tenants helping them understand the importance of proper waste disposal and the environmental benefits of effective waste segregation. In the current year we have engaged with tenants around their own greenhouse gas emissions (in particular Scope 1, 2 and 3), starting with all tenants occupying over 10,000 sq ft of space as well as a collaborative approach to improving the EPC ratings of all our properties. All decisions made with regards to new tenants and rent concessions are made at the property review meetings, with all Executive Board members in attendance. The minutes of both the property review and CitiPark management meetings then form an integral part of the main Executive Board meetings. Further details on our engagement with our customers can be found on pages 06 to 07.
DEBT FUNDERS	Our economic model assumes that we leverage assets developed to continue to invest and grow. This makes the availability of secured debt funding key to business development. We see our three main bank debt funding providers and our debenture holders as key stakeholders.	We remain in regular communication with our banks. We have made sure to update them on rents received and key measures related to overall Company performance and the assets specifically secured to their facilities. In addition, we prepare a debenture-specific presentation (available on our website) which the Chief Executive and Finance Director are more than happy to present to any of our debenture holders. As part of the monthly Board papers, summaries of each of the Company's debt facilities, together with the properties secured, are provided. During the year the Board has discussed the levels of debt financing required, and following reductions in our bank facilities in previous years, the Board decided not to further reduce the quantum of any of the three debt facilities available to the Company. With individual facilities up for renewal in the next 24 months, the Board have started negotiations on either extensions to or suitable renewals for these facilities.
COMMUNITY	We believe we have a duty to make a positive contribution locally and be considered an integral part of the community.	During the year the Merrion Centre has hosted weekly and more permanent events, primarily aimed at children and families – examples of which includes our involvement in the 'Wonderland Awaits' trail and our Chinese New Year celebrations, both of which were held in the main mall of the Merrion Centre. The Leeds School Uniform Exchange opened in the Merrion Centre providing a platform to help families access affordable clothing. Further details on our engagement with the community can be found on page 37.
ENVIRONMENT	The Board acknowledges that it has a responsibility to minimise its environmental impact.	In the coming year the Board, along with the Sustainability and Climate Change Committee and external professional advisers, will develop the TCS 'Pathway to Net Zero'. This will be a collaborative approach with our tenants, helping to reduce emissions, encourage recycling and to improve the environmental credentials of our existing buildings. The strategy for future developments is to not only provide buildings that are sympathetic to their existing surroundings, but also to safeguard them for future generations, some of the key targets being: • EPC A Rating • BREEAM 'Outstanding' • Net zero carbon in operation • 38.5% less energy consumption than buildings regulations stipulate, with 100% of energy coming from renewable sources Board discussions and ultimately decisions around the Company's development pipeline is a standing agenda item at the Board meetings. Briefing papers around the proposed developments include key environmental and placemaking credentials. Further details on our engagement with the environment can be found on pages 40 to 49.



STRATEGIC REPORT

Responsible Business

ESG

Introduction:

TCS has been committed to generating long-term sustainable success since its foundation over 65 years ago and still retains the ethos of its founder that business should make a positive contribution to the communities in which it operates.

The Marjorie & Arnold Ziff Charitable Foundation is a registered charity which, whilst managed separately with its own resources based on a TCS shareholding, plays a key role in facilitating the Ziff family to support the local community. Edward Ziff, our current Chair & CEO, was awarded an OBE for service to the community in 2017 and is a governor of the University College School Hampstead in London.

We recognise the need to develop a more formal structure to support our activities and ambitions in this area and are continuing on the journey to create an ESG framework with clearly articulated targets and metrics to measure progress against our focus areas. During the year we have focused on our environmental reporting, in particular expanding our emissions reporting to include all of our scope 1, 2 and 3 emissions; further details around this are set out in our SECR report which can be found on pages 40 to 41.

Governance

The Board currently has responsibility for overseeing our activities in this area and ensuring that ESG issues are considered in all our decision-making. When we invest our capital we always look to protect the environment, benefit the communities that surround us, and take into account the needs of all our stakeholders.

CGI – Whitehall Riverside, Leeds

Chinese New Year at the Merrion Centre

Our approach

ESG is at the heart of everything we do. We aim to ensure that all the activities we undertake as part of our four strategic workstreams are underpinned by the following five ESG principles which form the basis of our ESG programme:

- Minimise our environmental impact
- Engage with our external stakeholders
- Engaged and committed employees
- Make a positive contribution to the communities we operate in
- Always do the right thing

The table below details some of the ESG-focused activities that are currently underway across the business and outlines how they fit into our strategic framework.

	Actively managing our assets	Maximising available capital	Investing in development assets	Investing in existing assets
MINIMISE OUR ENVIRONMENTAL IMPACT	1, 2	1, 4, 5, 13, 15	6, 8	12, 19, 20, 22, 24
ENGAGE WITH OUR EXTERNAL STAKEHOLDERS		2, 4, 15	2, 6, 7, 8, 9, 11	2, 6, 9, 10, 16, 24
ENGAGED AND COMMITTED EMPLOYEES	3, 17, 23	18, 21		
MAKE A POSITIVE CONTRIBUTION TO OUR COMMUNITIES	14		11, 6, 7	22
ALWAYS DO THE RIGHT THING				

Key

Strategic projects

1 Merrion Centre waste and sustainability plan, Green Apple Award recognition
2 Energy efficiency programmes lowering service charge and utility costs for tenants
3 Head office with living walls and improved circulation space
4 Investment in EV charging infrastructure and growth in EV charging across CitiPark portfolio
5 Solar farm investments in Leeds and Manchester
6 EPC A and BREEAM 'Outstanding' targets for all new buildings
7 WELL building standard target
8 Full recycling options at Burlington House
9 Merrion House facilities including recycling and cycle storage
10 Burlington House value-added services including cleaning, deliveries and fitness
11 Piccadilly Basin – street art project, security improvements
12 Environmental targets for all future developments
13 Continued development of the CitiCharge and CitiPark apps
14 Significant CSR programme supporting local communities and charities
15 Specific parking rates for EV/Hybrid drivers at Clipstone Street, Merrion and the AO Arena
16 Investment in WiredScore and Built AI
17 Westfield Health benefits for staff
18 Ongoing Share Incentive Plan ('SIP') scheme to engage and benefit all staff
19 Go Ultra Low status for CitiPark
20 Installation of PIR and LED lighting systems in properties and car parks
21 Ian Marcus appointed workforce Board representative
22 Development of our 'Pathway to Net Zero'
23 Electric vehicle salary sacrifice scheme available to all staff
24 Enhanced reporting on GHG emissions and EPC improvement process

Responsible Business continued

Alignment with the UN Sustainable Development Goals ('SDGs')

SUSTAINABLE DEVELOPMENT GOALS

TCS recognises the importance of the UN SDGs and as we further develop our ESG programme we are using these to inform our decision-making and target-setting.

The key SDGs that TCS has an impact on and our activities in these areas are set out below:

Goal 3 Good health and wellbeing
Our charitable work with children (eg our work with First Give, the Yorkshire Children's Charity and Flourishing Families).

Goal 7 Affordable and clean energy
Producing our own solar energy through the development of three solar farms in Leeds and Manchester.

Goals 11 & 12 Sustainable cities and communities and Responsible consumption and production
The continued expansion of our EV charging network through our CitiCharge business. Our tenant engagement plan to report on the combined GHG emissions of our portfolio as well as our EPC improvement programme.

Goals 10 & 17 Reduced inequalities and Partnerships for the goals
Local charitable partnerships including Tempus Nova and the Yorkshire Children's Charity.

People & Communities

ENGAGED AND COMMITTED EMPLOYEES

We have a relatively small team at our head office and pride ourselves on how we treat our employees.

We pride ourselves on being a business that has a family feel to it, building a clear culture over our 60+ years in business as a small company that cares for and looks after its employees, creating opportunity and giving accountability. Expectations of staff are high and at times demanding. However we endeavour to always support staff, and go above and beyond any documented HR policy. We like all staff to know that if they have a problem, work-based or personal, that they can talk with the Directors and senior management in the knowledge that the Company will do everything it can to support them. We believe in the concept of opportunity for all, and do not tolerate any form of discrimination.

Our Non-Executive Director Ian Marcus has taken on responsibility as our Board representative for the wider workforce. Whenever in the office Ian meets with staff members. Ian's responsibility in this regard enables us to assess the culture and engagement within the business and challenge management where necessary in this regard.

TCS runs a Share Incentive Plan ('SIP') scheme available to all staff, operated under HMRC guidelines. It is an attractive benefit and helps to engage colleagues in the wider success of the business.

Human rights

Although we do not have a dedicated human rights policy, a respect for human rights is implicit in our employment practices and our engagement with third parties.

Work environment

We continually look for opportunities to improve the work environment for our staff. This is exemplified by our Leeds head office which has been designed to be a modern and comfortable place to work.

In addition, we have improved benefits in recent years for head office staff, improving Company pension contributions above statutory requirements, introducing a health insurance policy, a new electric vehicle salary sacrifice scheme and health screening.

We are committed to learning and development and are supporting colleagues through Chartered Surveyor and Chartered Accountant qualifications. We have also given work experience opportunities to local students.

Diversity and inclusivity are important in our business with a 73/27 male to female split across the whole business.

MAKING A POSITIVE CONTRIBUTION TO COMMUNITIES

We contribute to a broad range of local causes, with charities focused on children and young adults particularly close to our hearts. We complement our support for long-standing partners with standalone initiatives. We also seek to improve and create a sense of wider community in our areas of operation, using our assets and resources to work with other community partners:

Young people – First Give

We are the main sponsor of the First Give programme in Yorkshire – a charity that encourages students to learn about social issues in their communities, and then ultimately to plan and deliver social action activities, including fundraising, for their chosen charities.

Contributing to the community – Merrion Centre, TCS and CitiPark

At Easter the teams at the Merrion Centre, TCS and CitiPark donated over 240 eggs to St Peter's C of E primary school, Leeds.

Contributing to the community – Merrion Centre

During February 2025 the Merrion Centre partnered with iconic hair styling brand GHD and the Children's Heart Surgery Fund ('CHSF') to raise vital funds to save young lives.

The charity initiative was part of #HeartMonth and saw visitors to the shopping centre enjoy professional hairstyling for a minimum donation of £5, with all proceeds supporting CHSF's life-saving work.

Contributing to the community – Merrion Centre

During February 2025 the Merrion Centre hosted its biggest ever Chinese New Year celebrations. The two-day festival, which saw a +5.45% increase in footfall compared to the previous year, delivered an electrifying atmosphere as visitors immersed themselves in a vibrant programme of traditional performances, interactive workshops, and cultural showcases.

Building on the overwhelming success of previous years, the Year of the Snake celebrations took place over two weekends, transforming the Merrion Centre into a bustling hub of entertainment and cultural discovery.

Visitors were treated to captivating live performances, including the iconic Qi Lin Dance, Tai Chi demonstrations, and enchanting musical displays, alongside a stunning showcase of traditional Hanfu and Qipao fashion. Families and individuals of all ages participated in hands-on cultural activities, making it a true celebration of Chinese heritage.

STRATEGIC REPORT

Responsible Business continued

ENGAGE WITH OUR EXTERNAL STAKEHOLDERS

CitiPark LED diagrid facade

The flagship CitiPark branch at Leeds Merrion Centre has this year supported a variety of regional, national and international causes by illuminating its external LED diagrid facade facing Merrion Way.

We have used it to support various initiatives/causes including supporting the Living Donor Week (green), the UEFA Women's Euro 2025 Final (red and white), Craniosynotosis Awareness Month (purple) and Brain Tumour Awareness Month (pink and yellow).

Merrion Estate

Our 'Shop, Eat, Drink & Be Merrion' strategy aims to ensure the Merrion Centre remains one of the city's prime retail and leisure destinations. This includes offering safe places to sit, relax and meet whilst shopping, such as 'The Green' and 'The Library, which are always well received by visitors.

We continue to focus on the unique benefits the Merrion Centre offers visitors. As a destination where larger brand essential stores sit alongside some of the city's most unique independent retailers, our ongoing campaigns aim to highlight our diverse mix of venues to our ever-changing visitor demographic.

Communication is paramount and we pride ourselves on our continuous engagement with tenants both face-to-face and digitally throughout the year.

Engaging young people

This year, the Merrion Centre has continued to play an active role in supporting and engaging with the local community through a wide range of events and partnerships. We were proud to support the Leeds School Uniform Exchange initiative, providing a platform to help families access affordable clothing in a sustainable way. In addition, we partnered with GHD and the Children's Heart Surgery Fund for a special fundraising event, combining entertainment with a meaningful cause that resonated strongly with visitors and tenants alike.

Our calendar of community-focused events also included our largest ever Chinese New Year celebration, which brought together thousands of people to enjoy vibrant performances, cultural activities, and traditional festivities. We were also delighted to take part in the city-wide Wonderland Awaits trail, where the Merrion Centre hosted a giant interactive Caterpillar installation. This experience formed part of a family-friendly puzzle trail across Leeds, encouraging participants to explore multiple locations, solve challenges, and win prizes. For younger visitors, appearances from much-loved children's characters Bluey and Hey Duggee created further memorable experiences, reinforcing the Merrion Centre's role as a destination for families. Collectively, these initiatives highlight our ongoing commitment to delivering inclusive, engaging, and impactful community events that contribute positively to city life.

ALWAYS DO THE RIGHT THING

TCS takes its responsibilities as a listed UK business extremely seriously, and is committed to upholding high standards of corporate governance. Whilst we spend considerable time ensuring we review our compliance against rules, laws and codes, we also spend much time ensuring we abide by the spirit of such requirements, instilling a culture within the organisation of 'doing the right thing'.

Key areas of focus include:

- **Implementing the Corporate Governance Code** – As detailed on page 63, TCS has worked closely as a Board to review the requirements of the Code and be clear where we believe compliance is necessary and right, and where it is appropriate to explain why we take a different approach.
- **Debenture holders engagement** – TCS has in place a long-term debenture where most of our day-to-day contact is with the debenture trustee. When asked, Edward Ziff and the Group Finance Director will present to the bond-holders to ensure they fully understand the status of TCS and the security of their investment.
- **Health and Safety ('H&S')** – We are committed to providing a safe and secure working environment, in our own offices and in our properties, particularly those such as the Merrion Centre, where we maintain an on-site management function. We have an established Group health and safety policy, which is approved by the Board annually, and we review health and safety issues and incidents at every Board meeting. The Property Director oversees its implementation, and chairs a quarterly internal meeting reviewing all aspects of H&S across the business as a whole – from our offices to our properties, car parks and hotels. We have implemented a new reporting and monitoring system in the past year to facilitate this. Our operational teams have clear health and safety objectives and review procedures regularly, taking action where necessary.
- **Whistleblowing** – We have a whistleblowing policy in place that is reviewed at least annually. We see this policy as an important feature to encourage and enable all staff members to 'do the right thing'.

Environment

DELIVERING THE PROGRAMME ENVIRONMENTAL REPORT

In alignment with our commitment to sustainability, this report emphasises our progress towards achieving sustainable targets and highlights the initiatives implemented to mitigate our environmental impact. As in previous years this Sustainability Report focuses on the Merrion Centre, our largest and most complicated asset. This report does not include metrics related to the rest of the estate, as much of it is let to third-party tenants who are responsible for the generation of, and reporting on, their own environmental footprint.

With growing concerns about sustainability and the long-term effects of human activities on the environment, it has become essential for organisations such as ours to adopt responsible practices. This report highlights the initiatives we are pursuing to lessen our impact on the environment. With sustainability becoming an increasingly important global priority, it is essential for organisations like ours to embrace responsible approaches. The purpose of this document is to set out the measures we plan to implement to minimise our environmental footprint, from lowering energy use and reducing waste to enhancing the efficiency of our resources. Through these efforts, we aim to support a more sustainable future, meet regulatory requirements, and remain aligned with best practices.

In summary, we are committed to reaching our sustainability goals and confident we can make a positive difference. By focusing on smart and effective solutions, we aim to cut our carbon footprint and lead the way in setting a high standard in our industry.

Key achievements and aims

Energy consumption and efficiency

One of our continuing **key initiatives** is the lighting energy-saving scheme designed to reduce electricity consumption. Over the past year, this initiative has undergone a wider review to include additional lighting areas, updated specifications, and smarter control over when lighting is used.

With these enhancements, the scheme is expected to deliver even greater benefits, including a 64% year-on-year reduction in annual CO_2 emissions. This reflects not only our ongoing commitment to sustainability but also our dedication to adopting the most effective, forward-looking solutions. Beyond cutting carbon and energy use, the scheme also supports our environmental goals and contributes to reduced operating costs.

Waste

Equally important is our comprehensive waste management strategy. Over the last 12 months, our average waste production has remained steady at 46 tonnes per month. We continue to achieve our goal of zero waste to landfill.

To continue improving these results, we continue to focus on encouraging tenants to segregate waste streams effectively, particularly in the areas of dry mixed recycling and food waste streams.

In support of this, we are currently tendering our waste contract to ensure that our future waste services partner is fully aligned with our sustainability goals. As part of this process, we are placing strong emphasis on innovation, reporting, and sustainable waste practices, ensuring that the selected provider can help us drive further improvements in recycling performance and overall waste reduction.

We continue to recycle cooking oil, and this year we have raised £2,313 through this initiative. Our ongoing goal is to significantly improve how we manage and recycle used cooking oil by making the process more convenient and accessible to all. This not only supports our sustainability strategy but also helps generate valuable funds that are reinvested to drive further improvements to the centre.

Sustainable cleaning

We are pleased to report on the continued use of OdorBac Tec 4, a sustainable and environmentally friendly cleaning solution. OdorBac has proven to be an effective and safe chemical that supports our efforts to maintain a clean and healthy environment while minimising our ecological footprint.

The introduction of the plastic closed loop system has supported our aim of zero plastic waste as the containers used for OdorBac are now being reused in a continuous cycle.

A dosing system is to be introduced imminently which will ensure the correct amount of OdorBac is used in all cleaning processes, preventing overuse and minimising waste.

This initiative aligns with our commitment to sustainable practices and further enhances the efficiency and effectiveness of our cleaning operations.

Solar energy

Solar energy is a clean, renewable resource that can help reduce our carbon footprint, lower energy costs, and support our sustainability goals. In the coming year, we will evaluate and select the most suitable locations for solar installation, aiming to maximise the environmental benefits and make real progress towards our sustainability targets. During the year we generated 219,610 kWh of electricity from our existing three solar farms (FY24: 189,159 kWh).

In the past 12 months there have been no incidents of environmental non-compliance and no environmental fines were received. TCS continues to pursue our ambitious sustainable targets; we are confident in our ability to drive positive change and serve as a model for responsible business practices within our industry.

STRATEGIC REPORT

Responsible Business continued

SECR – Greenhouse gas emissions ('GHG') statement

In line with the Companies Act 2006 (2013 Regulations) and the Streamlined Energy and Carbon Reporting ('SECR') requirement, Town Centre Securities PLC ('TCS') is disclosing its annual global greenhouse gas ('GHG') emissions. TCS is required to report the Company's emissions of carbon dioxide equivalence ('CO_2e'), a CO_2e intensity value, and our consumption of energy in the UK. The methodologies and processes used to calculate these emissions are also disclosed.

TCS has addressed environmental impacts through a number of measures and processes, primarily within the Merrion Centre and detailed earlier in the Responsible Business section of this Strategic Report.

The table below includes emissions from activities for which the Company is responsible including combustion of fuel and operation of any facility; and the annual emissions from the purchase of electricity, heat, steam or cooling by the Company for its own use. In terms of property-related emissions, for 2024 the emissions related solely to that derived from TCS's head office and for part of the year, its recently opened London office.

As part of the evolution of TCS's reporting for 2025, the scope 1 and scope 2-related emissions have been expanded to include all Company properties (including where tenanted or developed), and all relevant scope 3 emissions have now been reported. We have not retrospectively expanded our 2024 emissions reporting, and therefore the two years' figures are not comparable.

All of TCS's operations are in the UK, therefore all values below are both global and UK totals.

	2025	2024	Unit
ENERGY CONSUMPTION (ALL UK-BASED)[1]			
Transport fuel	209,105	274,907	Kilowatt hours of energy used
Electricity	4,253,562	115,092	Kilowatt hours of energy used
Gas fuel	535,532	–	Kilowatt hours of energy used
TOTAL	**4,998,199**	**389,999**	Kilowatt hours of energy used

	2025	2024	Unit
CO_2E EMISSIONS (ALL UK-BASED)[1]			
Scope 1[2]	150.4	65.5	Tonnes of CO_2e
Scope 2[3]	768.1	25.2	Tonnes of CO_2e
Total Scope 1 and 2	918.4	70.7	Tonnes of CO_2e
Total Scope 3[4]	2,920.7	25.2	Tonnes of CO_2e
TOTAL	**3,839.1**	**115.9**	Tonnes of CO_2e

	2025	2024	Unit
CARBON INTENSITY			
Reference 1: Area	85,397	671	Sq m
Reference 2: Employee	155	30	Employees (FTE)
Reference 3: Gross revenue (£'000)	29,757	28,983	Gross revenue (excl. service charge income)
CO_2e by area[1]	0.04	0.17	Tonnes CO_2e per m2
CO_2e by employee[1]	24.77	3.74	Tonnes CO_2e per employee (FTE)
CO_2e by £'000 of gross revenue	0.1290	0.0040	Tonnes CO_2e per gross revenue ('000)

1 All of the Group's operations are UK-based.
2 Scope 1 emissions are traditionally emitted from fuel combustion in either buildings or Company leased/owned vehicles.
3 Scope 2 emissions are primarily derived from electricity consumption at TCS's properties (2024: TCS's office) and by the off-site charging of electric vehicles within the Company car fleet.
4 Scope 3 emissions are indirect greenhouse gas emissions from activities across the Company's value chain, including purchased goods, tenant energy usage, and emissions associated with investments.

This is the first year that TCS is reporting on its full carbon footprint, including indirect emissions from our value chain activities (ie Scope 3 emissions). By developing a full GHG emissions inventory, incorporating scope 1, scope 2 and scope 3 emissions, the Company is able to understand the total emissions associated with its business.

METHODOLOGY AND SCOPE

The Company was responsible for the internal management controls governing the data collection process and any estimations or extrapolations. An external consultant was responsible for the boundary definition, data aggregation, GHG calculations, and the emissions statements.

Carbon dioxide equivalence ('CO_2e') emission data have been collected, calculated, consolidated and analysed following the GHG Protocol (Corporate Accounting & Reporting Standard) following the 'operational control' approach.

For 2025 the boundary for reporting includes all assets owned by the Group; for 2024, the boundary for reporting included only assets (in the case of TCS these are offices and Company-owned/leased vehicles) that were operated by the Group and did not include the energy and emissions of building tenants who lease property from TCS, nor did they include the communal areas of the Group's properties; tenants are responsible for reporting their GHG emissions under their own Scope 2 disclosures.

Energy consumption values for offices, and their corresponding GHG emissions, are based on values obtained from meter readings collected internally. Company vehicle mileage is based on the actual vehicle mileage for all of the Company's fleet and is used as the basis for calculating energy consumption and emissions from fuel and electric charging. Spend data was captured for the three different TCS business functions (property, car parks, hotels). Tenant energy consumption data was requested from tenants accounting for 45% of the total property area; data was received to represent 40% of the total property area.

GHG emissions were calculated according to the Greenhouse Gas Protocol Corporate Greenhouse Gas Accounting and Reporting Standard. Emission factors for activity-based data were sourced from the UK Government GHG Conversion Factors for Company Reporting 2025 (DESNZ agency).

Solar farm at CitiPark Leeds Dock

STRATEGIC REPORT

Responsible Business continued

TCFD

TASK FORCE ON CLIMATE-RELATED DISCLOSURES

Throughout the year to June 2025, we have continued to develop and implement our strategy and actions to address climate change. The Board recognises the relevance of climate change to our business and the importance of clear disclosures for climate-related matters; we know that our climate-related strategy to protect the business and enhance the resilience of our assets is not a simple and quick process. At the same time, we believe in implementing actions that are also in line with our overall corporate strategy and take into account the resources available to the Company. The Board intends to decarbonise the Company's assets in line within the timeframe of the UK Government's 2050 ambition. During the year our asset portfolio has remained unchanged. We review our risk and opportunity exposure from climate change twice a year and have assessed that this exposure remains unchanged year-on-year. We are aware that there is further work to do in how we embed climate change throughout our business and these actions are covered in our TCFD disclosure.

Our report this year remains in accordance with UKLR 6.6.6(8). We have provided detail on the 11 specific TCFD requirements and the actions we are taking to achieve full compliance with the TCFD recommended disclosures in a table on pages 48 to 49. We have concluded that we are in full compliance with the governance and risk management sections, as well as Part A of the strategy recommendations. The remaining requirements are considered to be partial compliance.

Highlights of the actions we have taken during the year are outlined in the table below:

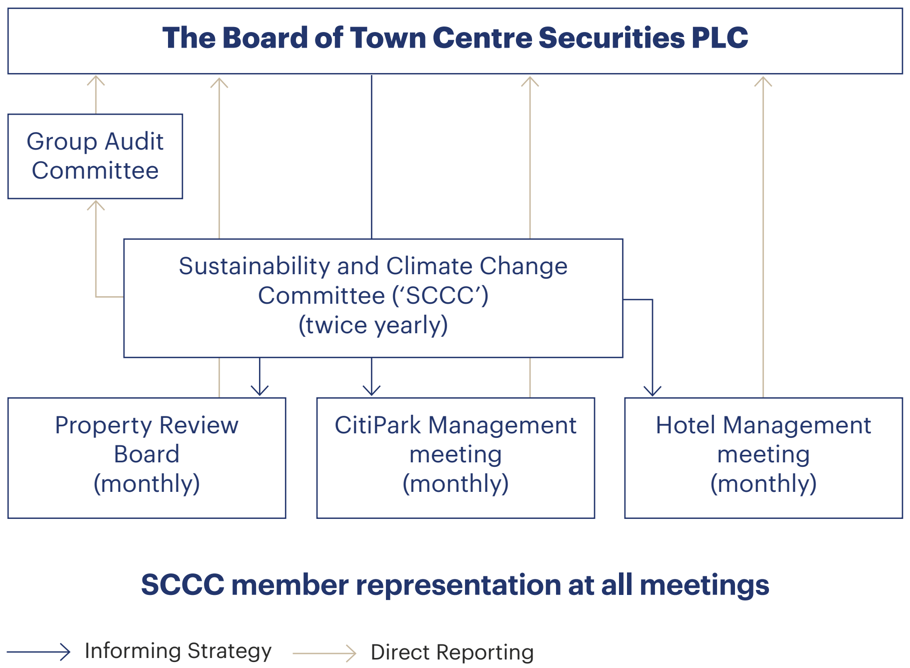
Continued implementation of our tenant engagement programme on climate-related issues specifically targeting waste segregation and a renewed lighting energy-saving scheme	Improved percentage of EPC ratings A & B within the portfolio	Full Scope 1-3 emissions reporting encompassing all of our assets and value chain emissions

The disclosures have all been based on the four pillars of the TCFD framework:

- Governance
- Strategy
- Risk management
- Metrics and targets

Governance

The Board is ultimately responsible for overseeing all activities, including those that relate to climate change and sustainability. The following diagram summarises the informing and reporting structure of the Company, with regards to climate-related matters:



The Sustainability and Climate Change Committee ('SCC Committee'), which was formed in 2022, includes two Executive members of the Board and members of the senior management team and meets formally at least twice every year. It is chaired by Stewart MacNeill, Group Finance Director with responsibility for reporting to the Board after each biannual formal meeting. The key aim of the Committee is to continue to develop the Company's sustainability strategy and decarbonisation targets for discussion and approval by the Board and then inform the different business segment management teams for implementation. In addition, the SCC Committee is also responsible for reporting to the Group Audit Committee on both climate-related risks, which are included in the Company's six-monthly risk report, and disclosures. These are then reviewed by the Audit Committee and approved by the Board.

A summary of the risk report and the climate-related disclosures are included in the Financial Statements on pages 50 and 55.

As part of our approach to embedding climate-related issues and the related cost implications into our business processes, we now incorporate environmental and energy audits into the due diligence process for both refurbishments and potential new acquisitions, which are presented and discussed at both property review board meetings and Board meetings prior to any approvals.

Strategy

The following table provides a summary of the risks and opportunities identified by the SCC Committee and the Board. These have been reviewed twice during the year and remain unchanged. While we have already assessed the material impact of flooding across our two main centres – Leeds and Manchester – it is our intention to review risks and opportunities based against tailored physical and transition climate scenarios during the current year. In line with TCFD recommendations, these risks and opportunities are monitored across multiple time horizons. These are aligned with our wider business planning and investment horizon:

- **Short term** – up to three years to identify any critical and immediate works required on our existing portfolio.
- **Medium term** – from three to ten years to accommodate development plans or any significant redevelopment works.
- **Long term** – beyond ten years to be aligned with the Company's longer-term Net Zero Pathway.

CLIMATE-RELATED RISKS	DESCRIPTION	IMPACT AND MITIGATING FACTORS	SHORT TERM	MEDIUM TERM	LONG TERM
Physical					
Flooding	Exposure to flood risk from extreme weather events.	Losses from assets located in high-risk zones, primarily cost of repairing assets and business interruption. Actual percentage of portfolio in Flood Risk Zone 3 – less than 3% and relates solely to development sites, where further flood mitigation will form part of the underlying development.		◆	◆
Temperature rises (+1.5°C, +2°C and +4°C)	Change in tenant requirements regarding offices, especially if they are themselves committing to net zero targets.	Increased construction costs for new developments, although this is mitigated by the additional rental income derived from 'best in class' environmental buildings.		◆	◆
	Older buildings may require retrofitting to remain functional.	Increased costs relating to retrofitting; at a worst case this may result in assets becoming stranded, meaning you cannot let them, nor can you sell them.		◆	◆
	Increased risk of 'breakdowns' to key elements of plant and machinery, for example, air conditioning units.	Cost of repairing assets and business interruption. Continual maintenance plan to mitigate significant one-off costs and further specific buildings, phased redevelopment plans, for example the current phased HVAC upgrading of Town Centre House, the Merrion Centre. Overheating of HVAC systems will result in increases in energy costs.		◆	◆

STRATEGIC REPORT

Responsible Business continued

CLIMATE-RELATED RISKS	DESCRIPTION	IMPACT AND MITIGATING FACTORS	SHORT TERM	MEDIUM TERM	LONG TERM
Transition					
Regulations and standards	Evolving policies designed to ensure that the UK meets its 2050 net zero carbon commitment.	Cost of upgrading assets to a minimum 'B' rating by 2030 – current estimate £14.3m – detailed review every six months. Constructive and regular tenant engagement is critical to ensuring our buildings are well prepared for future legislation and our own ESG targets.	◆	◆	◆
	Risk of stranded assets and 'brown' discounts.	If properties cannot be upgraded to meet both existing government legislation and customer expectations then their values will reduce. A continual review of assets is undertaken to ensure the strategy for each asset is relevant.		◆	◆
Regulations and standards (emerging risk)	Cost of carbon.	Any future legislation to introduce carbon taxation/pricing could have a material impact on our business in the medium to long term. While we continue to expand our emissions data collection programme, we will take advice on how best to ensure that a theoretical cost of carbon is factored into our decision-making process and more specifically our Net Zero Pathway.		◆	◆
Reputation	Targets and benchmarks are set that are either unrealistic or trivial.	Reputational risk if milestones are not met or the metrics do not show improving trends. We aim to be transparent and honest about our targets, our activities and how we are performing. Our aim is to achieve these targets and provide comfort that the Company is committed to improving environmental standards. The financial implications of reputational risk would primarily be around the demand from potential tenants and the impact on estimated rental values alongside the cost of further third-party borrowings.		◆	◆
Market	Increased operating costs in particular with regard to both energy and water costs. Energy costs are also volatile with unexpected and abrupt changes.	Increased costs to impact the business directly and the affordability of rent indirectly for tenants, leading to potential tenant defaults or lower ERVs. Our tenant engagement programme will be key to helping mitigate this cost.	◆	◆	◆

CLIMATE-RELATED OPPORTUNITIES					
Transition					
Resource efficiency	Increasing awareness of climate-related issues is helping with the take-up of energy and water-efficient solutions, including LED lighting, retrofitting buildings and electric vehicles.	Ongoing cost reductions for both the business and its tenants. Collaboration with our tenants is key to mitigating this: our ongoing tenant engagement programme, looking at waste recycling, GHG emissions and building efficiencies/EPC are our primary actions.	◆	◆	◆
Products and services	Expansion of both the CitiCharge app and the number of EV charging stations across the Group's portfolio.	Helping to generate a more diverse set of income streams for the Car Parking business, whilst promoting electric vehicles nationwide.	◆	◆	◆
	Further technological innovation, with a new barrierless and ANPR-based car park management system, reducing both the requirement for paper tickets whilst also reducing the idling time on entry and exit of the car parks.	Reduce the carbon footprint of our car parks and facilitating the reduction of emissions by our customers.	◆	◆	◆
	Developing 'best in class' new energy-efficient buildings to generate more secure future income streams, whether this is an office building or a new multi-storey car park with the capability of 100% EV charging parking spaces.	Ability to generate a rental premium, especially for BREEAM 'Outstanding' space, and also faster rates of letting. Strengthening of the environmental credentials of our portfolio.		◆	◆
Markets	New financing/green loans for energy-efficient buildings, especially in light of the Company's development aspirations at both Whitehall Riverside and Piccadilly Basin.	Reduced finance costs.		◆	◆

With 89% of the Company's property portfolio being in Leeds and Manchester, two cities that have similar profiles (both historically and economically), we have not broken down our strategy by geographical area.

By identifying these risks and communicating them to the Board on a six-monthly basis, the Company is in a position to react and update the strategy accordingly.

Strategy – during the year

The key elements and actions undertaken in relation to this strategy during the year, broken down into the three operational segments, can be summarised as follows:

Property rental

- Prioritising properties with EPC ratings of D or lower and developing and implementing individual 'energy efficiency plans' to improve these ratings. During the year, our estimate of the capital expenditure required to bring the portfolio in line with an EPC rating of B by 2030 reduced from £16.8m to £14.3m. Capital expenditure to meet our EPC target is incorporated into the annual cash and investment projections of the Company. A capital investment of £2m has been allocated for 2025/26 and we anticipate that this annual allocation will increase the nearer we get to 2030 in order to meet EPC targets and as we develop our Net Zero Pathway. This will be updated on an annual basis.
- Designing and developing 'best in class' energy-efficient buildings.
- Increasing electric and hybrid vehicles in our fleet, whilst encouraging staff to convert to electric vehicles through our 'love electric' salary sacrifice scheme.
- Improving the lighting used within the estate including a phased conversion to LED.
- Investigating the potential opportunities for expanding our photovoltaic generation capability through the installation of further solar farms across the roofs and flat surfaces of our portfolio.

Car park activities

- Installing barrierless parking equipment and ANPR cameras across our entire portfolio of car park assets – completed January 2025.
- Increasing the usage of both the CitiPark and CitiCharge apps.
- Expanding the network of EV chargers within our car parks and those that we have an existing arrangement with (eg provision of enforcement services).

Hotel operations

- Improving energy efficiency within the hotel.

STRATEGIC REPORT

Responsible Business continued

Risk management

Climate-related risks are specifically identified in the Company's risk register and are set out in our risk report on page 54. The SCC Committee reviews and assesses the climate-related risks at each meeting in order to ensure that all risks have been identified and that they have been assigned an appropriate level of importance. Management of these risks is then undertaken by the property investment and estates management teams, together with input where necessary from external advisers, including insurance brokers and flood-risk assessors.

Exposure to extreme weather events is not seen as a high risk, with the Company's portfolio located outside of areas at risk of serious flooding and not at risk of sea-level rises. The Company does operate two subterranean multi-storey car parks in London but both have significant 'flood' storage chambers with pumps to combat surface rainwater collecting in them.

The concept of 'always doing the right thing' has been part of the ethos of the Company since its inception. As a Board we are very much aware that tenants are putting environmental considerations at the forefront of their decision-making; it is not now just about the rental value. As part of our actions to address climate-related issues, we have completed the first phase of our tenant engagement programme to firstly, better understand their own climate-related ambitions and to secondly, identify and prioritise areas for collaboration.

In designing new buildings, a key tenet of our development plans is to be sympathetic to the existing surroundings, whilst safeguarding them for future generations. This approach is highlighted in our Whitehall Riverside development. With increasing focus on biodiversity and nature, we are firmly of the belief that such a development will be warmly received by potential tenants willing to pay premium rents for sustainably designed buildings.

Risk management – during the year

We have now implemented a 'traffic light' system, that grades every risk and opportunity both for probability and impact. This system has highlighted the only key material risk for the Company to be around the requirement for a minimum EPC rating of 'B'.

We have started to look at how we could model a range of internal carbon prices and the impacts, if any, these would have on our strategy and decision-making. This will be a long-term programme and will form one of the key considerations within our Net Zero Pathway.

Metrics and targets

TCS reports annually on its Scope 1, 2 and 3 GHG emissions, the electricity generated from its three solar farms and certain waste and recycling metrics from the Merrion Centre. The Company's website also includes details around the EPC certificated values for the portfolio with all new buildings targeting EPC B or greater.

At the time of writing, the EPC rating across the Company's portfolio breaks down as follows:

EPC Rating	A	B	C	D	E	F	G	Total
Percentage of portfolio	7%	36%	28%	16%	12%	1%	0%	100%

In addition, the key new initiatives and sustainability projects undertaken in the Merrion Centre are reported within the Responsible Business section of this Annual Report. The Merrion Centre acts as an innovation showcase, where successful initiatives are then rolled out across the rest of the TCS portfolio.

During the year the SCC Committee met to discuss the current metrics reported with a particular focus on the Group's extended scope 3 emissions. There were no other changes proposed to the metrics and targets.

The following table summarises the performance of the Company in the year:

Category	Metric	FY25	FY24	Target	Actual	Target met?
Energy consumption and efficiency	Total kilowatt hours of energy used	4,998,199	389,999	5% reduction year-on-year	n/a	n/a
GHG emissions	Tonnes CO_2 by £'000 of gross revenue	0.129	0.004	5% reduction year-on-year	n/a	n/a
Energy generation	kWh of solar PV generation	219,610	189,159	5% increase year-on-year	16%	Y
Waste management	Waste diverted from landfill	100%	100%	Maintain 100%	Maintained	Y
	Percentage of waste recycled	50%	51%	5% increase year-on-year	2% reduction	N
Carbon footprint of new developments	Embodied carbon footprint per sq ft	n/a[1]	n/a	5% reduction year-on-year		
Building efficiency	Percentage of portfolio EPC A or B[2]	43.2%	39.2%	5% increase year-on-year	10%	Y
	Estimate of cost to bring portfolio to EPC B or better	£14.3m	£16.8m	n/a		
Sustainable transportation	Average number of EV Charging bays in operation at the end of the year	61	61	25% increase year-on-year	0%	N
	Number of fully electric vehicles operated by the Company	5	5	n/a		
	Number of employees in EV salary sacrifice scheme	3	3	n/a		
Physical risk	Percentage of portfolio in a Flood risk Zone 3 area	2.2%	3.7%	n/a		

1 No new developments completed in the year.
2 Specifically excludes listed buildings and properties held for redevelopment.

Y Yes N No

We have only achieved three of our targets, although it is important to recognise the improvement in EPC B rating or percentage of target achieved, which has been identified as one of our key risks. Increased interaction with our tenants and other stakeholders around climate-related issues is going to be a priority for the coming year, with a collaborative approach to both improving the EPC ratings of individual units but also the collection of emissions data. This year is the first year of reporting on all of the Scope 3 emissions of the Group, which has been driven in part by an increase in the engagement with our tenants. Now that we have the baseline year data, we will be moving forward with our tenants and own operational assets to reduce these emissions. This will form the starting position for our Net Zero Pathway.

We will develop our Net Zero Pathway over the coming year, with an expected focus on the following:

- Reducing energy consumption across the portfolio
- Eliminating direct emissions associated with our assets
- Identifying opportunities to utilise renewable energy
- Collaborating with tenants to support their decarbonisation journeys
- Engaging with our suppliers to minimise 'bought-in' emissions

As mentioned in our SECR greenhouse gas emissions report on page 40, we have expanded our reporting to incorporate all Scope 3 emissions for our entire portfolio of assets, which includes the emissions generated by our tenants.

At present TCFD metrics are not formally incorporated into the remuneration policy of either the Executive Directors or management. However, the Remuneration Committee is looking into a proposal where the overall performance against targets is included in the assessment of any Executive Director bonuses paid in future periods. As part of this proposal, we may review our range of performance targets and identify those which are most material to the Company in terms of impact and performance.

For the next year, the SCC Committee will be specifically targeting improvements on the following metrics, along with the development of the Company's Net Zero Pathway:

- Increased percentage of portfolio EPC A or B
- Scope 1, 2 and 3 emissions reduction
- Increase engagement with all our stakeholders (including tenants and our operational businesses) and our Net Zero Pathway
- Increase in the use of renewable energy

STRATEGIC REPORT
Responsible Business continued

TCFD's recommended disclosures

Governance

KEY
COMPLIANCE F Full P Partial

DISCLOSURE		COMPLIANCE
a) Describe the Board's oversight of climate-related risks and opportunities	F	The Company established a Sustainability and Climate Change ('SCC') Committee in 2022. The two key responsibilities of this Committee are to focus on the Company's sustainability strategy and Net Zero Pathway and to implement and report on the TCFD framework. The Board assumes overall responsibility and accountability for the management of climate-related risks and opportunities. An important part of the Board's oversight of climate-related risks and opportunities lies with the SCC Committee. During the year formal terms of reference for the Committee have been agreed and adopted. Following this the Board believe they are fully compliant with the related part of the TCFD disclosure requirements.
b) Describe management's role in assessing and managing climate-related risks and opportunities	F	Management has undertaken a review of the Company's risk management approach and climate-related issues have been integrated into the core risk management process as a principal risk. As above, the formal terms of reference of the SCC Committee have been agreed and adopted. Following this the Board believes the Company is fully compliant with the related part of the TCFD disclosure requirements.

Risk management

DISCLOSURE		COMPLIANCE
a) Describe the organisation's processes for identifying and assessing and managing climate-related risks	F	The Company has formed a Sustainability and Climate Change Committee to identify, assess and manage climate-related risks which reports through to the Board. This Committee will continue to meet and will lead on the Company's thinking and planning of its decarbonisation journey.
b) Describe the organisation's processes for managing climate-related risks	F	The Company considers and assesses climate-related risks and opportunities through the Sustainability and Climate Change Committee and the Board. A 'Traffic Light' system has now been incorporated into the schedule of risks and opportunities to highlight material and/or urgent risks. Following the implementation of this the Board believes the Company is fully compliant with the related part of the TCFD disclosure requirements.
c) Describe how processes for identifying, assessing and managing climate risks are integrated in-to the Company's overall risk management	F	Following their identification two years ago as an emerging risk, climate-related risks are now a principal business risk. These risks are identified, assessed, managed and monitored by the Sustainability and Climate Change Committee with recommendations made to the Board.

Strategy

DISCLOSURE		COMPLIANCE
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	F	The short and medium-term risks identified include increased risk of the breakdown of machinery; unattractiveness of buildings to potential occupiers due to poor energy performance or high carbon emissions; and increased regulatory and policy measures. The opportunities identified include: improved commercial opportunities of owning assets which are energy efficient and aligned to net zero; increasing revenue streams from EV charging; and the possibility of securing more competitive financing. Further details of the risks and opportunities have been set out in the risks and opportunities table on pages 43 to 45. The Board and SCC Committee have performed a review of the material climate-related risks and opportunities and, following the adoption of formal terms of reference and the implementation of the 'traffic light' system, have assessed full compliance with the requirements of the disclosures.
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	P	Climate-related risks have been integrated within the Company's Principal Risks as set out on page 54. Climate and energy performance have been fully integrated into both the development and asset management decision-making process, however with only one investment acquisition in the year and no significant developments undertaken, this process has not been fully tested. As a result the Board has assessed partial compliance with the requirements of the disclosure. Full compliance is expected to be achieved as the Company undertakes development in the coming years, where it is expected that these processes will inform the Company further on the impact of climate-related risks and opportunities on the business.
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	P	The Company's assets are exclusively located across the UK in well-connected regional transport hubs, predominantly Leeds and Manchester. The Company is continually reviewing its exposure to climate-related risks and the inherent uncertainty around the medium and long-term time frames; for this reason it is deemed to be partially compliant. Under a 2°C scenario, the Company's strategy is considered resilient, bearing in mind the physical locations of its assets and the development opportunities offered. A more detailed review of each individual property and the resilience of the plant and machinery was due to be undertaken in the last 12 months, but this has not yet occurred. This will be reported back to the SCC Committee and ultimately the Board, at which point the Board expects to reconsider its compliance with this part of the TCFD disclosure requirements.

Metrics and targets

DISCLOSURE		COMPLIANCE
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management processes	F	GHG emissions and energy consumption are disclosed in a separate dedicated section of the Annual Report including Scopes 1, 2 & 3 and are aligned to the Greenhouse Gas Protocol Corporate Standard and DESNZ Environmental Reporting Guidelines. The other metrics used by the Company to assess climate-related risks and opportunities are disclosed in the table on page 47. Over the last 12 months the Company has collected Scope 3 emissions data, including a significant proportion of its tenants (representing 40% of the total rentalised sq ft).
b) Describe Scope 1, Scope 2 and if appropriate, Scope 3 greenhouse gas ('GHG') emissions, and the related risks	F	GHG emissions are disclosed in the Annual Report and are aligned to the Greenhouse Gas Protocol Corporate Standard. The related potential risks can be viewed on page 54.
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	P	We continue to develop our metrics and targets and by next year we are looking to be compliant in this area. In addition to the ongoing metrics and targets set out on page 54, we have specific targets for any new development, these are highlighted in our S172 statement on page 33.

STRATEGIC REPORT

Risk Report

Protecting value by identifying and managing our principal and emerging risks is an integral part of our operations.

Risk management

We take risk management very seriously, such that reference to, and consideration of, key risks form part of the day-to-day workings of the Company. Whilst we recognise that a level of risk-taking is inherent within the running of a commercial enterprise, we work to ensure that risk assessment and mitigation is central to business planning and decision-making.

The business has a number of formal meetings during the year where risk assessment is a core element of the agenda. We pay particular attention to new and emerging risks, in order to ensure we put in place actions which attempt to remove or reduce risk before it occurs. We use our formal meeting structures to identify emerging risks, as well as highlighting existing risks. These meetings include but are not limited to:

Annual Strategy Review

Begins with a review of key risks facing the business and a review of how the strategy will best mitigate those risks.

Biannual Audit Committee

Undertakes a formal review of the risk register and mitigating action plans.

Board meetings – Eight a year

Each meeting includes a review of financial performance, debt levels and banking covenants, an IT update, and a review of the papers and actions from the Property Review Group (see below).

Property Review Group – Eight a year

A meeting of the Executive Board and senior Property and Finance management, tasked at undertaking a review of the Property Portfolio. This includes occupancy levels, tenancy changes, adherence to payment terms and bad debt levels, and Health and Safety and IT-related matters.

CitiPark Board meetings – Eight a year

A meeting of the Executive Board and senior CitiPark, Property, and Finance management, tasked at reviewing the performance of the CitiPark business, including key risks and areas such as IT and Health and Safety.

Biannual Joint Venture Board meetings

Formal Board structures and Board meetings are in place for the Company's joint venture investment, Merrion House LLP.

Biannual Sustainability and Climate Change Committee

Development of the Company's sustainability strategy including both the identification and assessment of environmental and social risks.

Our Principal Risk Register is summarised as follows:

	RISK	LIKELIHOOD	IMPACT	CHANGE FROM FY24
Macroeconomic	Economic and political outlook	High	Medium	No change
Corporate	Strategy	Low	High	No change
	People	Low	High	No change
	Systems, process and financial management	Medium	High	No change
	GDPR	Medium	High	No change
	Regulatory and tax framework	Low	High	No change
	Major incident/business disruption	Medium	High	No change
Property	Investment risk	Medium	Low	No change
	Development risk	High	High	No change
	Valuation risk	Medium	Medium	No change
	Tenant and sector risk	High	Medium	No change
	Climate change risk	Medium	Low	No change
Financing	Capital and financial risk	Low	High	No change
	Cost of debt	High	Medium	No change
	Financial covenant compliance	Low	Low	No change

Macroeconomic risks

RISK	LIKELIHOOD	IMPACT	MITIGATION	TREND
ECONOMIC AND POLITICAL OUTLOOK A broad economic downturn, following Brexit, the lasting impact of COVID-19 and more recently geopolitical unrest, the cost-of-living crisis and the energy crisis or broader cyclical reasons could result in tenant failures, falling asset values, rising debt costs, or less debt availability and will in all likelihood have lasting economic effect.	H	M	An economic downturn at some point in the cycle is inevitable. TCS would not escape the impact of an economic downturn, however specific mitigating factors for TCS include: • Rents paid in advance. • High levels of occupancy and a long history of ensuring on-time payment by tenants. • A reduced level of retail exposure, with much of the remaining portfolio focused on discount and convenience retailing. • Avoidance of speculative developments. • Concentrated portfolio of car parks in highly sought-after locations. • Revolving credit facilities ranging from ten months to two years in length, with significant headroom. These are paired with two long-term fixed interest finance arrangements that account for 87.5% of our debt at 30 June 2025 (ignoring finance leases).	No change

Corporate risks

RISK	LIKELIHOOD	IMPACT	MITIGATION	TREND
STRATEGY The Company's strategy could be inappropriate for the current stage of the property cycle and the economic climate, resulting in lower profits and therefore a pressure on dividend and shareholder return. This risk has been exacerbated by the recent economic challenges effecting the entire country which will change people's and firms' attitudes towards property usage.	L	H	The Board undertakes regular reviews of the strategy and believe the following helps to mitigate risk: • All key decisions are reviewed and approved at Board-level. • The strategy of developing diverse multi-use sites and lowering exposure to retail remains appropriate. • The strategy to sell retail and leisure assets has resulted in these assets now representing only 30% of the portfolio. • The experience and expertise of the team, particularly in relation to the property markets of Leeds and Manchester. • The presence of the Ziff Concert Party ensures a strong alignment of management and shareholder aims.	No change
PEOPLE The inability to attract and retain high-calibre staff, affecting the ongoing success of the Company.	L	H	The Company benefits from the long service of a number of key individuals, including family members of the Concert Party, which helps guarantee stability. In addition: • Base salary packages are kept competitive within the market. • The Remuneration Committee reviews succession plans and pay levels annually. • New recent appointments demonstrate the attractiveness of the business to new recruits at all levels. • A history of conservative financial management combined with the development opportunities of the business make the Company attractive to new recruits, highlighted by recent appointments.	No change

Likelihood	H High	M Medium	L Low
Impact	H High	M Medium	L Low
Change from FY2024	Improving	No change	Worsening

STRATEGIC REPORT

Risk Report continued

Corporate risks continued

RISK	LIKELIHOOD	IMPACT	MITIGATION	TREND
SYSTEMS, PROCESSES AND FINANCIAL MANAGEMENT Weak controls, putting at risk the protection of the Company's assets and ability to deliver on its strategy, resulting in financial loss, fraud, and suboptimal returns. Risk to data and systems as a result of cyber-attacks.	M	H	The Company has a strong culture of safeguarding assets, being conservative in its approach, and using professional experts to ensure risk levels are restricted and are as low as reasonably possible: • IT systems are supported in-house, with key services having been moved to the cloud. • Horizon is our combined property and accounting IT solution and ensures we remain well controlled in this respect. This was upgraded a few years ago and resides in the cloud, further safeguarding business continuity. • Financial processes relating to cash are tight, robust, and reviewed regularly. Clear and separated authorisation processes are in place and robustly adhered to. • Insurance policies are fully in place to safeguard assets. • Staff are trained in all aspects of cyber-security and penetration, and phishing tests are carried out to test for weaknesses. • A summary of the internal financial control review processes can be found in the Audit Committee Report of the Annual Report. • IT/change management protocols – the change management process has been updated to include a formal log detailing all software upgrades, including the purpose and testing of all updates. • Internal Audit function is engaged to perform two reviews per year, reporting directly back to the Audit Committee.	—
GDPR Financial and reputational risk arising from a breach of GDPR regulations, potentially resulting in fines and damage to customer trust.	M	H	Given the nature of the business, we do not hold significant amounts of customer data, with the CitiPark business our highest risk area. That said, the Company has taken seriously the requirements of the legislation and has implemented a detailed action plan that has been reviewed at Board level. Key aspects include: • Up-to-date privacy-related statements and policies. • Trained all staff on their own and the Company's responsibilities. This is a rolling programme of two to three electronic training courses a year. • IT & Data Governance Committee in place, meeting quarterly, to oversee all aspects of GDPR and wider cyber-security.	—
REGULATORY AND TAX FRAMEWORK Non-compliance with tax, legal, or regulatory obligations could result in financial penalties, reputational damage, and higher levels of cost.	L	H	The Company takes its legal responsibilities seriously. Matters are reviewed regularly at Board and Audit Committee-level, and the Company makes use of third-party professional services to ensure compliance. Actions include: • Regulatory and corporate compliance matters are typically referred to one or both of the Company's brokers and if necessary the Company's legal advisor. • PWC are engaged as the Company's tax advisors and are tasked with ensuring we remain compliant in all aspects of tax. • The Corporate and Criminal Offences legislation ('CCO') is a key consideration and a workshop has been held to ensure risks and mitigating actions are clearly understood.	—
MAJOR INCIDENT AND BUSINESS DISRUPTION Cost and business downtime as a result of a major incident. This risk is primarily associated with the Merrion Centre, due to its importance to the portfolio and as the location of the Company's head office.	M	H	The provision of insurance across the portfolio is the main mitigation to this risk, with policies in place to protect income as a result of disruption. In terms of disruption to the head office the following actions are in place: • All personnel either have laptops or have technology at home which enables remote working. • Our geographical focus in Leeds and Manchester enables a hands-on approach with the majority of our properties and tenants. • Back-up procedures are in place to ensure minimal loss of data in the event of damage to IT hardware. • Horizon and email (Microsoft 365) are both cloud-based technology significantly improving business continuity.	—

Property risks

RISK	LIKELIHOOD	IMPACT	MITIGATION	TREND
INVESTMENT RISK New investment opportunities cannot be sourced at economical prices.	M	L	The Company has clear plans in place to minimise the impact of this risk, including: • The Company typically targets assets of higher value than sought by individual investors, but lower than many larger property or overseas investors. • The Company looks to build strong relationships with partners to generate opportunities that can be exploited together. For example, our Whitehall Riverside development in Leeds, which has been brought forward to be developed in conjunction with Glenbrook. • The existing portfolio has enough development potential to provide growth opportunities, even if asset purchase prices rise and it is not viable to acquire new sites, for example the Group's development sites at both Piccadilly Basin, Manchester and Whitehall Riverside, Leeds.	—
DEVELOPMENT RISK Development projects may exceed cost estimates and/or newly developed properties may fail to rent. The scale of such projects means they are of material size to the Company. With the property market in a state of flux in the current climate any long-term investment with significant capital required represents a heightened level of risk. Build-cost inflation is currently making previously viable developments unviable.	H	H	The Company has numerous actions in place to mitigate such risks including: • Build projects are generally contracted with third parties on a fixed-cost basis. • Where possible, the Company seeks to undertake a development where there is a significant level of pre-let commitments. • Where that is not possible (eg. PRS residential investments), a detailed market analysis will be undertaken, and the Company will ensure that locations are in high demand and that target rental levels are achievable. • When in joint venture arrangements, formal Board structures are created with at least quarterly meetings to review progress and performance, and to ensure that all development risks are being managed appropriately.	—

Likelihood	H High	M Medium	L Low
Impact	H High	M Medium	L Low
Change from FY2024	Improving	No change	Worsening

STRATEGIC REPORT

Risk Report continued

Property risks continued

RISK	LIKELIHOOD	IMPACT	MITIGATION	TREND
VALUATION RISK A material devaluation in assets. This risk is particularly high in relation to retail assets due to the changing nature of shopping habits; although the improving retail sentiment is modifying this risk, it is now affecting office lettings, with changing work habits and the fact more people are adopting a hybrid approach being one of the key drivers.	M	M	The key mitigation to this risk is ensuring there is enough headroom in terms of uncharged assets of undrawn, charged facilities. Key actions include: • Our bank facilities all have significant portfolios of property secured against them, with material headroom on each. As at the date of this report, total bank borrowings due for repayment in the next year is £0.5m, an amount that could be entirely refinanced with the Company's existing £30m Lloyds facility – with the Lloyds facility due for renewal or extension in June 2027. • All three facilities allow charging of development and car park assets, maximising our drawdown ability. In addition, the Lloyds facility has removed any cap on such assets. • Asset cover in the long-term debenture can drop from the required 1.67x to 1.5x without triggering a covenant break. • The Company recycles assets believed to be at greatest risk of devaluation.	No change
TENANT AND SECTOR RISK Individual tenant failures, or exposure to a specific sector. This risk has been heightened by the cost-of-living crisis, inflation and increased interest rates particularly on Retail and Office tenants. Increased costs for tenants, whether utility or staff costs will affect the affordability of rents.	H	M	There have been an increasing number of CVAs and administrations within the Retail sector. Furthermore, due to the requirement for many retail and leisure tenants to close for an extended period during the COVID-19 crisis, their ability to pay rent and to remain a going concern is a risk. TCS are taking a number of actions: • Since 2016 the Company has significantly reduced its exposure to Retail and Leisure from 60% to 30% of value at June 2025. • Now a mixed-use asset, the Merrion Centre now depends upon Mall Retail for less than 25% of its income. • We have a diversified tenant base, and limited exposure to individual tenants. Our top tenants are Leeds City Council, Step Change, Pure Gym and Morrisons. • CitiPark income helps further mitigate the reliance on specific property tenants.	No change
CLIMATE CHANGE RISKS The impact of climate change will be felt across the entire world, with extreme weather events and increased average temperatures a key factor over the coming years. The risks identified will be both physical and transitional. As well as the physical risk to places, a change in tenant requirements and the wish for more and more environmentally friendly buildings will be more prevalent which will lead to even greater construction costs. Average temperature rises will also have an impact on plant and machinery, rendering them obsolete quicker or involving additional maintenance costs.	M	L	The physical location of the Company's assets, with the majority in either Manchester or Leeds, are in places not at risk of severe flooding and with a substantial development pipeline. The Company is able to ensure that new developments are both sustainable and innovative: • Continuous maintenance cycle with in-house teams ensure plant and machinery are not susceptible to elongated breakdowns. • Sustainability is at the heart of what we do with the Merrion Centre acting as a test bed for the roll-out of future initiatives across the entire portfolio. • Evolving how buildings are constructed, with increased ESG credentials, is seen more as an opportunity – with prime occupiers willing to pay premium rents for the right buildings, especially with more and more companies making net-zero commitments.	No change

Financing risks

RISK	LIKELIHOOD	IMPACT	MITIGATION	TREND
CAPITAL AND FINANCIAL RISK The Company has insufficient funds or lines of credit. With property valuations decreasing, this area of risk has increased, however the asset sale programme and repayment of borrowings has mitigated this increase.	L	H	The majority of mitigating actions are contained within the Valuation risk category above. In addition: • The Board reviews cash balances, forecast cash flow, borrowing levels and headroom on a monthly basis. • The Company demonstrated during the last downturn the strength of its conservative approach and long-standing relationships with its banks. • The Company has recently extended its existing Lloyds facility by an additional year– this facility expires at the end of June 2027. • Following the acquisition of the remaining half of the Belgravia Living Group, the Company now consolidates a 'ring-fenced' long-term facility that expires in January 2029. • The Company's policy of asset sales has enabled a reduction in absolute debt levels. At today's date the balance outstanding on the Company's revolving credit facilities is £13.75m.	No change
COST OF DEBT Rising debt costs.	H	M	The following actions help mitigate the risk to the Company: • At today's date 87.5% of the Company's debt is in the form of fixed interest, long-term borrowings. • The Board takes moving SONIA rates into account when considering three-year budgets and affordability.	No change
FINANCIAL COVENANT COMPLIANCE Breaching a financial covenant under one of the Group's debt facilities.	M	L	The following actions help mitigate the risk to the Company: • The Company has a significant amount of income to interest headroom on all of its bank facilities and also on the debenture facility. • The Company is in regular dialogue with all of its debt providers, ensuring that if there are any potential future breaches, these are discussed and appropriate courses of action are agreed in advance. • The Company has £2.3m of assets currently unsecured under any debt facility that could be added to the relevant security pool. • The Company could cancel any underutilised proportion of the facility, reducing non-utilisation interest.	No change

Likelihood	H High	M Medium	L Low
Impact	H High	M Medium	L Low
Change from FY2024	Improving	No change	Worsening

STRATEGIC REPORT
Risk Report continued

Going concern

In making their assessment of the ability of the Group to continue as a going concern the Directors have considered the impact of an economic downturn on the Group's forecasts including the effect on liquidity and compliance with bank loan and debenture covenants.

The Group owns a portfolio of multi-let regional property assets located throughout the UK, and operates car parking and hotel businesses. The Group is funded in part by an £82.4m debenture which is due for repayment in 2031 and an asset-specific facility of £13.8m which is due for repayment in 2029. In addition the business has three bilateral Revolving Credit Facilities ('RCFs') totalling £70m which, as at the year-end, were due for repayment or renewal between June 2026 and June 2027. Each of the debt facilities is ring-fenced within security sub-pools of assets charged to the respective lender.

The Group has one bank facility falling due for repayment in June 2026, within the going concern period. The Group is looking to renew this facility for a further three-year term extending its expiry date to June 2029. The amount outstanding under this facility is currently £0.5m with a property portfolio valued at £7.68m secured against it. If the facility is not renewed, the Group will utilise existing headroom within its remaining facilities, of which £17.3m is available to draw, to repay the outstanding amount.

The two other revolving credit facilities were extended post year-end such that their expiry dates are outside of the going concern period.

As at the date of this report, the Group has drawn in aggregate, under all three RCFs, total borrowings of £18.75m, with a further £21.5m available to draw.

One of the most critical judgements for the Board is the loan to value ('LTV') headroom in the Group's debt facilities. This is calculated as the maximum amount that could be borrowed, taking into account the properties secured to the funders and the facilities in place. These covenants range from 60% to 67.5% LTV. The total LTV headroom at 30 June 2025 was £24.6m (2024: £20.4m). Overall, the properties secured under the Group's debt facilities would need to fall 25.8% in value before this LTV headroom level was breached. As at the date of this report the headroom metrics and percentage fall have reduced to £21.5m and 23.4% respectively following the post-balance sheet transactions highlighted in this Financial Report.

In addition to the LTV covenants, the Group's debt facilities include income cover covenants of between 100% for the debenture and 175% on the three revolving credit facilities and asset-specific loan. At the year-end the actual income cover levels ranged from 238% (for the 100% debenture covenant) up to 450% on the NatWest facility.

In order to assess the potential impact of a future economic downturn on the Group and its ability to continue as a going concern, management have analysed the portfolio's tenant base, car parking and hotel operations and produced forecasts to 31 October 2026. These forecasts reflect management's view of a worst case scenario, including assumptions that rent receipts are materially lower than normally experienced and that the car park and hotel businesses recover over the forecast period to a materially lower level than expected. These scenarios include a base case, downside case and then a more extreme downside case to show the effect a more significant downturn in the Group's performance would have on its funding cash headroom and any of its financial covenants. In addition the Company has performed a reverse stress exercise whereby it has looked at each individual facility and at how much of a downturn (compared to the conservative base case cash flows prepared by the Company) there would need to be before any of the financial covenants are breached.

The Group's forecasts, including the various scenarios, show that both the cash headroom figure is resilient and the financial covenant tests are met. Under the base case the minimum cash headroom is expected to be £20.7m, which compares to a minimum of £18.9m under the downside scenario. The significant downside case applied a total discount of 7% to rental income receipts and a 15% discount to budgeted car park income levels. The cash headroom in the Group does not go negative in the period to June 2028 and none of the other financial covenants are breached. The reverse stress test shows that the financial covenants are not breached until either of the discounts applied in the significant downside case are pushed even further with an 8% rental discount applied and 15% to car park income. This breach is forecast to occur in Q1 of FY27 and last until Q2 of FY27 before the position then improves.

The Group is currently experiencing collection rates of over 99% of rent and service charge income invoiced, and for the first two months of FY26 the car park business is trading significantly ahead of expectation.

The forecasts show that the Group has sufficient resources to continue to operate as a going concern for at least the period to 31 October 2026. Based on the forecasts, including the mitigating options available to the Group in the event of the occurrence of the downside scenarios, with the key mitigation being to draw 'headroom' from one facility and either use it to lodge as cash security or repay borrowings of another facility, the Directors consider it appropriate to prepare these financial statements on the going concern basis. Further details on these forecasts and the approach taken by the Directors is set out in the viability statement section on the next page.

Viability statement

In accordance with the requirements of the UK Corporate Governance Code, the Board has assessed the prospects of the Company and future viability over a period longer than the 12 months required by the going concern provision. This review covers three years and has been selected as part of a longer-term three-year strategic planning exercise and coincides with the Company's three-year budgeting process. In the opinion of the Directors, this review period enables the impact of the strategic decisions to be modelled while maintaining the accuracy of underlying forecast inputs.

The Board's review considered cash flows, profitability, borrowing headroom and other key financial ratios, and required the business to have clarity on its approach to bank financing over a longer period.

In taking this longer-term perspective, the Board considers the risks covered in this Risk Management review. In particular the key risks identified are:

- The potentially lasting effect of the current economic downturn (cost-of-living crisis, inflation and increasing interest rates) on our assets, tenants, hotel operation, car parking operations, and the wider economy.
- Further changes in the macroeconomic environment affecting rental income levels and property values.
- Changes in the level of tenant and sector risk affecting occupancy levels and lettings.
- Changes in availability of capital, affecting committed expenditure and investment transactions.
- The ability of the Company to extend and renew existing revolving credit facilities that expire within the review period.

The review considered a base case, a sensitised 'downside' scenario and a more drastic 'significant downside' scenario. These scenarios included:

- A range of levels of rent receipts affecting quarterly income up to the end of June 2028.
- A range of levels of car parking income affecting profitability up to the end of June 2028.
- A range of levels of hotel net income affecting profitability up to the end of June 2028.
- The effect on cash, borrowing levels, facility headroom and income cover covenants of all of the above.

Furthermore, the Group carried out reverse stress tests on each individual facility; this was an exercise to see how far rental receipts and car park income would need to fall before the Group ran out of either cash headroom or breached any of its banking covenants.

The reductions in both rental receipts and car park income applied in this exercise were significantly greater than that experienced by the Group during the last five years.

The results of the reverse stress test show that the sensitivities occur between Q1 of FY27 and Q2 of FY27 and are only temporary.

Aligned to our going concern statement, the greatest uncertainty and risk lies in relation to our asset valuations and the possibility of breaching bank and debenture covenants and to possible breaches of our income cover covenants. Clearly there is still a risk, however this has been significantly diminished with our disposal programme of the last three years, the repayment of borrowings and the fixed interest borrowings of the Group, which represent 87% of borrowings. It is however likely that this reduced risk will continue beyond the shorter-term future covered by the going concern statement.

In reviewing these scenarios, the Board has also considered the actions it could take to mitigate any significant downsides, especially in regard to any potential breach of the Group's existing borrowing facilities and banking covenants. The key actions are:

- The Group has £2.3m of properties that are not currently secured under any of our existing borrowing facilities – these could be pledged as security and increase borrowing headroom.
- The Group could move properties around the various facility 'security pools' (those assets currently charged under each facility) which could also unlock additional borrowing headroom.
- Ceasing all future capital expenditure.
- Seeking lender consent for financial covenant waivers.
- Cancellation of committed facilities that the Group is not expecting to use, thereby reducing non-utilisation interest.

Based on the results of their review, whilst taking into account the level of uncertainty, the Directors do not have a significant doubt that the Company will be able to continue in operation and meet its liabilities as they fall due over the longer-term period of their assessment.

The Board's review considered cash flows, profitability, borrowing headroom and other key financial ratios, and required the business to have clarity on its approach to bank financing over a longer period.

Piccadilly Basin, Manchester

STRATEGIC REPORT

Financial review

The financial performance of the Company during the year ended 30 June 2025 shows underlying EPRA earnings after tax of £1.8m (before taxation £3.0m – compared to before tax in FY24 of £3.9m). The statutory profit of the year is again affected by both reductions in investment property values and impairments to the Group car parking portfolio, as real estate investor and market sentiment across these segments remain subdued."

Stewart MacNeill
Group Finance Director

The statutory loss for the year was £3.4m, compared to a loss of £7.8m in the previous year.

EPRA Earnings* were a profit of £1.8m in the year, compared to a profit of £6.3m in the prior year. The EPRA profit for the prior year included a net taxation credit of £2.4m, whereas the current year includes a £1.2m expense; excluding the effect of taxation the EPRA profit of the Company would have been £3.0m, representing a 23% reduction in the underlying performance of the Company.

The Board is recommending the payment of a final dividend for the year of 2.5p, giving a full-year dividend of 5.0p, which is 41% lower than the previous year. The previous year's full-year dividend of 8.5p included an interim dividend paid out as a property income distribution following the Company's exit from the REIT regime in July 2023.

During the year the Company received the final element of deferred consideration from the sale of its investment in YourParkingSpace Ltd ('YPS'), generating further proceeds of £3.1m. These amounts were retained by the Company to fund its working capital requirements.

Net borrowings have increased from £108.6m to £111.2m in the year. Net borrowings represent total financial borrowings of £134.8m plus overdrafts of £1.1m, less lease liabilities of £24.7m.

Restatement of prior figures

Prior year comparatives have been restated to reflect the impact of index-linked rent reviews on the application of IFRS 16 to right-of-use assets and lease liabilities, full details of which are set out in note 28 of the financial statements.

* Alternative performance measures are detailed, defined and reconciled within notes 11 and 22 of these Financial Statements.

Income statement

EPRA Earnings* for the year ended 30 June 2025 were £1.9m.

£'000	FY25	FY24 Restated	YOY
Gross revenue	**32,692**	31,968	2.3%
Impairment of debtors provision movement	**0**	0	–
Property expenses	**(17,826)**	(15,604)	14.2%
Net revenue	**14,866**	16,364	(9.2%)
Other income / JV profit	**2,994**	1,990	50.5%
Other expenses	**0**	0	–
Administrative expenses	**(7,512)**	(7,293)	3.0%
OPERATING PROFIT	**10,348**	11,061	(6.4%)
Net finance costs	**(7,405)**	(7,182)	3.1%
Taxation	**(1,165)**	2,416	–
EPRA EARNINGS	**1,778**	6,295	(71.8%)

Segmental	FY25	FY24 Restated	YOY
PROPERTY			
Net revenue	**8,777**	9,886	(11.2%)
Operating profit	**5,987**	6,264	(4.4%)
CITIPARK			
Net revenue	**5,534**	5,840	(5.2%)
Operating profit	**3,763**	4,118	(8.6%)
IBIS STYLES HOTEL			
Gross revenue	**555**	638	(13.0%)
Operating profit	**555**	638	(13.0%)
INVESTMENTS			
Other income and operating profit	**43**	41	4.9%

STATUTORY PROFIT

On a statutory basis the reported loss for the year was £3.4m.

The statutory profit reflects the EPRA Earnings* of £1.8m less £5.7m of non-cash valuation and impairment movements, plus the profit on disposal recognised of £1.7m on one car park right-of-use asset properties and investments sold in the year, less £1.2m of deferred taxation on valuation movements in the year.

Gross revenue

Gross revenue was up £0.7m or 2.3% year-on-year, with key drivers being:

- Gross property revenue during the year was £0.1m ahead of the previous period with no investment property sales or acquisitions in the year.
- CitiPark revenues have continued to grow in the year, with gross revenue across the portfolio increasing by 4.6% from £13.4m to £14.0m.
- Income for the Ibis Styles hotel has been consistent with last year at £3.3m.

Property expenses

Property expenses have increased by 14.2% year-on-year with increases to both direct investment property costs (irrecoverable service charge, vacant unit and significant repair costs all contributing to an increase of £1.1m) and car park operating expenses (£0.8m of rates rebates were received in the prior year which have resulted in a year-on-year increase).

Other/JV income

Total Other/JV income was up 50.5% or £1.0m year-on-year, with increased dilapidation and surrender premia received during the year.

Administrative expenses

Administrative costs were £0.2m or 3.0% higher year-on-year, reflecting inflationary increases to most cost headings.

Finance costs

Finance costs were 3.1% or £0.2m higher year-on-year as a result of the increase in the Company's bank borrowings which were primarily used to fund the Company's buy-back of shares in November 2023.

* Alternative performance measures are detailed, defined and reconciled within notes 11 and 22 of these Financial Statements.

STRATEGIC REPORT

Financial review continued

BALANCE SHEET

The below table shows the year-end balance sheet as reported.

£m	FY25	FY24 Restated	vs FY24
Freehold and right-to-use investment properties	160.5	156.5	2.6%
Development properties	22.6	24.5	(7.8%)
Car park-related assets, goodwill and investments	54.9	64.1	(14.4%)
Hotel operations	10.2	9.9	3.0%
	248.2	255.0	(2.7%)
Joint ventures	5.6	4.8	16.7%
Listed investments	2.6	3.3	(21.2%)
Other non-current assets	2.2	2.0	10.0%
TOTAL NON-CURRENT ASSETS INCL. AVAILABLE FOR SALE	258.6	265.1	(2.5%)
Net borrowings	(139.9)	(141.4)	(1.1%)
Deferred tax	1.0	3.1	–
Other assets/(liabilities)	(7.4)	(9.4)	(21.3%)
STATUTORY NAV	112.3	117.4	(4.3%)
STATUTORY NAV PER SHARE	266p	279p	(4.4%)
EPRA NET TANGIBLE ASSETS ('NTA')	109.9p	114.5	(4.0%)
EPRA NTA PER SHARE	261p	272p	(4.0%)

Non-current assets

Our total non-current assets (including investments in JVs) of £258.6m (2024: £265.1m) have reduced by £6.5m during the year. This movement is made up of the following:

- Disposals, including YPS receipts of £(5.3m)
- Depreciation charge of £(2.3m)
- Capital expenditure of £5.4m
- Revaluation uplift/reversal of impairments totalling £(6.5m)
- IFRS 16 lease reassessments of £1.4m
- Operating profits generated and retained in JV entities and other movements of £0.8m

Borrowings

During the year our net borrowings have reduced by £1.5m, from £141.4m as at 30 June 2024 to £139.9m at the year-end. This reduction was primarily due to serving notice on a right-of-use car park asset, which has reduced lease liabilities by £2.1m in the year.

We have recently extended our existing Lloyds revolving credit facility by one year; it is now due to expire in June 2027. There remains the option to extend again by a further year, which we can opt for in October 2026. It is our intention to apply for this at that time; clearly it is subject to bank consent.

We have extended our NatWest revolving credit facility by a further 15 months during the year; it is now due to expire in December 2026. Our Handlesbanken credit facility expires in June 2026. We will be looking to renew both of these facilities in the coming months; clearly both will be subject to bank consent.

Loan-to-value has been increased to 53.1%, up from 50.8% a year ago, primarily due to the decrease in property values during the year. Note the calculation of loan-to-value includes both the finance lease assets and liabilities.

EPRA net asset reporting

We focus primarily on the measure of Net Tangible Assets ('NTA'). The below table reconciles IFRS net assets to NTA, and the other EPRA measures.

There are three EPRA Net Asset Valuation metrics, namely EPRA Net Reinstatement Value ('NRV'), EPRA Net Tangible Assets ('NTA') and EPRA Net Disposal Value ('NDV').

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

£m	FY25	FY24 Restated	FY25 p per share	FY24 p per share
IFRS REPORTED NAV	112.3	117.4	266	279
Purchasers' costs[1]	18.0	18.4		
EPRA NET REINSTATEMENT VALUE	130.3	135.8	309	322
Remove purchasers' costs	(18.0)	(18.4)		
Remove goodwill[2]	(2.4)	(2.9)		
EPRA NET TANGIBLE ASSETS	109.9	114.5	261	272
Fair value of fixed interest rate debt[3]	15.4	11.9		
EPRA NET DISPOSAL VALUE	125.3	126.4	297	300

1 Estimated purchasers' costs including fees and stamp duty and related taxes.
2 Removal of goodwill as per the IFRS Balance Sheet – relates predominantly to goodwill paid to acquire two long-term car park leaseholds in London.
3 Represents the adjustment to fair value (market price) of the 2031 5.375% debenture and the single asset facility.

CGI - Whitehall Riverside Leeds

Future financial considerations

Future P&L pressure

The wider economy and underlying property values are still struggling, with uncertainty around office-based working and shopping habits continuing.

In terms of our own specific business, once you exclude the impact of valuation movements and one-off items (for example significant current year roof repairs and rates rebates in the prior period) we have seen recoveries in all segments. However factoring in the above one-off items, underlying earnings of the business have reduced in the year. During the year we have resumed a more normal dividend cycle of an interim dividend of 2.5p per share and a proposed final dividend of 2.5p.

Future balance sheet

As identified in the Risk Report, we have highlighted the continued pressure on retail and office investments to be a significant risk to the business. As part of the going concern and viability statement review process, the Company has prepared consolidated forecasts and identified a number of mitigating factors to ensure that the ongoing viability of the business is not threatened.

Going concern and headroom

One of the most critical judgements for the Board is the headroom in the Group's debt facilities. This is calculated as the maximum amount that could be borrowed, taking into account the properties secured to the funders and the facilities in place.

The total headroom at 30 June 2025 was £24.6m (2024: £20.4m), which was considered to be sufficient to support our going concern conclusion. The properties secured under the Group's debt facilities would need to fall 25.8% in value before this headroom number was breached.

In assessing both the viability and going concern status of the Company, the Board reviewed detailed projections including various different scenarios. A summary of the approach and the findings is set out in the Risk Report, forming part of the Strategic Report of these financial statements.

Total shareholder return and total property return

Total shareholder return of 3.3% (2024: minus 14.7%) was calculated as the total of dividends paid during the financial year of 2.5p (2024: 8.5p) and the movement in the share price between 30 June 2024 (133.5p) and 30 June 2025 (135.5p), assuming reinvestment of dividends. This compares with the FTSE All Share REIT Index at 1.3% (2024: 18.2%) for the same period.

The Company's share price continues to trade at a significant discount to its NAV, impacting total shareholder return.

Total shareholder returns % (CAGR)

Total shareholder returns	1 Year	10 Years	20 Years
Town Centre Securities	3.3%	(3.6%)	(0.5%)
FTSE All Share REIT Index	1.3%	0.2%	2.7%

Total property return is calculated as the net operating profit and gains/losses from property sales and valuations as a percentage of the opening investment properties. Total property return for the business for the reported 12 months was 6.2% (2024: 1.5%).

Stewart MacNeill
Group Finance Director

This Strategic Report and the information referred to herein was approved on behalf of the Board on 16 October 2025.

Edward Ziff OBE DL
16 October 2025

CORPORATE GOVERNANCE

Introduction from the Chairman

123 Albion Street, Leeds

The Board has taken steps to implement the 2018 UK Corporate Governance Code (the ‘Code’) in a way that is appropriate for Town Centre Securities.”

Edward Ziff OBE DL
Chairman & Chief Executive

Wherever possible, the Board seeks to comply with the principles set out in the 2018 UK Corporate Governance Code (the ‘Code’). However, the Board takes a pragmatic approach and, because of the size and nature of the Company, makes a carefully considered judgement about how it should apply the Code. The Board keeps this under regular review and decisions on these matters are made by the Board taking into account the best interests of all stakeholders.

The Board currently consists of two independent Non-Executive Directors who, as well as contributing invaluable support and guidance, offer significant challenge to me and the other Executive Directors. They have been in their roles for over nine years, and are now not considered to be independent. The Board’s focus throughout this year has been on the difficult economic conditions with the goal of ultimately protecting Shareholder value. These conditions have significantly influenced the Board and the long-term strategy of the Company. We now have historically low levels of borrowing and with the early signs of recovery in the economy are looking at both our existing development pipeline and also other investments.

Throughout the year, the Non-Executive Directors have provided robust challenge.

We report below in more detail why the Board continues to believe that it is appropriate for the roles of Chairman & Chief Executive to be combined. Clearly, the Board is aware that this is not in compliance with the Code and recognises that a number of Shareholders will have concerns about this. It is a matter which the Non-Executives keep under continual review to ensure that is in the best interests of the Company’s stakeholders.

The presence on the Board of key executive management provides the Non-Executive Directors with direct access to these major functions rather than through the Chief Executive. In addition, the Non-Executive Directors are extremely rigorous in their review of my performance as Chairman, focusing on ensuring the Chairman:

- demonstrates objective judgement and promotes a culture of openness and debate; and
- facilitates constructive Board relations and the effective contribution of all Non-Executive Directors.

The Board papers circulated in advance of each Board meeting include both Property and CitiPark Board papers which are prepared by the individual management teams for these divisions, ensuring that all Board members are kept appraised of the key issues in the separate parts of the business. This then ensures that the interaction between the Non-Executive Directors and the rest of the Board is based on informed opinions and up-to-date information. All Board decisions are subject to unanimous decisions promoting significant and detailed debate between the Board members. Having the senior management team present also promotes a more inclusive culture, the ability to respond to questions quicker and facilitates a wider and more diverse range of opinions.

Involving the senior management within Board meetings encourages an open culture that enables effective links between the Non-Executive Directors, Executive Directors and senior management.

The Non-Executive Directors are firmly of the view that my holding the combined role of Chairman & Chief Executive continues to be in the best interests of the Company.

Whilst the combined role remains appropriate for the time being, with me being in a unique position – my father having founded the Company and the Ziff family being the largest Shareholder overall – the Board will continue to review the situation on a regular basis.

I also wanted to take the opportunity to directly address the issue concerning the number of Non-Executive Directors considered independent. In accordance with the Code, none of the Board are formally independent (as required by the Code). However, given my combined role as Chair & CEO, the Board agreed that including wider management representation during Board meetings, for example the CitiPark Managing Director, would allow the Non-Executive Directors to have greater access to those parts of the business. This provides more opportunity for a robust assessment of the Company at a level aside from the CEO. This level of representation of management and increased access for robust challenge by Non-Executive Directors is highly unusual at Board-level. Again, this is a matter which all Directors have reviewed and concluded that given the size of the Company, two Directors outside of the Executive team and its Concert Party is appropriate and that to change the composition of the Board would at this point be disruptive and add unnecessary cost. This is a matter that will be kept under review and is covered specifically in the Board evaluation exercise.

Edward Ziff OBE DL
Chairman & Chief Executive
16 October 2025

Our Section 172 statement demonstrates how Directors have discharged their duties to the Company’s stakeholders. This statement can be found on pages 30 to 33.

CORPORATE GOVERNANCE

Board of Directors

EXECUTIVE BOARD

Edward Ziff | OBE DL

Chairman & Chief Executive

APPOINTED: 08/1985

INDEPENDENT: No

A **N** R S

Skills and experience

Edward joined the Company in 1981 before being appointed to the Board in 1985, becoming Managing Director in 1983, Chief Executive in 2001 and succeeding his father and founder of the Company as Chairman in 2004. Edward is a lifelong supporter of the city of Leeds and plays an active role in the community. A passionate family man, Edward brings a strong pastoral care aspect to the business, encouraging individual leadership and an active role in the community through local charities.

Edward's position as son of the founder of TCS, and his lifelong experience working at different levels in the business make him uniquely qualified to lead the Company. In addition, the wider role he plays in the Leeds community in particular, supports him in leading this proudly Leeds-based business.

External appointments

He is a Trustee of the United Hebrew Congregation, Leeds, a member of the council of University College School, London, and a Deputy Lieutenant for the County of West Yorkshire.

Previous experience

In 2013 he was awarded an Honorary Doctorate of Business Administration by Leeds Beckett University. Edward was awarded an OBE for services to the Leeds community and economy in the 2017 Queen's Birthday Honours list. He was previously Chair and Trustee of Leeds Hospitals Charity.

Stewart MacNeill | FCA

Group Finance Director

APPOINTED: 06/2021

INDEPENDENT: No

A N R **S**

Skills and experience

Stewart's chartered accounting qualification clearly underpins his ability to deliver in his role as Group Finance Director. In addition, his 20 years' experience in the property industry, having specialised on the finance side since 2002, ensure he is able to guide and add value in both the operational aspects and strategic direction of the business.

External appointments

He is an executive of Blizzard Properties, a small private property development and consultancy business that specialises in out-of-town retail.

Previous experience

Stewart formally joined the Board in June 2021, having spent the previous four months acting as the Company's Interim Chief Financial Officer. Prior to TCS, he spent the bulk of his professional career at LXB Properties, the real estate investment company which focused on edge-of-town and out-of-town retail assets, and most recently worked at a small development consultancy business. Stewart is a graduate of the University of Cambridge and a Fellow of the Institute of Chartered Accountants of England and Wales.

Ben Ziff

Managing Director CitiPark
TCS Energy & Technology

APPOINTED: 09/2015

INDEPENDENT: No

A N R **S**

Skills and experience

Ben's long and close contribution to the business ensures he is always able to take the wider, cross-business long-term view. In addition, his wide knowledge of the rapidly changing effects of technology ensures that we are able to adapt to and embrace new ways of doing business across the Property, Energy and Parking subsidiaries of the Company.

Ben joined TCS in 2008, becoming CitiPark Managing Director in 2009. In September 2015, Ben was appointed to the Board of Directors.

External appointments

He is a mentor at the Creative Destruction Lab, part of the Saïd Business School at the University of Oxford.

Previous experience

In 2013, Ben successfully led a team in the redevelopment of the Merrion Centre multi-storey car park, which turned a 1960s structure into a state-of-the-art facility featuring Skidata, ApplePay, Contactless Payment and ANPR technologies. Since 2014, Ben has led the acquisitions programme which has doubled the size of the car park division. Ben's personal interest in combining tech, renewable energy and electric vehicle charging led to the development in 2012, of TCS Energy, which pursues renewable energy production and storage to add to our existing portfolio of solar farm installations. Ben has ensured the Group uses cutting-edge technology to revolutionise and maximise its operations, including guiding the Board's financial investment of YourParkingSpace.co.uk, which TCS successfully exited in July 2022.

Craig Burrow

Group Property Director

APPOINTED: 01/2023

INDEPENDENT: No

A N R **S**

Skills and experience

Craig is a chartered surveyor with over 25 years' experience in the Leeds and Manchester office market. He is well known throughout the region's business community for his long-standing positions on boards, committees and steering groups.

External appointments

He is Chair of the Yorkshire Property Charitable Trust, a member of the committee of the Crypt Factor and Yorkshire Property Charity Lunch.

Previous experience

Craig joined the Company in October 2020 as Development Director becoming Group Property Director in January 2023. He has significant experience in the property industry having started as a commercial agent at Weatherall Green & Smith, and then at DTZ Debenham Tie Leung before moving to Bruntwood, where for most of his 13 years he was the Director of Leeds, responsible for overseeing all aspects of managing the Leeds portfolio including asset management, acquisitions, disposals, investments and redevelopments including Platform, Hepworth Point and Sovereign Square.

NON-EXECUTIVE BOARD

Michael Ziff | Hon DUniv (Brad)

Non-Executive Director

APPOINTED: 07/2004

INDEPENDENT: No

A **N** R S

Skills and experience

Michael's lifelong involvement with the Company and his retail experience puts him in a unique position to understand TCS, and to give counsel based on the founding principles of the business and the importance of taking a long-term strategic view. Michael was appointed to the Board in July 2004.

External appointments

He is a Director of Transworld Business Advisors UK Ltd and LBFB Ltd M&A, corporate advisors and Business & Franchise brokerage company. He is Co-chair of the London Jewish Forum, an advocacy charity working closely with the Jewish community, the police, the National Health Service and London-based politicians (MPs and local councillors). He is Chair of the Faith & Belief Forum, a leading interfaith charity, President and trustee of Maccabi GB, and International Vice President of Maccabi World Union, a sports and wellbeing youth and education charity. He is also Trustee of the Polack's House Education Trust and Member of the FA Antisemitism Task Force.

Ian Marcus | OBE MA FRICS

Non-Executive Director

APPOINTED: 01/2015

INDEPENDENT: No

A **N** **R** S

Skills and experience

Ian's significant experience in the Property and Corporate Finance worlds give him an experience base and a network that can valuably inform, guide and support TCS both in making day-to-day operational decisions, and in setting the long-term strategic direction of the business. He has broad remuneration experience which supports his role as Chair of the Remuneration Committee. Ian Marcus was appointed to the Board in January 2015.

External appointments

Ian is a member of Redevco's Advisory Board. He is Senior Advisor to Eastdil Secured, the Chair of Shurgard Self Storage SA, Senior Advisor to Elysian Residences, Advisor to Work.Life, and a senior advisor to Anschutz Entertainment Group. Ian is also a Non-Executive Director of Green Mountain Global and a visiting Professor at Aberdeen University.

Previous experience

Ian spent over 32 years as an investment banker, latterly at Credit Suisse. Ian was previously a Crown Estate Commissioner, a Trustee of The Prince's Foundation, is a former Chairman of the Bank of England Commercial Property Forum, a past President of the British Property Federation, past Chair of the Investment Property Forum and former President of Cambridge University Land Society.

Paul Huberman | FCA CTA

Non-Executive Director

APPOINTED: 01/2015

INDEPENDENT: No

A **N** **R** S

Skills and experience

Paul was appointed a Director in January 2015. He brings over 38 years' experience in the property and finance sectors.

Paul's previous experience as Finance Director at three quoted companies, and his ongoing work in the real estate arena mean that he can robustly challenge and scrutinise the financial affairs of the business, leading the Audit Committee, as well as contributing meaningfully to the broader operational and strategic activities of the Company.

External appointments

He is currently a part-time Executive Director of Galliard Homes Limited, a London housebuilder, a Non-Executive Director at GetBusy plc, a developer of document management and task management software and a Non-Executive Director at a privately-owned property group.

Previous experience

Paul was previously Finance Director at three quoted Companies. He was a Non-Executive Director at Grit Real Estate Income Group Ltd, a listed pan-African property investment company, a Non-Executive Director at LiFE At Ltd, a multi branch London-based residential estate agency, a Non-Executive Director at JCRA Group Ltd, the holding company of JC Rathbone Associates Ltd, the independent advisors on interest rate risk management, debt finance and foreign exchange exposure, and a Non-Executive Director at the Industrial Dwellings Society (1885) Ltd, a housing association.

Committee Membership

- A — Audit Committee Member
- N — Nomination Committee Member
- R — Remuneration Committee Member
- S — Sustainability and Climate Change Committee Member
- C — Chairman of Committee

CORPORATE GOVERNANCE

Corporate Governance Report

Details of the Board of Directors are given on pages 64 to 65 of this report. At the end of the year the Board comprised three Non-Executive Directors and four Executive Directors, including the Chairman & Chief Executive.

The key roles and responsibilities are as follows:

Our three Non-Executive Directors bring considerable experience and expertise to the work of the Board and provide a significant view to our deliberations. They regularly challenge and question the conclusions of the Executives and have a particular focus on the interests of all Shareholders, including non-family Shareholders.

Edward Ziff | OBE DL
Chairman & CEO

- Ensure a robust decision-making process is in place and all appropriate information is provided to the Board in a timely manner.
- Set the Board agenda, focusing on strategic matters and giving adequate time to other key issues as required.
- Manage the Board to allow time for discussion of complex or contentious issues.
- Ensure the Board discharges its responsibilities with respect to risk management and governance, promoting high standards of corporate governance.
- Effective communication with Shareholders and other stakeholders.
- Leadership of the Board and the Company.
- Successful achievement of objectives and execution of strategy.
- Responsible for identifying and recruiting Board members.
- Ensure long-term business sustainability.
- Ensure implementation of Board decisions.

Stewart MacNeill | FCA
Group Finance Director

- Provide advice and guidance on financial strategy.
- Ensure the Group's financial commitments, targets and obligations are met.
- Budget-setting and performance management.
- Ensure compliance with statutory regulations.
- Assist with Shareholder communications.
- Oversee all banking and debt facilities.
- Board responsibility for IT and data security.

Ian Marcus | FRICS
Senior Non-Executive Director

- Support the Chairman & CEO's delivery of objectives.
- Lead the Non-Executive Directors in the oversight and evaluation of the Chairman & CEO.
- Being available to Shareholders to express concerns that the normal channels have failed to resolve, or for which they would be inappropriate.
- Take responsibility for an orderly succession process for the Chairman were it to be required.

Ben Ziff
Managing Director, CitiPark

- Provide advice and guidance on Car Parking strategy.
- Implement agreed business plan for CitiPark.
- Identify and recruit CitiPark senior management team.
- Identify and propose car park acquisitions and/or disposals.
- Identify and lead relationship with Property and Car Parking-related technology investments.

Craig Burrow
Group Property Director

- Oversee the asset management of the Company's property portfolio.
- Identify and propose commercial acquisitions and/or disposals.
- Manage the development programme.
- Propose major projects and bids.
- Manage commercial expenditure.

In accordance with the UK Corporate Governance Code Paul Huberman and Ian Marcus are not considered to be independent as they have served as Non-Executive Directors of the Company for more than nine years. The Board confirms that they:

- have not been an employee of the Company or Group during the prior five years;
- have not had any material business relationship with the Company or been a Director or a senior employee of a body which has had such a relationship with the Company;
- have not received or receive remuneration from the Company other than Directors' fees, nor do they participate in any Company Share Plan, nor are a member of the Company's pension scheme;
- do not have close family ties with the Company's advisors, Directors, or senior employees;
- have no cross Directorships or significant links with other Directors through involvement in other companies and bodies other than that referred to below; and
- do not represent a significant Shareholder.

One of the Non-Executive Directors, Michael Ziff, is not considered to be independent, due mainly to his shareholding in the Company and his close family ties. The Board consider that he brings extensive experience and expertise and provides an invaluable contribution to the work of the Board. Although not independent, both Ian and Paul provide robust challenge to the rest of the Board and bring significant relevant experience to the Board.

Additionally, under the Code, the Company is required to identify a Senior Non-Executive Director. Ian Marcus and Paul Huberman were appointed on the same day and, while they have different skills and experience, neither is senior to the other. Consequently, for the purpose of compliance with the Code, the position will alternate on an annual basis.

Over the past year Ian Marcus has stood as our Senior Director and therefore, from the date of this report until the next, the position will be rotated to Paul Huberman.

Prior to the introduction of the 2018 UK Corporate Governance Code, Ian Marcus was appointed as a workforce representative. His role has been key in ensuring workforce representation in the discussions and decisions of the Board, useful in enabling all Directors to perform their duties under Section 172 of the Companies Act 2006.

The full Board met eight times in the year and the record of Directors' attendance at the Board meetings is set out overleaf. This year the Board met once specifically to review the strategic direction of the Group. The Board manages overall control of the Group's affairs in accordance with the schedule of matters reserved for its decision. These include the approval of financial statements, business plans including environmental and sustainability considerations, all major acquisitions and disposals, risk management strategy and treasury decisions.

The Board has established two divisional Boards: the Property Review Board (eight meetings in the year) and CitiPark Board (eight meetings in the year), and a separate Sustainability and Climate Change Committee – which comprise Executive Directors and senior management. The Board has delegated responsibility to the divisional Boards and Committee for assisting the Executive Directors on measures relating to the Board's strategies and policies, operational management and the implementation of the systems of internal control, within agreed parameters.

There is an agreed procedure for Directors to take independent professional advice at the Company's expense, if necessary, in the performance of their duties. This is in addition to the access which every Director has to the Company Secretary. The Group maintains liability insurance on behalf of Directors and Officers of the Company.

On appointment, the Directors are provided with information about the Group's operations, the role of the Board, the Group's corporate governance policies and the latest financial information. Additionally, upon appointment, Directors are provided with induction including training in respect of all their responsibilities in accordance with the UK regulatory regime. Subsequent training is also undertaken as appropriate.

The appointment and removal of Directors is governed by the Company's Articles of Association, the UK Corporate Governance Code and the Companies Act 2006 and other related legislation. The Articles are available on application to the Company Secretary at the Company's registered office.

Ian Marcus and Paul Huberman meet at least once a year without the other Executive Directors present to discuss the performance of the Board and to appraise the Chairman & Chief Executive's performance.

UK Corporate Governance Code (the 'Code')

As part of the Company's commitment to good corporate governance, a review of compliance with the Code was undertaken and areas of non-compliance identified. The Board has undertaken several changes to comply with the Code and several other actions remain ongoing. Detail on compliance with the Code is provided on pages 70 to 71.

CORPORATE GOVERNANCE

Corporate Governance Report continued

LISTING RULES

In accordance with UKLR 6.6.1 the following information has been disclosed as set out below.

LISTING RULE REQUIREMENT	LOCATION
A statement of the amount of interest capitalised during the period under review and details of any related tax relief.	Not applicable
Information required in relation to the publication of unaudited financial information.	Not applicable
Details of any long-term incentive schemes.	No such long-term incentive plans
Details of any arrangements under which a Director has waived emoluments, or agreed to waive any future emoluments, from the Company.	Not applicable
Details of any non-pre-emptive issues of equity for cash.	No such share allotments
Details of any non-pre-emptive issues of equity for cash by any unlisted major subsidiary undertaking.	No such share allotments
Details of parent participation in a placing by a listed subsidiary.	Not applicable
Details of any contract of significance in which a Director is or was materially interested.	No such contract
Details of any contract of significance between the Company (or one of its subsidiaries) and a controlling Shareholder.	No such contract
Details of waiver of dividends by a Shareholder.	No such waiver
Board statement in respect of relationship agreement with the controlling Shareholder.	Directors' Report, page 85

Performance of the Board

The effectiveness of the Board, its committees and Directors was reviewed as part of Board proceedings. Given the size of the Board and nature of the business the Directors performed an internal Board evaluation. The Board recognises the requirement to consider the use of an external evaluator at least every three years. The Board has not yet engaged with an external evaluator and during the next financial year will consider the appropriateness of this measure for Town Centre Securities.

The evaluation of the Board and its committees, which did not highlight any areas of concern, considered:

- The Directors' understanding of the roles and responsibilities of the Board and of its committees;
- The structure of the Group, including succession planning in key areas of the business;
- The Board's understanding of the Group's activities and the appropriateness of its strategic plan;
- Whether Board meetings effectively monitor and evaluate progress towards strategic goals;
- Board composition and the involvement of each Director in the business of the Group;
- The overall effectiveness of the Board in the provision of the necessary experience required to direct the business efficiently; and
- The effectiveness of the Board Committees in performing their roles.

The evaluation of the performance of individual Directors was undertaken by the Chairman & Chief Executive and the performance of the Chairman & Chief Executive was evaluated by the Non-Executive Directors led by the Senior Non-Executive Director, considering the views of the Executive Directors. Ian Marcus and Paul Huberman met at least once during the year without the Chairman and the rest of the Directors.

Committees of the Board

Nomination Committee
Edward Ziff (Chair)
Ian Marcus
Paul Huberman
Michael Ziff

Audit Committee
Paul Huberman (Chair)
Ian Marcus

Remuneration Committee
Ian Marcus (Chair)
Paul Huberman

Attendance at Board Meetings (of 8)	
Edward Ziff	8
Ben Ziff	8
Stewart MacNeill	8
Craig Burrow	8
Michael Ziff	8
Ian Marcus	8
Paul Huberman	8

Attendance at Audit Committee Meetings (of 2)	
Paul Huberman	2
Ian Marcus	2
Jeremy Collins	2

Vicar Lane, Leeds

CORPORATE GOVERNANCE

Statement of Compliance with the UK Corporate Governance Code

The UK Corporate Governance Code ('the Code') can be found on the FRC's website: frc.org.uk. Under the Code, the Board is required to make a number of statements. These statements are set out below:

1. Compliance with the Code

As a company listed on the London Stock Exchange, Town Centre Securities PLC is subject to the requirements of the Code. The Board is required to comply with the Code and, where it does not, to explain the reasons for non-compliance. The Board now reports against the 2018 Corporate Governance Code and has also produced a Section 172 Statement demonstrating how Directors have performed their duties in compliance with Section 172 of the Companies Act 2006.

Statement of compliance with the Code

The Board has considered the principles and provisions of the Code, published by the Financial Reporting Council ('FRC'). The Board of Directors has complied with the Code throughout the year except for the following matters:

UK CORPORATE GOVERNANCE CODE	PROVISION	MITIGATION EXPLANATION OF DEPARTURE FROM THE CODE
PROVISION 9	The roles of the Chairman and Chief Executive should not be exercised by the same individual.	The Board acknowledges that the appointment of Edward Ziff as Chairman & CEO and his tenure depart from the UK Code. Edward Ziff became Chief Executive in 2001 and succeeded his father as Chairman in 2004. The Board unanimously agreed that, for a number of reasons, including cost efficiency, that taking on both roles would be in the Company's best interests. The Board is focused on the commercial success of the Company and believes that continuing the combined position of Chairman & Chief Executive is the best way to achieve this. Furthermore, the Board noted the contributions which have been made by Edward Ziff in delivering the strategy of the Company, whilst utilising his position to act as an ambassador for the Company. As mentioned previously, the Company took the step to include wider management representation at Board-level as a measure to give the Non-Executive Directors greater access and further avenues to scrutinise the business. This ensures an appropriate level of robust challenge and is an ongoing focus for the Non-Executive Directors. The Non-Executive Directors meet at least annually in a private session chaired by the Senior Director to consider the governance of the Company including the division of responsibilities for the Chairman & CEO. Edward Ziff will stand for re-election at all future Annual General Meetings in accordance with the Code requirements.
PROVISION 19	Chair not to remain in post for more than nine years.	Edward Ziff was appointed Chairman & CEO in 2004, which the Board feels continues to be in the best interest of the Company. Due to this combined role Edward Ziff is not considered to be independent. Edward Ziff has over 37 years' experience on the TCS Board and is well respected within both the Leeds and Manchester property markets – which geographically represent 89% of the Group's property portfolio. His invaluable knowledge of the Group's largest single asset, the Merrion Centre, Leeds would be very difficult to replicate. Edward Ziff has significant contacts within the local area in which the business operates (for example at the local authorities, Leeds University and the Leeds Hospitals Charity). The Board believes that the valuable experience provided by Edward Ziff continues to benefit the Company.
PROVISION 38	Pension contributions payable to Directors in line with the Company's Employees.	The Company makes pension contributions of 13% to three Executive Directors, which is higher than paid in relation to senior management. This is deemed appropriate to ensure suitably qualified and experienced individuals are appointed to support the Chairman and Chief Executive.
PROVISION 39	Notice or contract periods should be set at one year or less.	The Chairman & Chief Executive has a service contract with a notice period greater than one year. Given the role and experience of the Chairman & Chief Executive, and his deep knowledge of the Company, the Board believes the longer notice period continues to be appropriate.
PROVISION 11 AND 17	At least half the Board, excluding the Chairman, to be independent. With regards to provision 17, a majority of the nomination committee members should be independent.	The Board noted that less than half of the Board is considered to be independent. The composition of the Board is regularly reviewed to ensure that there in an appropriate balance of skills and experience. The Board currently comprises three Non-Executive Directors, all of which are not considered to be independent. Two of the Non-Executive Directors have been in their roles for over nine years, and for the purpose of the Code do not count as independent. These individuals bring significant experience to the business. Again, without the unusual wider management representation on the Board, the Company would meet the required ratio of Independent Directors.

2. Going concern

The Board is required to confirm that the Group has adequate resources to continue in operation for at least 12 months.

The Directors are satisfied that the Group has adequate resources to continue to be operational as a going concern for the foreseeable future and therefore have adopted the going concern basis in preparing the Group's 2025 Financial Statements. More details can be found in the Risk Report on page 56 and the Directors' Report on page 85.

3. Viability statement

The Board is required to assess the viability of the Company taking into account the current position and the potential impact of the principal risks and uncertainties facing the business.

The Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three years ended 30 June 2028. Our Viability Statement can be found in the Risk Report on page 57.

4. Principal risks facing the Group

The Board is required to confirm that a robust assessment of the principal and emerging risks facing the Company has been carried out and should describe those risks and explain how they are being managed or mitigated.

A robust assessment of the principal risks facing the Company was undertaken during the year, including those that would threaten its business model, future performance, solvency or liquidity. These risks and how they are being managed or mitigated can be found in the Risk Report starting on page 50.

5. Risk management and internal control

The Board is required to monitor the Company's risk management and internal control systems and, at least annually, carry out a review of their effectiveness.

The Board conducted a review of the effectiveness of the systems of risk management and internal control during the year and considers that there is a sound system in place. More detail can be found in the Audit Committee Report on page 76.

6. Fair, balanced and understandable

The Board is required to confirm that it considers the Annual Report, taken as a whole, to be fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

The Directors consider, to the best of each person's knowledge and belief, that the Annual Report, taken as a whole is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy. This is considered in the Audit Committee Report on page 76 and the Statement of Directors' Responsibilities on page 87.

Relations with Shareholders

The Board is committed to maintaining good communication with Shareholders. The Chairman & Chief Executive and Group Finance Director maintain a dialogue with institutional Shareholders and analysts immediately after the announcement of the half-year and full-year results. Their views are reported to the Board as appropriate. The Company also encourages communications with private Shareholders throughout the year and welcomes their participation at Shareholder meetings.

The principal communication with private Shareholders is through the Annual Report and Accounts, the half-year release and the Annual General Meeting ('AGM'). The Notice of AGM and related papers are communicated to Shareholders at least 20 working days before the meeting to give Shareholders sufficient time to consider the business of the meeting. All Directors attend the AGM in person (or by teleconference) and Shareholders are given the opportunity to ask questions of the Board and meet all the Directors informally after the meeting.

Separate resolutions are proposed for each item of business and the proxy votes for, against and withheld are announced. An announcement confirming resolutions passed at the AGM is made through the London Stock Exchange immediately after the meeting. The Senior Independent Director is available to Shareholders if they have concerns they wish to raise.

The Group has a comprehensive website on which up-to-date information is available to all Shareholders and potential investors (tcs-plc.co.uk).

Edward Ziff OBE DL
Chairman & Chief Executive
16 October 2025

CORPORATE GOVERNANCE

Nomination Committee Report

**Dear Shareholder,
I am pleased to continue to act as Chairman of the Nomination Committee. The other members of the Committee are Ian Marcus, Paul Huberman and Michael Ziff. The Committee met formally once during the year."**

Edward Ziff OBE DL
Chairman & Chief Executive

Responsibilities of the Nomination Committee

The Committee is responsible for the regular review of the structure, size and composition (including the skills, knowledge, independence and experience) of the Board, and it makes recommendations to the Board with regard to any changes.

The Committee also considers succession planning for the Executive Board in the course of its work, taking into account the challenges and opportunities being faced and the skills and expertise required.

Work of the Committee during the year

The effectiveness of the Board, its Committees and Directors was reviewed as part of the September Board proceedings. More detail can be found in the Directors' Report on page 85. As a result of this exercise, the Committee will be focusing on continuing to develop its succession plan for the Board. A central part of this plan will be to seek to make the Board more diverse. The Company continues to face new challenges with significant uncertainty in the general economy. The Committee will be considering the Board's skill set to ensure it is able to lead the Company and a diverse Board will be key to the Board's effectiveness. The Company's approach to diversity is set out later in this report.

The Committee recognises that the Chair of the Board has remained in post beyond nine years and the reasons for this are regularly and rigorously reviewed by Ian Marcus and Paul Huberman to ensure this remains in the best interests of the Company and its stakeholders. This exercise also incorporates a review of the combined role of Chairman & Chief Executive Officer. Further information can be found on page 63.

Biographies of the Board members can be found on pages 64 to 65.

Diversity and inclusivity

The Board embraces the supporting principles on diversity and inclusivity in its broadest sense: diversity of skills, background, experience, knowledge, outlook, approach, gender and ethnicity. In addition, the Company has regard for diversity in recruitment at all levels. At the Company's head office in Leeds, 14 of the Company's 30 employees are female. The Company drives diversity through its university placements, adding to its core strategy on enhancing diversity via a strong and diverse pipeline of talent throughout the Group at all levels.

The Board does not meet any of the targets on Board diversity as set out in UKLR 6.6.6(9). As a relatively small Plc based in Leeds, the Company has always recruited Board and executive management members primarily for their skills and experience. The experience of the Company is that the potential pool of candidates does not allow it to fulfil any of the diversity and inclusivity targets in the UK Listing Rules. In assessing the members of the executive management team, the Company has included all heads of departments and the key members of the individual business segment meetings. The composition of the Board and at executive management level as at both 30 June 2025 and at the date of this report is as follows:

Gender identity	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in executive management	Percentage of executive management
Men	7	100%	3	5	62.5%
Women	0	0%	0	3	37.5%
Not specified/prefer not to say	0	0%	0	0	0%
Ethnic background					
White British or other white	7	100%	3	8	100%
Mixed/Multiple ethnic groups	0	0%	0	0	0%
Black/African/Caribbean/ Black British	0	0%	0	0	0%
Other ethnic group, including Arab	0	0%	0	0	0%
Not specified/prefer not to say	0	0%	0	0	0%

The Board is committed to ensuring it has an appropriate balance of skills, knowledge and experience. Diversity is a vital part of the continued assessment and enhancement of Board composition, and the Board recognises the benefits of diversity amongst its members, and the senior team. As mentioned earlier in this Report, the Board recognises that its composition should enable it to meet future challenges and assist it in discharging its responsibilities to all of its stakeholders.

All Board appointments are made on merit and whilst the Nomination Committee has decided not to employ specific diversity targets, it continues to actively support diversity in all forms. The Board is committed to furthering its diversity and is looking to address the issue wherever the opportunity arises to do so. The Committee is committed to ensuring that recruiting a female Independent Non-Executive Director is a priority when a future vacancy arises.

Edward Ziff OBE DL
Chairman of the Nomination Committee
16 October 2025

CORPORATE GOVERNANCE

Audit Committee Report

Dear Shareholder, As Chairman of the Audit Committee ('the Committee') I am pleased to present the report of the Committee for the year ended 30 June 2025."

Paul Huberman FCA CTA
Chairman of the Audit Committee

The Audit Committee consists of two Non-Executive Directors: Paul Huberman and Ian Marcus. I am a qualified Chartered Accountant and experienced senior finance executive having been Finance Director of three different listed companies, and more recently a Non-Executive Director at Galliard Homes and Grit Real Estate Income Group. Ian Marcus has a breadth of experience in Investment Banking, and as a Non-Executive Director with past Audit Committee responsibilities. The Board is therefore satisfied that at least one member of the Audit Committee has recent and relevant financial experience. The Committee as a whole has relevant sector experience.

Executive Directors, including Edward Ziff, join Committee meetings by invitation but are not members of the Committee. The Committee meets alone with the external auditor without Executives present at least twice a year.

The Audit Committee carries out an annual review of its Terms of Reference. The Terms of Reference ensures the Committee's role is fully compliant with the 2018 UK Corporate Governance Code and reflects best practice. This is available to view on the Company's website.

Responsibilities

The Committee's role includes, but is not limited to, assisting the Board to discharge its responsibilities and duties for financial reporting, internal control, management of risk and the appointment, reappointment and remuneration of an independent external auditor. The Committee is responsible for reviewing the scope, terms of engagement, and results of the audit work and the effectiveness of the auditor. The Committee is responsible for monitoring the integrity of the Financial Statements, announcements and judgements, as well as reviewing the Company's internal financial controls. The Committee also satisfies itself of the auditor's independence and objectivity, reviews and approves the level of non-audit services, and the Group's arrangements on whistleblowing. Any matter the Committee considers needs action or improvement is reported to the Board. In addition, the Committee continues to review annually whether an internal audit function is required.

Report on the Committee's activities during the year

During the year, the Committee met three times and discharged its responsibilities by:

- Reviewing the Group's draft Annual Report and Financial Statements and its interim results statement prior to discussion and approval by the Board.
- Reviewing the continuing appropriateness of the Group's accounting policies.
- Reviewing BDO's plan for the 2025 Group audit and approving their terms of engagement and proposed fees.
- Reviewing reports prepared by management on internal control issues, as necessary.
- Considering the effectiveness, objectivity and independence of BDO as external auditors and recommending to the Board their reappointment.
- Reviewing management's biannual risk review report and the effectiveness of the material financial, operational and compliance controls that help mitigate the key risks.
- Reviewing the effectiveness of the Group's whistleblowing policy.
- Monitoring the level of non-audit fees and the scope of non-audit services provided in the year by the auditors.
- Reviewing and ultimately informing the Board of the decision to propose Grant Thornton UK LLP as auditor to the Group for the year ending 30 June 2026 following a formal audit tender process.
- Reviewing progress against the IT infrastructure and security action plan.
- Considering management's approach to the Viability Statement in the 2025 Annual Report.
- Reviewing the terms of reference of the Audit Committee.
- Carrying out an annual performance evaluation exercise and noting the satisfactory operation of the Committee.
- Reviewing the Group's Non-Audit Services Policy.
- Reviewing the Group's tax compliance.
- Reviewing the Group's TCFD disclosures.
- Reviewing the longer-term viability of the business and its going concern status.

Burlington House, Manchester

Significant issues considered in relation to the financial statements

During the year, the Committee considered key accounting matters and judgements in respect of the financial statements. The Committee received detailed reporting from the Finance Director and BDO with respect to key areas of management judgement and reporting. Using BDO's assessment of risk and the Committee's own independent knowledge of the Company, estimates and judgements of management in relation to the preparation of the financial statements were reviewed and challenged. The significant accounting matters and judgements related to:

- Investment Property Valuation – the Committee reviewed the reports of the independent valuer CBRE, and the Chair and other members of the Committee attended the valuation review meetings with management, BDO and CBRE.
- Treatment of property sales and investment acquisitions in the year.
- Going concern and covenant compliance – the Committee reviewed and approved the going concern analysis.
- Viability Statement and appropriateness of period of the statement – the Committee reviewed and agreed the longer-term viability analysis and recommended timeframe. As part of this process a number of stress scenarios were provided to the Committee. The assumptions behind those scenarios were robustly examined.
- Treatment of outstanding rental income due from tenants as at the year-end that was more than three months overdue; the Committee agreed that it was appropriate to provide for non-payment of the amounts due unless there was reasonable certainty of the recoverability of specific balances.
- Accounting for the prior period adjustment in particular the reassessment of IFRS 16 lease liabilities and right-of-use assets.
- Critical accounting estimates and judgements – the Committee reviewed and approved the specific disclosures around the critical accounting estimates and judgements used in preparing the financial statements.

CORPORATE GOVERNANCE

Audit Committee Report continued

Going concern and viability

The Committee and the wider Board have spent significant time during the year reviewing and stress-testing the financial robustness of the Company. This is detailed in the Risk Review on page 55, but in summary key Audit Committee activities included:

- Detailed reviews of predicted cash flow forecasts under different scenarios, and review of predicted bank and debenture covenant tests.
- Detailed discussions regarding the Viability Statement and Going Concern statement included within this Annual Report and Accounts.

Fair, balanced and understandable

In its review the Audit Committee has determined that the 2025 Annual Report, taken as a whole, is fair, balanced and understandable and provides Shareholders with the necessary information to assess the Company's position and performance, business model and strategy.

Risk management and internal controls

The UK Corporate Governance Code provides that the Directors should monitor the Company's risk management and internal control systems and, at least annually, carry out a review of their effectiveness and should report to Shareholders in the Annual Report. The monitoring and review should cover all material controls, including financial, operational and compliance controls. The Board recognises that effective risk management is critical to the achievement of the Group's strategic objectives, and the Audit Committee plays a key role in reviewing identified risks and assessing the effectiveness of mitigation plans.

The principal risks and uncertainties identified by the Board and the processes in place to manage and mitigate such risks are summarised in the Risk Management section. All individual risks identified have remained unchanged in the year. The macroeconomic environment in the UK has worsened over the year, however the Company has mitigated this with the robustness of the Group's property portfolio, its tenant mix, the underlying trade in both the Group's Car Parking and Hotel businesses and the reduction in borrowings over the year.

The risk management system is designed to give the Board confidence that the risks are being managed or mitigated as far as possible. However, it should be noted that no system can eliminate the risk of failure to achieve the Group's objectives entirely and can only provide reasonable but not absolute assurance against material misstatement or loss.

The key elements of the internal control framework are as follows:

- A comprehensive system of financial budgeting and forecasting based on an annual budget in line with strategic objectives. Performance is monitored and action is taken throughout the year based on variances to budget and forecast.
- Rolling 18-month cash flow forecasting that is reviewed by the Board at least six times a year.
- An organisational structure with clearly defined roles, separation of duties, and authority limits.
- Close involvement of the Executive Directors in day-to-day operations, and regular formal meetings with senior management to review the business.
- Monthly meetings of the Executive, the Property Review Group, the CitiPark Board, and quarterly meetings of the IT and Data Governance Committee.
- A documented appraisal and approval process for all significant capital expenditure.
- Approval by the Board for all material acquisitions, disposals and capital expenditure.
- The maintenance of a risk register, and a formal review of significant business risks twice a year.
- A formal whistleblowing policy and anti-bribery policy.

The Board has delegated responsibility for reviewing the effectiveness of the risk management framework and internal control to the Audit Committee.

Oversight of the external auditors

BDO were appointed as the Company's auditors following a formal tender process in 2015/16.

Current UK regulations require rotation of the lead audit partner every five years, a formal tender of the auditor every ten years and a change of auditor every 20 years. The 2025 audit was the fourth audit by Chris Young.

BDO presented their audit plan for the year-end to the Board, where the key audit risks and areas of judgement were highlighted, and the level of audit materiality agreed. BDO presented detailed reports of their findings to the Committee before the Interim and Full-Year results. The Committee questioned and challenged the work undertaken and the key assumptions made in reaching their conclusions.

Auditor independence and objectivity

The Committee recognises the importance of auditor objectivity and independence and understands that this can be compromised by the provision of non-audit work. All taxation advice is provided separately by PwC. However, there may be certain circumstances where, due to BDO's expertise and knowledge of the Company, it may be appropriate for them to undertake non-audit work. The Company has put in place a formal process for agreeing and approving non-audit work by the Audit Committee alongside a Non-Audit Services Policy as mentioned previously. BDO have confirmed to the Audit Committee that they remain independent and have maintained internal safeguards to ensure the objectivity of the engagement partner and audit staff is not impaired.

Audit fees for the year are broken down as follows:

	£'000
Audit of year-end consolidated Financial Statements	295
Audit of Company subsidiaries pursuant to legislation	10
TOTAL AUDIT SERVICES	**305**
Other non-audit services	5
TOTAL AUDITOR'S REMUNERATION	**310**

The Committee ensures it is able to assess the quality of BDO's audit in three key ways: Firstly, it ensures there is a comprehensive engagement agreement in place; secondly, the Committee reviews the detailed audit planning document provided by BDO; and thirdly, BDO produces a detailed audit report that is thoroughly reviewed by the Committee with follow-up iterations as necessary. In addition to meeting the auditors without management present, the Committee is able to stress test the independence and quality of the review.

The review described above allows the Committee to determine and understand the degree to which the auditors have challenged management and if necessary require the auditors to revisit particular aspects in more detail. In this past year, the attendance of Committee members at the Valuation Review meetings has allowed the Committee to witness first-hand the level of scrutiny and challenge given by the auditors to management and CBRE.

In the year ended 30 June 2025 the Committee has not asked the auditors to look at any specific areas not already covered by the audit plan.

Auditor reappointment

A formal tender process was undertaken during the year by the Audit Committee. Six firms were invited to tender, of which three were selected to present to the Audit Committee. As a result of this process BDO will be stepping down as Auditor at this year's AGM and it is proposed that Grant Thornton will be appointed for the year ended 30 June 2026. The Committee believes that Grant Thornton are independent and recommend that they are appointed as external auditors for the Company.

Internal audit

In 2023 the Group appointed an external accountancy firm, independent of the auditors, to provide an internal audit service. This service provides two reviews per annum – each review on a specific targeted activity of the Group. The activity chosen will be agreed between the internal auditors and the Audit Committee.

Whistleblowing

The Group has in place a whistleblowing policy which encourages employees to report any malpractice or illegal acts or omissions or matters of similar concern by other employees or former employees, contractors, suppliers or advisors. The policy provides a mechanism to report any ethical wrongdoing or malpractice or suspicion thereof. The Committee reviews this policy annually.

Committee evaluation

As part of the Board and Committee self-evaluation process it was felt that the Committee continued to operate at a high standard and was effective in its support to the Board during the year.

Paul Huberman
Chairman of the Audit Committee
16 October 2025

Weymouth Street, London

CORPORATE GOVERNANCE

Directors' Remuneration Report

On behalf of the Board I am pleased to present the Directors' Remuneration Report of the Remuneration Committee (the 'Committee')."

Ian Marcus
Chairman of the Remuneration Committee

The report is divided into two sections:

- This Annual Statement for the year ended 30 June 2025, which summarises remuneration outcomes and how the Remuneration Policy will operate for the year ending 30 June 2026.
- The Annual Report on Remuneration which explains how the Remuneration Policy was implemented in the year ended 30 June 2025, and how the Remuneration Policy will be implemented for the year ended 30 June 2026.

There are no proposed changes to the Remuneration Policy from that which was approved by Shareholders last year. Only the Annual Statement and Annual Report on Remuneration will be subject to a vote at the forthcoming 2025 AGM.

Pay and performance during 2025

In determining the bonus award levels for the year ended 30 June 2025 the Remuneration Committee has taken full account of the progress made by the Company in the past year. As there were no specific benchmarks set for these bonuses, they were entirely at the discretion of the Remuneration Committee.

Bonus award for the year ended 30 June 2025

Following a change to the Remuneration Policy at the Company's AGM in 2022 we are able to award exceptional bonuses in relation to significant transactions that are outside of the ordinary course of business for the Company. These bonuses are on top of the annual bonus opportunity of up to a maximum of 100% of base salary.

During the year the Committee approved extraordinary bonuses in relation to the final element of deferred consideration received from the sale of the Company's investment in YourParkingSpace Ltd ('YPS').

The financial performance assessment considered the following achievements:

- The EPRA profit for the year of £1.8m (£3.2m if you add back the extraordinary bonuses paid and before adjusting for taxation) and £5.5m in FY24 (£4.4m if you add back the extraordinary bonuses paid and before adjusting for taxation).
- EPRA Net Tangible Assets per share at the year-end of 261p, FY24: 272p.

In addition to financial performance, the overall strength and security of the Group remains strong, with key factors being:

- The one-year extension of the Company's Lloyds revolving credit facility which was due to expire in June 2026, and which now expires in June 2027, although we still have the ability to request a further one-year extension.
- The 15-month extension of the Company's NatWest revolving credit facility which was due to expire in September 2025, and which now expires in December 2026.
- Repositioning and repurposing a number of our investment properties including the phased refurbishments of Town Centre House in Leeds and the significant progress made with lettings, in particular Dishoom in Leeds.
- The planning permission achieved for 1,039 student beds as part of the continued evolution of the Merrion Centre.

Having considered the overall performance of the Company, the Committee has approved awards in connection with the annual bonus opportunity of 10% of base salary for 2025; this award was debated and agreed in a meeting of the Committee in September 2025 and is not included in the results of the Company for the year ended 30 June 2025.

Other activities

The Committee met twice during the year.

In accordance with its terms of reference, the Committee continues to review the remuneration policy periodically to seek to ensure a clear linkage between Executive Directors' pay and Group performance. In reviewing the remuneration policy, the Committee not only assesses the alignment between policy, strategy and Shareholder interests, but also the extent to which remuneration is sufficiently competitive to recruit, motivate and retain key talent. In previous years and following a market benchmarking exercise undertaken by Willis Towers Watson, the Committee came to a number of conclusions which were reported in the 2019 and 2020 Report and Accounts:

- Overall Maximum Potential Remuneration ('MPR') for Executive Directors is low in comparison to the Company's property sector peers. Whilst base salaries are competitive, maximum bonus opportunity is significantly lower than that of peers. This opportunity was increased to a maximum of 100% following the 2021 AGM where changes to the remuneration policy were approved, however this is still considered to be low.
- Actual remuneration is also low relative to peers, with an average bonus pay-out of 11% of base salary over the last five years.
- The lack of a Long-Term Incentive Plan ('LTIP') contributes to lower overall pay levels and means that remuneration does not actively assist to align all Executives to longer-term Shareholder interests.

Implementation of the remuneration policy in 2025

- There will be cost-of-living increases of 3% for the Executive Directors.
- Actual cash bonuses of 10% have been awarded following discussion at the September 2025 meeting of the Remuneration Committee. These bonuses will be paid during the year ending 30 June 2026.
- Exceptional bonuses have been paid during the year to three of the Executive Directors in connection with the final element of deferred consideration received from the sale of the Company's investment in YourParkingSpace Limited.
- The Remuneration Committee continues to discuss with the Executive Directors whether to include suitable weightings, measures and targets or if the bonus award remains entirely discretionary. If adopted these will be disclosed retrospectively in our subsequent report as and when bonuses become payable, owing to commercial sensitivity.
- Pension and benefits will operate as in 2024.

Edward Ziff and Stewart MacNeill continue to engage with Shareholders, both family and, where possible, larger independent Shareholders on all topics including remuneration. In addition, I am available to any Shareholder who would like to discuss their concerns on remuneration throughout the year, not only at the AGM.

Urban Exchange Manchester

CORPORATE GOVERNANCE

Directors' Remuneration Report continued

Remuneration policy

The Remuneration Committee implements the Group's policy, which is to provide remuneration packages with fixed and variable elements that fairly reward the Executive Directors for their contribution to the business. It seeks to ensure that the packages are sufficiently competitive to attract, retain and motivate the Directors to manage the Group successfully, without making excessive payments. The policy seeks to achieve the Group's strategic and financial objectives by aligning the interests of the Directors and Shareholders.

Fixed remuneration

The fixed element of Directors' remuneration comprises base salary, benefits and pension (see below for the pension). This element seeks to ensure that the Group attracts and retains appropriately talented individuals and provides a framework for them to save for retirement. The Committee considers the overall balance between the elements. Salaries are determined with regard to individual and Group performance and to market rates and comparable roles at comparable companies. Benefits principally comprise company cars or a salary alternative (although this is being phased out), permanent health and medical insurance premiums. During the year the Chairman & Chief Executive receives reimbursement of the costs of maintaining a flat in Leeds. The value of the benefit is not pensionable. The Company makes no pension contributions in respect of Edward Ziff. The Group makes payments of 13% of salary to a defined contribution scheme for Stewart MacNeill, Ben Ziff and Craig Burrow.

Variable remuneration

The Group operates two bonus plans. The first is an annual bonus plan under which awards are discretionary and the Committee considers the performance of each individual Director and of the Group in assessing the level of payments under the plan. In particular, profit and growth in Shareholder value (measured by the movement in net asset value per share and dividends paid as well as any movement in share value) are carefully considered by the Remuneration Committee in awarding the bonuses when such increases were the result of Directors' input.

Specific benchmarks are not set which enables the Committee to award bonuses for both innovation and performance that can't be measured against rigid financial metrics, although clearly the financial impact is considered; in particular the gearing level, absolute level of external debt and ultimately the capital structure of the business. The maximum award under this plan is 100% of base salary.

In addition to the above plan, the Committee is able to award exceptional bonuses that are no more than 10% of the profits generated from any significant transactions that are outside of the ordinary course of business for the Company, subject to a maximum of £3m in any one financial year. The purpose of this is to encourage relatively small but ultimately value-enhancing strategic and innovative technological investments that are complementary to the existing core businesses of TCS.

These bonuses are not pensionable. It is Group policy to reward exceptional growth or performance. The Directors participate annually in the Share Incentive Plan (All Employee Incentive Plan), which was approved by Shareholders in December 2003. The current investment limit is £1,800 per annum with a share-matching element equal to 100% of the investment made subject to forfeiture should the individual cease to be employed during the first three years of the plan.

Service agreements and external appointments

Edward Ziff has a service contract that is subject to not less than two years' notice. Ben Ziff, Stewart MacNeill and Craig Burrow have service contracts with one year's, six months' and six months' notice respectively. The contracts provide for retirement at 65. Under the terms of his service contract, Edward Ziff was due to retire in April 2025, however he is continuing in his dual role as Chairman & Chief Executive to oversee the strategic direction of the Group and a new service contract is currently being negotiated. As with all Directors, Edward Ziff will stand for re-election at all future Annual General Meetings. The Group can discharge any obligation in relation to the unexpired portion of their notice period or any notice required to be given under their service contracts by making a payment in lieu thereof. If the Group terminates the contract without giving notice and/or makes a payment in lieu of any damages to which the Executive may be entitled, the payment is to be calculated in accordance with common law principles, including those relating to mitigation of loss and accelerated receipt. Directors are permitted to accept non-executive appointments by prior arrangement and provided there is no conflict with the Group's objectives.

Non-Executive Director remuneration

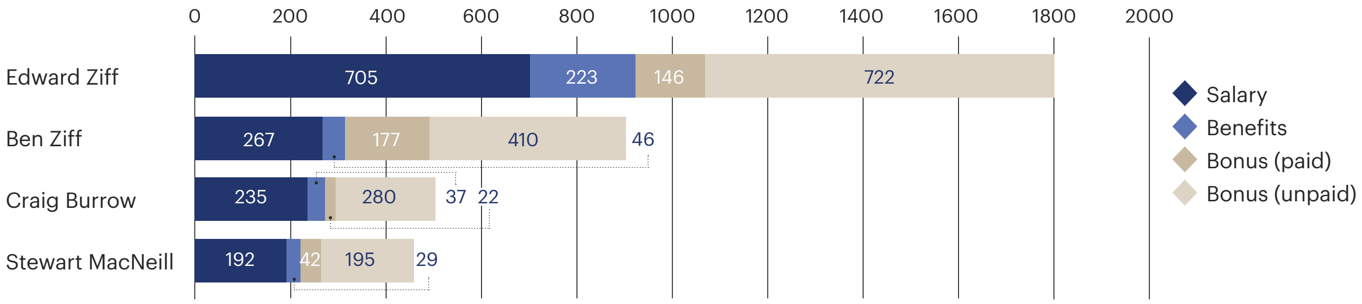
The Non-Executive Directors do not have service contracts. They are appointed for an initial three-year period and are now up for re-election on an annual basis. The Non-Executive Directors are not entitled to participate in bonus or share-based payment schemes and do not receive any other benefits.

Remuneration of other employees

Remuneration of other employees is set at a level to attract, motivate and retain talented individuals. This may include a company car or car allowance as appropriate. Remuneration levels are recommended by the Executive Directors and noted by the Remuneration Committee. Employees are eligible to participate in the Group bonus scheme and the SIP scheme. The Group makes pension contributions for eligible employees at rates which vary depending on seniority. In 2019 the Company improved pension contributions for more junior staff and also introduced a Westfield Health policy for a large number of staff members.

Board remuneration including theoretical maximum bonuses

Year ended 30 June 2025 (£'000)



Note: The unpaid element of the bonus represents the difference between the maximum possible bonus award of 100% of salary and the actual amount received in the year.

Annual Report on Remuneration

Single total figure of remuneration for each Director (audited)

The following table sets out the total single figure of remuneration for each Director for the years ended 30 June 2025 and 30 June 2024.

		Fixed			Variable				
		Salaries and fees £'000	Taxable benefits[1] £'000	Pension contributions[3] £'000	Bonuses £'000	SIP shares[2] £'000	Total £'000	Total Fixed remuneration £'000	Total Variable Remuneration £'000
Executive Chairman & Chief Executive									
E M Ziff	**2025**	**705**	**221**	**–**	**146**	**2**	**1,074**	**926**	**148**
	2024	738	188	–	264	2	1,192	926	266
Executive Directors									
C B A Ziff	**2025**	**267**	**9**	**35**	**177**	**2**	**490**	**311**	**179**
	2024	258	8	34	364	2	666	300	366
C Burrow	**2025**	**235**	**4**	**31**	**22**	**2**	**294**	**270**	**24**
	2024	228	3	28	32	2	293	259	34
S MacNeill	**2025**	**192**	**2**	**25**	**42**	**2**	**263**	**219**	**44**
	2024	182	1	24	73	2	282	207	75
	2025	**1,399**	**236**	**90**	**387**	**8**	**2,120**	**1,725**	**395**
	2024	1,406	200	86	733	8	2,433	1,692	741
Non-Executive Directors									
M A Ziff	**2025**	**57**	**–**	**–**	**–**	**–**	**57**	**57**	**–**
	2024	56		–	–	–	56	56	–
P Huberman	**2025**	**62**	**–**	**–**	**–**	**–**	**62**	**62**	**–**
	2024	60	–	–	–	–	60	60	–
I Marcus	**2025**	**62**	**–**	**–**	**–**	**–**	**62**	**62**	**–**
	2024	60	–	–	–	–	60	60	–
J Collins	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2024	56	–	–	–	–	56	56	–
	2025	**181**	**–**	**–**	**–**	**–**	**181**	**181**	**–**
	2024	232	–	–	–	–	232	232	–
	2025	**1,580**	**236**	**90**	**387**	**8**	**2,301**	**1,906**	**395**
	2024	1,638	200	86	733	8	2,665	1,924	741

Note:

1 Taxable benefits include cash and non-cash benefits, principally company cars or a cash alternative, permanent health and medical insurance premiums. Until 31 December 2022, Edward Ziff received reimbursement of the costs of maintaining a flat in London which was regularly used for Company meetings. From 1 January 2023, following his move to London, the Company reimburses Edward Ziff the costs of maintaining a flat in Leeds. The value of the benefits is not pensionable.

2 No long-term incentive plan was in operation for the relevant years although Directors were awarded shares under the Company SIP.

3 Edward Ziff received no pension contribution. The Group made payments to a Defined Contribution scheme and/or cash alternative for Ben Ziff, Stewart MacNeill and Craig Burrow (all at 13% of base salary).

CORPORATE GOVERNANCE

Directors' Remuneration Report continued

Notes to the single figure table – Annual bonus targets and outcomes for 2024

The current AGM-approved bonus scheme allows for a maximum pay-out of 100% of base salary.

During the year ended 30 June 2025, all Executive Directors received a bonus equalling 10% of base salary relating to the performance of the Company in the year ended 30 June 2024. The decision to award these bonuses was deferred until after the year-end; once the draft results of the Company were better known.

- Exceptional bonuses were paid to Edward Ziff, Ben Ziff and Stewart MacNeill during the year of £75,557, £151,114 and £22,667 respectively, following receipt of the final element of deferred consideration from the YourParkingSpace investment sale.

Scheme interests awarded during the financial year

Town Centre Securities PLC does not currently operate a long-term incentive plan. It does operate an All Employee Share Incentive Plan, approved by Shareholders in December 2003. The investment limit is £1,800 per annum with a share matching element equal to 100% of the investment made subject to forfeiture should the individual cease to be employed during the first three years of the plan.

In May 2025 all four Executive Directors accepted the annual invitation to participate in this All Employee Share Incentive Plan by each agreeing to purchase shares to the value of £1,800, payable between June 2025 and November 2025. They will be eligible to receive 'matching' shares on a one-for-one basis. The number of shares will be determined at the end of November 2025. For illustration, based on the share price as at 30 June 2025, this would equate to each Director receiving 1,328 partnership shares and 1,328 matching shares. In November 2024 Edward Ziff, Ben Ziff, Stewart MacNeill and Craig Burrow received 1,363 partnership shares and 1,363 matching shares in respect of the 2024 Share Incentive Plan.

The total number of partnership and matching SIP shares beneficially held at 30 June 2025 is shown below.

Executive	Holding of partnership and matching SIP Shares (30 June 2025)
Edward Ziff	14,450
Ben Ziff	14,450
Stewart MacNeill	8,064
Craig Burrow	10,662

Directors' shareholdings (audited)

The table below sets out the shares held by the Directors as at 30 June 2025:

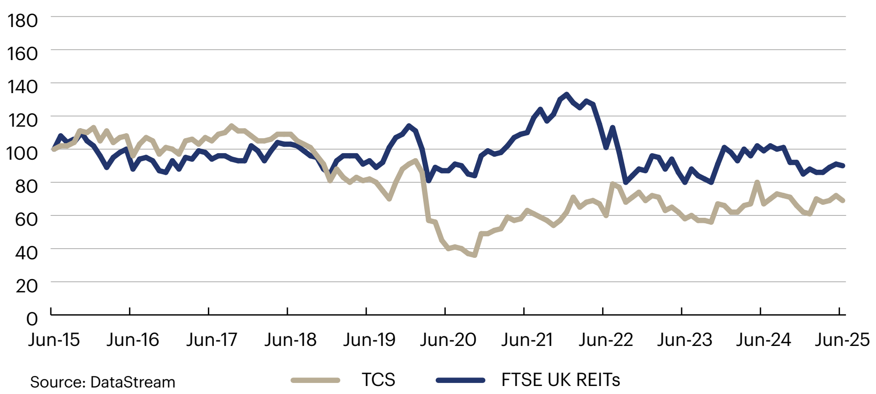
	Beneficial	Non-beneficial
Edward Ziff	5,499,652	10,853,427
Ben Ziff	780,826	–
Stewart MacNeill	8,064	–
Craig Burrow	21,013	–
Michael Ziff	2,376,103	7,443,445

The non-beneficial interest disclosures include 3,409,982 Ordinary Shares over which a power of attorney has been granted by AL Manning to Edward Ziff for personal estate management reasons. Non-beneficial holdings include shares held in trust and under powers of attorney.

Edward Ziff, Stewart MacNeill and Ben Ziff are Directors of TCS Trustees Limited, Trustee for the shares that are required for the All Employee Share Incentive Plan. At 30 June 2025, TCS Trustees Limited held 57,863 Ordinary Shares (2024: 84,993) on behalf of all participants, including those share awards of Executive Directors shown above.

Performance graph and table

The following graph shows the Company's Total Shareholder Return ('TSR') performance compared to the FTSE All Share REIT Index, over the ten years ended 30 June 2025. This index has been chosen because the Directors consider it the most appropriate comparison and TCS is a constituent of this list. This chart illustrates the movement in value of a hypothetical investment of £100 in TCS and the FTSE All Share REIT index.



On a 20-year basis the Company's TSR was -0.5% versus the FTSE All Share REIT at 2.7%. On a five-year basis the Company's TSR was 11.3% ahead of the FTSE All Share REIT at 1.7%.

The table below sets out the total remuneration and incentive plan pay-outs for the Executive Chairman & CEO over a ten-year period.

	Single total figure of remuneration (£'000)	Annual bonus pay-out (% of maximum)
2024/25	1,073	10%
2023/24	1,192	15%
2022/23	981	0%
2021/22	1,019	45%
2020/21	685	0%
2019/20	713	0%
2018/19	711	0%
2017/18	914	40%
2016/17	809	20%
2015/16	718	10%

Percentage change in remuneration of the Directors

The table below sets out a comparison of the percentage change in base salary, taxable benefits and bonus of the Directors versus the total employee population over the last five years.

Salary change	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025
Edward Ziff	0.8%	7.3%	3.7%	4.5%	(4.5%)
Ben Ziff	3.6%	8.0%	4.0%	3.7%	3.0%
Stewart MacNeill	n/a	0.0%	3.3%	10.4%	5.3%
Craig Burrow	n/a	n/a	n/a	4.0%	3.1%
Michael Ziff	0.8%	4.8%	7.5%	5.1%	2.7%
Ian Marcus	0.8%	4.8%	7.5%	5.0%	3.0%
Paul Huberman	0.8%	4.8%	7.5%	5.0%	3.0%
Average employee[1]	**6.9%**	**5.4%**	**8.6%**	**(9.8%)**	**11.8%**

1 Average pay for employees is calculated on a like-for-like basis for comparison purposes.

Taxable benefits change	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025
Edward Ziff	(38.9%)	(2.3%)	23.6%	253.5%	17.6%
Ben Ziff	(92.6%)	100.0%	69.9%	10.8%	19.6%
Stewart MacNeill	n/a	0.0%	7.6%	55.1%	48.4%
Craig Burrow	n/a	n/a	n/a	196.5%	42.1%
Michael Ziff	0.0%	0.0%	0.0%	0.0%	0.0%
Ian Marcus	0.0%	0.0%	0.0%	0.0%	0.0%
Paul Huberman	0.0%	0.0%	0.0%	0.0%	0.0%
Average employee	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

CORPORATE GOVERNANCE

Directors' Remuneration Report continued

Percentage change in remuneration of the Directors continued

Bonus change	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025
Edward Ziff	0.0%	n/a	(24.9%)	20.0%	(44.7%)
Ben Ziff	0.0%	n/a	303.7%	(17.5%)	(51.3%)
Stewart MacNeill	n/a	n/a	37.5%	11.6%	(30.2%)
Craig Burrow	n/a	n/a	n/a	219.5%	(43.0%)
Michael Ziff	0.0%	0.0%	0.0%	0.0%	0.0%
Ian Marcus	0.0%	0.0%	0.0%	0.0%	0.0%
Paul Huberman	0.0%	0.0%	0.0%	0.0%	0.0%
Average employee	**0.0%**	**n/a**	**n/a**	**(44.1%)**	**(45.5%)**

Relative importance of spend on pay

The table below shows how expenditure on total pay compares to other financial outgoings.

	2024 (£'000)	2025 (£'000)	% change
Staff remuneration costs	7,376	7,608	3.1%
Dividends to Shareholders	4,638	1,054	(77.3%)

External appointments

No Executive Directors have other external appointments for which they are paid.

Implementation of the remuneration policy for 2026

The following table outlines how TCS intends to implement the remuneration policy in the year ending 30 June 2026.

Component	Implementation for 2026
Base salary	The Committee usually agrees base salary increases effective from October. This year the Committee has agreed that there will be a 3% cost-of-living increase to the Executive Directors.
Benefits	Benefits provisions will be as per 2025, to include cash and non-cash benefits, principally company cars or a cash alternative, permanent health and medical insurance premiums. The Chairman & Chief Executive receives reimbursement of the costs of maintaining a flat in Leeds.
Pension	Edward Ziff does not receive a contribution. The Group makes payments to a Defined Contribution scheme for Stewart MacNeill, Ben Ziff and Craig Burrow of 13% of base salary.
Annual bonus	The Remuneration Committee is able to award two types of bonus: An annual bonus with a maximum opportunity of up to 100% of base salary. Exceptional bonuses that are no more than 10% of the profits generated from any significant transactions that are outside of the ordinary course of business for the Company, subject to a maximum of £3m in any one financial year. The purpose of this is to encourage relatively small but ultimately value-enhancing strategic and innovative technological investments that are complementary to the existing core businesses of TCS. All bonuses are currently entirely at the discretion of the Remuneration Committee. The Committee is currently discussing potential measures and weightings and if adopted will only be disclosed retrospectively owing to commercial sensitivity.
SIP	Executive Directors will continue to participate in the SIP.
NED fees	NED fees will increase by 3% with effect from October 2025.

Consideration by the Directors of matters relating to Directors' remuneration

The Remuneration Committee formally met twice during the year and the following Directors were members of the Committee during 2025:

- Ian Marcus
- Paul Huberman

The key activities of the Committee during the year were:

- Whilst no bonus was approved during the year relating to the year ended 30 June 2025, a bonus of 10% of base salary was approved after the year-end which will be included in the results of the Company for the year ending 30 June 2026.
- Approving the salaries for 2025 (cost-of-living increases for the Executive Directors).
- Setting the bonus targets for 2026.
- Reviewing Service Contracts for continued appropriateness.
- Discussing structures for any potential future LTIP scheme.
- Reviewing the Terms of Reference.
- Reviewing changes to Corporate Governance and the Committee's approach to these changes.

Statement of voting in relation to the 2024 AGM

	Annual Report on Remuneration
Votes for	98.59%
Votes against	1.41%

This report was approved by the Board on 16 October 2025 and signed on its behalf by

Ian Marcus
Chairman of the Remuneration Committee
16 October 2025

Directors' Report

The Directors present their report for the year ended 30 June 2025.

The Corporate Governance Statement on pages 62 to 84 forms part of this report.

Principal activities

The principal activities of the Group during the financial year remained those of property investment, development and trading and the provision of a hotel and car parks.

Company status

Town Centre Securities PLC is a public limited liability company incorporated under the laws of England and Wales. It has premium listing on the London Stock Exchange main market for listed securities (LON: TOWN).

Results for the year and dividends

The results for the year are set out in the Consolidated Income Statement on page 97.

An interim dividend of 2.5p per share was paid on 13 June 2025. The Directors now propose the payment of a final dividend of 2.5p per share, payable as an ordinary dividend, for approval of the shareholders at the forthcoming Annual General Meeting ('AGM'). The proposed final dividend will be paid on 8 January 2026 to ordinary shareholders on the register at the close of business on 19 December 2025. The ex-dividend date will be 18 December 2025.

Non-current assets

Details of movements in non-current assets are set out in note 12 to the consolidated financial statements.

Investment properties are held at fair value and were revalued by CBRE as at 30 June 2025, on the basis of open-market value, or were revalued by the Directors. The key assumptions are set out in note 12 to the consolidated financial statements. In arriving at the valuation, each property has been valued individually.

Financial instruments

The key risks rising from financial instruments are considered to be trade debtors, lease liabilities and borrowings, which are set out in further detail on pages 123 to 125.

Share capital

The changes in the Company's issued share capital during the year are as set out below in the Purchase of own shares section. At 30 June 2025, there were 42,162,679 Ordinary Shares of 25p per share in issue and fully paid. The Company does not hold any Ordinary Shares in treasury.

Purchase of own shares

During the year, the Company did not purchase any of its own shares. At the forthcoming AGM, the Company will be seeking to renew its authority to purchase up to 15% of the Ordinary Shares in issue, assuming the remaining authority is fully utilised. Shares will only be purchased if the Board believes it can take advantage of stock market conditions to enhance returns for the remaining Shareholders.

Other forms of capital utilised by the Company

In addition to share capital, the Company utilises a variety of other forms of debt financing – these are set out in note 18 to the financial statements.

Shareholder voting rights

The Company has only one type of Ordinary Share class in issue and all shares have equal entitlement to voting rights and dividend distributions.

The Company has no share option schemes in current operation and there are no unexercised options outstanding at 30 June 2025.

Town Centre Securities confirms that there are no restrictions concerning the transfer of securities in the Company; no special rights to control attached to securities; no restrictions on voting rights; no agreements between holders of securities regarding their transfer known to the Company; and no agreements to which the Company is a party that might affect its control or trigger any compensatory payments for Directors following a successful takeover bid.

Political donations

The Group made no political contributions in the financial year (2024: nil).

Taxation

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

Directors and Directors' interests

The Directors of the Company and their biographical details are shown on pages 64 to 65. None of the Directors have any contracts of significance with the Company. Details of the Executive Directors' service contracts are given in the Directors' Remuneration Report on page 78.

Beneficial and non-beneficial interests of the Directors in the shares of the Company as at 30 June 2025 are disclosed in the Directors' Remuneration Report on page 82. Details of the interests of the Directors in share options and awards of shares can be found within the same report.

CORPORATE GOVERNANCE

Directors' Report continued

In accordance with the UK Corporate Governance Code, all Directors will retire at the Company's AGM on 25 November 2025 and offer themselves for re-election.

Service agreements of Executive Directors and terms of conditions of Non-Executive Directors are available for inspection at the Company's registered office.

Workforce engagement

Ian Marcus, Non-Executive Director, agreed to be workforce champion for the Company. Further details on workforce engagement are included on page 37.

Emission reporting

The Group's Greenhouse Gas Emissions Statement is included within the Strategic Report on page 40.

Powers of Directors

The Directors manage the business of the Company under the powers set out in the Company's Articles of Association (the 'Articles') and those contained within relevant UK legislation.

Directors' indemnity insurance

In accordance with the Company's Articles of Association, the Company has provided to all the Directors an indemnity (to the extent permitted by the Companies Act 2006) in respect of liabilities incurred as a result of their office and the Company has taken out an insurance policy in respect of those liabilities. Neither the indemnity nor insurance provide cover in the event that the Director is proven to have acted dishonestly or fraudulently. The Company has appropriate Directors' & Officers' Liability insurance cover in respect of potential legal actions against the Directors.

2025 Annual General Meeting

A Notice of Meeting can be found on pages 144 to 150 explaining the business to be considered at the AGM on 25 November 2025 at Town Centre House, Leeds. This will include renewal of the Company's authority to purchase, in the market, its own shares and allot shares for cash other than on a pre-emptive basis to existing Shareholders.

Going concern

Further detail is set out on page 56 of the Strategic Report.

Independent auditors

Following an audit tender process, BDO LLP will be stepping down as independent auditor at the next AGM. A resolution to appoint Grant Thornton UK LLP will be proposed at the AGM.

Disclosure of information to the auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all the reasonable steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are made aware of that information.

Relationship agreements

In accordance with the UK Listing Rules, the Company has entered into an agreement with the Ziff Family Concert Party which, as it controls more than 30% of the Group's total issued share capital, is deemed a Controlling Shareholder. The relationship agreement was intended to ensure the Controlling Shareholder complied with the independence provisions in Listing Rule 9.2.2A.

Under the terms of the relationship agreement, the Principal Concert Party Shareholders (Mr E Ziff and Mr M Ziff) have agreed to procure the compliance of other individual members of the Ziff Family Concert Party who are treated as Controlling Shareholders with independence obligations in the relationship agreement. The Ziff Family Concert Party, as Controlling Shareholders of the Company, have a combined aggregate holding of approximately 56.7% of the Company's voting rights.

The Board confirms that, since the entry into the relationship agreement and until 15 October 2025, being the latest practicable date prior to the publication of this Annual Report and Accounts:

- the Company has complied with the independence provisions included in the relationship agreement;
- so far as the Company is aware, the independence provisions included in the relationship agreement have been complied with by the Ziff Family Concert Party and their associates; and
- so far as the Company is aware, the procurement obligation included in the relationship agreement has been complied with by the Principal Concert Party Shareholders.

Substantial shareholdings

As at 15 October 2025, being the last practicable date prior to the publication of this Annual Report and Accounts, the Company had been notified, in accordance with the UK Listing Authority's Disclosure Guidance and Transparency Rules, that the Shareholders in the table below held, or were beneficially interested in, 3% or more of the voting rights in the Company's issued share capital.

	Number of shares	% of issued capital
Ziff Family Concert Party	23,970,634	56.85%
New Fortress Finance Holdings Limited	4,085,380	9.69%

Post-balance sheet events

Post-balance sheet events since 30 June 2025 are detailed in note 27.

By order of the Board

Edward Ziff OBE DL
Chairman & Chief Executive
16 October 2025

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration 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 prepared the Group financial statements in accordance with UK adopted international accounting standards and the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 Group and the Company 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 for the Group financial statements and United Kingdom Accounting Standards comprising FRS 102 have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare a Directors' report, a strategic report and a Directors' remuneration report which comply with the requirements of the Companies Act 2006.

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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the Annual Report and Accounts, taken as a whole, are fair, balanced, and understandable and provides the information necessary for Shareholders to assess the Group's performance, business model and strategy.

Website publication

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Directors' responsibilities pursuant to DTR4

The Directors confirm to the best of their knowledge:

- The financial statements have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group and Company.
- The Annual Report includes a fair review of the development and performance of the business and the financial position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

This responsibility statement for the year ended 30 June 2025 was approved by the Board on 16 October 2025.

For and on behalf of the Board

Edward Ziff OBE DL
Chairman & Chief Executive
16 October 2025

FINANCIAL STATEMENTS

Independent Auditor's Report

to the members of Town Centre Securities Plc

Opinion on the financial statements

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 30 June 2025 and of the Group's loss 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 have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Town Centre Securities Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2025 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement, the company balance sheet, the company statement of changes in equity and notes to the financial statements, including material and significant accounting policy information. The financial reporting framework that has been applied in the preparation of the Group 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).*

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the audit committee, we were appointed by the Directors to audit the financial statements for the year ended 30 June 2016 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 10 years, covering the years ended 30 June 2016 to 30 June 2025. We remain 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 public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or the Parent Company.

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 and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Using our knowledge of the Group and its market sector together with the current economic environment to assess the Directors' identification of the inherent risks to the Group's business and how these might impact the Group's ability to remain a going concern for the going concern period, being the period to 31 October 2026, which is at least 12 months from when the financial statements are authorised for issue;
- Assessing the forecast cash flows with reference to historic performance and challenged the Directors' assumptions by comparing them to the historic and current performance of the Group;
- Agreed the Group's underlying borrowing facilities and the related covenants to supporting financing agreements;
- Obtaining covenant calculations and forecast calculations to test for any potential future breaches. We also considered the covenant compliance headroom for sensitivity to both future changes in property valuations and group's financial performance. We considered the Director's mitigating actions in the event of the occurrence of the downside scenarios in light of supporting evidence and ensured that they were realistic within the required timescales;
- As at 30 June 2025, the Group had drawn down £13.8m out of a total of £39m across its three revolving credit facilities ("RCFs"). We challenged the Directors' as to their intentions for the RCFs which were all maturing during the going concern period. We obtained evidence to corroborate the post year end extension of one of the Group's RCFs to June 2027 and another to December 2026.
- Considering the ability of the group to repay the remaining RCF of £0.5m during the going concern period and note that should the group be unable to negotiate a new 3 year facility, the group has headroom of at least £15m within its RCFs which could be used to repay the facility if required during the going concern period;
- Considering board minutes, and evidence obtained through the audit and challenged the Directors on the identification of any contradictory information in the forecasts and impacting the going concern assessment; and
- Analysing the sensitivities applied by the Directors' stress testing calculations and challenging the assumptions made using our knowledge of the business and of the current economic climate, to assess the reasonableness of the downside scenarios selected.

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 and the 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.

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

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

Overview

		2025	2024
KEY AUDIT MATTERS	Valuation of property interests	✔	✔
	Change in tax regime status and accounting for deferred tax		✔
	In the previous year, the group transitioned out of the Real Estate Investment Trust (REIT) status, which necessitated the first-time implementation of accounting for deferred tax. This change was considered a key audit matter in 2024 due to the inherent complexities and risks associated with the initial application of deferred tax accounting.		
MATERIALITY	*Group financial statements as a whole*		
	£2.7m (2024: £2.9m) based on 1% (2024: 1.1%) of Group total assets (2024: Group non-current assets)		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

The Group, through its subsidiaries and joint venture, operates in the United Kingdom in four segments, namely property rental, hotel operations, car parking operations and car parking enforcement.

When determining components, we considered the commonalities across the entities involved and grouped entities based on the nature of their business. Additionally, we considered the commonality of IT systems and the finance team across the entities. This approach allowed us to apply our audit strategy to address similar operational characteristics and group risks of material misstatement at each component.

As part of performing our Group audit, we have determined the components in scope as follows:

- Property rental;
- Car parking operations;
- Hotel operations; and
- Car parking enforcement.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- Procedures on the entire financial information of the component, including performing substantive procedures.
- Procedures on one or more classes of transaction, account balances or disclosures.

FINANCIAL STATEMENTS
Independent Auditor's Report continued
to the members of Town Centre Securities Plc

Procedures performed at the component level
We performed procedures to respond to group risks of material misstatement at the component level that included the following.

Component	Component Name	Entity	Group Audit Scope
1	Property rental	Town Centre Securities Plc TCS Holdings Limited TCS Freehold Investments limited TCS Leasehold Investments Limited Buckley Properties (Leeds) Limited BLG (Burlington House) Limited Merrion House LLP TCS Property Management Limited	Statutory audit and procedures on the entire financial information of the component.
2	Car Park Operations	Town Centre Car Parks Ltd TCCP (Clarence Dock) Limited	Statutory audit and procedures on the entire financial information of the component.
3	Hotel Operations	TCS (Merrion Hotel) Limited	Procedures on one or more classes of transactions, account balances and disclosures.
4	Car Park Enforcement Operations	Devere Parking Services Limited KBT Cornwall Limited Bay Sentry Solutions Limited	Procedures on one or more classes of transactions, account balances and disclosures.

Procedures performed centrally
We considered there to be a high degree of centralisation of financial reporting, commonality of controls and similarity of the group's activities and business lines in relation to investment property and freehold and leasehold properties. We therefore designed and performed procedures centrally in these areas.

The Group operates a centralised IT function that supports IT processes for certain components. This IT function is subject to specified risk-focused audit procedures, predominantly the testing of the relevant IT general controls and IT application controls.

Climate change
Our work on the assessment of potential impacts on climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector; and
- Review of the minutes of Board and Audit Committee meetings and other papers related to climate change and performed a risk assessment as to how the impact of the Group's commitment as set out in pages 42 to 49 may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in management's going concern assessment and viability assessment.

We also assessed the consistency of management's disclosures included as 'Other Information' on pages 42 to 49 with the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters that were materially affected by climate-related risks and related commitments.

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, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters 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.

Key audit matter		How the scope of our audit addressed the key audit matter
Valuation of property interests Refer to accounting policies on the Group property interests in note 1 (pages 103 to 104). See notes 12 and 13 for details of Group property interests.	The valuation of the Group's property interests (see note 12) is the key driver of the Group's net asset value and underpins the results for the year. These interests consist of investment and development properties totalling £183.1m (2024: £181.0m), a freehold hotel totalling £10.2m (2024: £9.9m) and freehold car park fixed assets totalling £24.5m (2024: £26.6m) and an interest in a joint venture being the Group's share of the fair value of investment property within this joint venture totalling £27.5m (2024: £27.5m). All interests in property as listed above are subject to valuation by an independent valuer, with the exception of two (2024: one) property totalling £2,301,000 (2024: £51,000) which are subject to valuations by the Property Director. The valuation of the Group's property interests, including those held in the joint venture, depends on the individual nature of each property, including its location, and the rental income it generates. The assumptions on which the valuations are based are further influenced by the quality of tenants, prevailing market yields and comparable market transactions. Assets held as development properties are valued using either a comparable sales approach or a residual valuation approach. The hotel property and freehold car park properties are classified as property, plant and equipment and carried at fair value are valued using a discounted cash flow model. All of these valuation methods involve significant judgment and estimation to be applied by management and the external valuation experts, increasing the inherent risk in this area. We consider this to be a significant risk area as small percentage changes in each key assumption could materially affect the carrying value of these assets concerned and hence we consider this to be a key audit matter.	**Experience of valuers and relevance of their work.** We obtained the valuation report prepared by the independent valuer and with the assistance of our real estate experts discussed the basis of the valuations with them, read the valuation report and confirmed that all valuations had been prepared in accordance with applicable valuation guidelines and the requirements of the applicable accounting standards and were therefore appropriate for determining the carrying value in the Group's financial statements. We assessed the independent external valuation expert's objectivity, independence and qualifications to undertake the valuations. **Data provided to the valuer** We validated, on a sample basis, the underlying data provided to the valuer by the Directors. This data included internal tenancy schedules, capital expenditure details and lease terms, which were agreed back to appropriate supporting documents. **Assumptions and estimates used by the valuers.** We met with the independent external valuation expert in which we confirmed directly with the expert that the valuation had been performed on the basis consistent with practices approved by the Royal Institute of Chartered Surveyors ("RICS") and the requirements of the accounting standards. With assistance of our real estate RICS qualified valuation experts, we developed yield expectations on each property using available independent industry data, reports and comparable transactions in the market around the period end. Our real estate experts also attended the audit meetings with the Group's valuer to assist us in assessing that explanations provided were appropriate and in line with market knowledge. We compared the key valuation assumptions against our independently formed market expectations. Where the valuation was outside of our expected range we challenged the independent valuer on specific assumptions and reasoning for the yields applied and corroborated their explanations where relevant, including agreeing to third party documentation. For development properties, we obtained the development appraisals and challenged the inputs to the valuations by corroborating the inputs to supporting documentation; For freehold car parks valued on an income-based method, we assessed the level of income provided to the valuers through comparison to historic actual income generated and challenged the external experts on the discount rate applied within the calculation using knowledge from the market, our internal experts and independent external experts; and Similarly, for the hotel property interest we assessed the level of income included within the valuation calculations through comparison to historic actuals and challenged the independent external valuers on assumptions made regarding the discount rate applied in the calculation. **Related disclosures in the financial statements** We reviewed the appropriateness of the Group's disclosures within the financial statements in relation to the valuation methodology, key valuation assumptions and valuation sensitivity analysis. **Key observations:** Based on our work, we consider that the assumptions adopted by the Directors in the valuation of investment property were reasonable and the methodology applied was appropriate.

FINANCIAL STATEMENTS

Independent Auditor's Report continued

to the members of Town Centre Securities Plc

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

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

	Group financial statements		Parent company financial statements	
	2025 £m	2024 £m	2025 £m	2024 £m
Materiality	2.7	2.9	0.85	1.0
Basis for determining materiality	1% of Total assets	1.1% of Non-current assets	1% of Total assets, excluding investments in and receivables from subsidiaries	1% of Non-current assets, excluding investments in subsidiaries
Rationale for the benchmark applied	Total assets are considered to be the principal considerations for the users of the financial statements in assessing the financial performance of the Group. We considered total assets the most appropriate basis to compute materiality in the current year as this is a widely accepted benchmark in the UK property industry.	Non-current assets are considered to be the principal considerations for the users of the financial statements in assessing the financial performance of the Group.	Total assets are considered to be the principal considerations for the users of the financial statements in assessing the financial performance of the parent company. Investment in and loans from subsidiaries have been excluded as the key driver of the Company is deemed to be its investment property. We considered total assets the most appropriate basis to compute materiality in the current year as this is a widely accepted benchmark in the UK property industry.	Non-current assets are considered to be the principal considerations for the users of the financial statements in assessing the financial performance of the parent company. Investment in subsidiaries have been excluded as the key driver of the Company is deemed to be its investment property.
Performance materiality	1.9	2.0	0.6	0.7
Basis for determining performance materiality	70% of materiality	70% of materiality	70% of materiality	70% of materiality
Rationale for the percentage applied for performance materiality	In determining 70% performance materiality, we have considered our risk assessment, including our assessment of the Group's overall control environment and the level of misstatements in previous years.	In determining 70% performance materiality, we have considered our risk assessment, including our assessment of the Group's overall control environment and the level of misstatements in previous years.	In determining 70% performance materiality, we have considered our risk assessment, including our assessment of the Group's overall control environment and the level of misstatements in previous years.	In determining 70% performance materiality, we have considered our risk assessment, including our assessment of the Group's overall control environment and the level of misstatements in previous years.

Specific materiality

We also determined that for other account balances, a misstatement of less than materiality for the financial statements as a whole, could influence the economic decisions of users. We concluded that for balances excluding non-current assets, property revaluation movements including impairment charges, gains or losses on disposal of properties and changes in the fair value of financial instruments, a user of the financial statements may be influenced by amounts lower than financial statement materiality based on total assets. As a result, we determined specific materiality for these items to be £220,000 (2024: £220,000). This is based on 8% of profit before tax adjusted for fair value movements (2024:5.8% of profit before tax adjusted for fair value movements).

We further applied a performance materiality level of 70% (2024: 70%) of specific materiality to ensure that the risk of errors exceeding specific materiality was appropriately mitigated.

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, apart from the Parent Company whose materiality and performance materiality are set out above, on the same basis as Group performance materiality set out above. Component performance materiality ranged from £77,000 to £1,300,000 (2024: £96,000 to £2,333,000).

Specific component performance materiality for each component, was calculated on the same basis as outlined above. Specific component performance materiality ranged from £10,000 to £215,000 (2024: £2,000 to £215,000).

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £135,000 (2024: £145,000) and for those items impacting on profit before tax adjusted for fair value movements £11,000 (2024: £11,000). We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document entitled Annual Report and Accounts 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 course of 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.

FINANCIAL STATEMENTS

Independent Auditor's Report continued

to the members of Town Centre Securities Plc

Corporate governance statement

The UK Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the parent company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

GOING CONCERN AND LONGER-TERM VIABILITY	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 56; • The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 57; and • The Directors' statement on whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities set out on page 57.
OTHER CODE PROVISIONS	• Directors' statement on fair, balanced and understandable set out on page 71; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 71; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 71; and • The section describing the work of the audit committee set out on page 74.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

STRATEGIC REPORT AND DIRECTORS' REPORT	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
DIRECTORS' REMUNERATION	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION	We have nothing to report in respect of the following matters in relation to which 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 and the part of the Directors' remuneration report to be audited 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 Directors

As explained more fully in the Statement of Directors' Responsibilities, 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 the 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.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance, which included the Audit Committee; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the applicable accounting framework, UK Company law, UK tax legislation and the UK Listing Rules.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be UK VAT regulations.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence, if any, with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Involvement of tax specialists in the audit.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance, which included the Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

FINANCIAL STATEMENTS

Independent Auditor's Report continued

to the members of Town Centre Securities Plc

Based on our risk assessment, we considered the areas most susceptible to fraud to be the valuation of the Group's property interests, management bias and override of controls and the potential manipulation of revenue through the posting of journal entries.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met defined risk criteria, by agreeing to supporting documentation;
- Involvement of forensic specialists in the audit to assess the susceptibility of the financial statements to material fraud;
- Assessing significant estimates made by management for bias as described in the key audit matters section of the opinion; and
- Testing of consolidation journals including a sample of manual adjustments at the consolidation level to supporting documents.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Young (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor

London, UK
16 October 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Income Statement

for the year ended 30 June 2025

	Notes	2025 £'000	2024 Restated £'000
Gross revenue (excluding service charge income)	3	**29,757**	28,983
Service charge income	3	**2,935**	2,985
Gross revenue	3	**32,692**	31,968
Service charge expenses	3	**(4,310)**	(3,982)
Property expenses	3	**(13,516)**	(11,622)
Net revenue		**14,866**	16,364
Administrative expenses	4	**(7,512)**	(7,293)
Other income	7	**1,937**	965
Valuation movement on investment properties	12	**(2,214)**	(7,625)
Impairment of car parking assets	12	**(2,697)**	(3,878)
Impairment of goodwill	13	**(772)**	(577)
Loss on disposal of investments		**(87)**	(191)
Valuation movement on investments	15	**–**	408
Profit on disposal of investment properties		**–**	27
Profit on disposal of freehold and leasehold properties	12(B)	**1,762**	–
Share of post-tax profits/(losses) from joint ventures	14	**1,057**	(2,175)
Operating profit/(loss)		**6,340**	(3,975)
Finance costs	8	**(7,423)**	(7,348)
Finance income	8	**18**	166
Loss before taxation		**(1,065)**	(11,157)
Taxation	9	**(2,381)**	3,319
Loss for the year attributable to owners of the Parent		**(3,446)**	(7,838)
Earnings per share			
Basic and diluted	11	**(8.2p)**	(17.5p)
EPRA (non-GAAP measure)	11	**4.2p**	14.0p
Dividends per share			
Paid during the year	10	**2.5p**	11.0p
Proposed	10	**2.5p**	–

Consolidated Statement of Comprehensive Income

for the year ended 30 June 2025

	Notes	2025 £'000	2024 Restated £'000
Loss for the year		**(3,446)**	(7,838)
Items that will not be subsequently reclassified to profit or loss			
Revaluation (losses)/gains on car parking assets	12	**(656)**	994
Revaluation gains on hotel assets	12	**542**	642
Revaluation losses on other investments	15	**(706)**	(763)
Deferred tax on freehold car park valuation losses/(gains)		**178**	(236)
Total other comprehensive (loss)/income		**(642)**	637
Total comprehensive loss for the year		**(4,088)**	(7,201)

All profit and total comprehensive income for the year is attributable to owners of the Parent. The notes on pages 101 to 133 are an integral part of these Consolidated Financial Statements.

FINANCIAL STATEMENTS

Consolidated Balance Sheet

as at 30 June 2025

	Notes	2025 £'000	2024 Restated £'000	2023 Restated £'000
Non-current assets				
Property rental				
Investment properties	12	**183,092**	180,977	183,801
Investments in joint ventures	14	**5,636**	4,752	7,123
		188,728	185,729	190,924
Car park activities				
Freehold and leasehold properties	12	**52,470**	58,003	61,834
Goodwill and intangible assets	13	**2,430**	2,892	3,674
		54,900	60,895	65,508
Hotel operations				
Freehold properties	12	**10,200**	9,900	9,500
		10,200	9,900	9,500
Fixtures, equipment and motor vehicles	12	**1,613**	1,446	1,269
Investments	15	**3,259**	3,965	7,503
Deferred tax assets	19	**939**	3,083	–
Total non-current assets		**259,639**	265,018	274,704
Current assets				
Trade and other receivables	16	**3,802**	3,996	3,264
Cash and cash equivalents		**17,990**	22,152	23,320
Investments	15	**–**	3,177	6,436
Total current assets		**21,792**	29,325	33,020
Total assets		**281,431**	294,343	307,724
Current liabilities				
Trade and other payables	17	**(11,229)**	(13,425)	(12,387)
Bank overdrafts		**(18,375)**	(20,760)	(21,700)
Borrowings and lease liabilities	18	**(12,620)**	(1,768)	(4,665)
Total current liabilities		**(42,224)**	(35,953)	(38,752)
Non-current liabilities				
Borrowings and lease liabilities	18	**(126,905)**	(140,946)	(130,249)
Total non-current liabilities		**(126,905)**	(140,946)	(130,249)
Total liabilities		**(169,129)**	(176,899)	(169,001)
Net assets		**112,302**	117,444	138,723
Equity attributable to the owners of the Parent				
Called up share capital	24	**10,540**	10,540	12,113
Share premium account		**200**	200	200
Capital redemption reserve		**3,309**	3,309	1,736
Revaluation reserve		**4,248**	4,184	2,784
Retained earnings		**94,005**	99,211	121,890
Total equity		**112,302**	117,444	138,723
Net asset value per share	22	**266p**	279p	286p

Company number: 00623364
The financial statements on pages 96 to 133 were approved by the Board of Directors on 16 October 2025 and signed on its behalf by

E M Ziff
Chairman & Chief Executive

Consolidated Statement of Changes in Equity

for the year ended 30 June 2025

	Called-up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Revaluation reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 30 June 2023	12,113	200	1,736	2,784	121,890	138,723
Comprehensive income for the year						
Loss for the year	–	–	–	–	(7,838)	(7,838)
Other comprehensive income	–	–	–	1,400	(763)	637
Total comprehensive gain/(loss) for the year	–	–	–	1,400	(8,601)	(7,201)
Contributions by and distributions to owners						
Arising on purchase and cancellation of own shares	(1,573)	–	1,573	–	(9,440)	(9,440)
Final dividend relating to the year ended 30 June 2023	–	–	–	–	(1,054)	(1,054)
Interim dividend relating to the year ended 30 June 2024	–	–	–	–	(3,584)	(3,584)
Balance at 30 June 2024	10,540	200	3,309	4,184	99,211	117,444
Comprehensive income for the year						
Loss for the year	–	–	–	–	(3,446)	(3,446)
Other comprehensive income	–	–	–	64	(706)	(642)
Total comprehensive gain/(loss) for the year	–	–	–	64	(4,152)	(4,088)
Contributions by and distributions to owners						
Interim dividend relating to the year ended 30 June 2025	–	–	–	–	(1,054)	(1,054)
Balance at 30 June 2025	**10,540**	**200**	**3,309**	**4,248**	**94,005**	**112,302**

FINANCIAL STATEMENTS

Consolidated Cash Flow Statement

for the year ended 30 June 2025

		2025		2024	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Cash generated from operations	25	**9,471**		12,594	
Interest received	8	**18**		8	
Interest paid	8	**(6,186)**		(6,001)	
Corporation tax paid	9	**(59)**		–	
Net cash generated from operating activities			**3,244**		6,601
Cash flows from investing activities					
Purchase and construction of investment properties	12	–		(1,544)	
Refurbishment of investment, freehold and leasehold properties	12	**(4,183)**		(2,481)	
Purchases of fixtures, equipment and motor vehicles	12(D)	**(645)**		(525)	
Proceeds from sale of investment properties		–		187	
Proceeds from sale of investments	15	**3,095**		6,658	
Proceeds from sale of fixtures, equipment and motor vehicles	12(D)	**131**		–	
Distributions received from joint ventures	14	**173**		196	
Purchase of investments		–		(250)	
Purchase of subsidiary, net of cash acquired	13	**(496)**		–	
Net cash (used in)/generated from investing activities			**(1,925)**		2,241
Cash flows from financing activities					
Proceeds from non-current borrowings	17	–		9,750	
Repayment of non-current borrowings	17	**(100)**		(3,087)	
Arrangement fees paid	17	**(163)**		(419)	
Principal element of lease payments	17	**(1,780)**		(1,665)	
Dividends paid to Shareholders	10	**(1,054)**		(4,209)	
Purchase of own shares		–		(9,440)	
Net cash used in financing activities			**(3,097)**		(9,070)
Net decrease in cash and cash equivalents			**(1,778)**		(228)
Cash and cash equivalents at beginning of the year			**1,392**		1,620
Cash and cash equivalents at end of the year			**(386)**		1,392
Cash and cash equivalents at the year end are comprised of the following:					
Cash balances			**17,989**		22,152
Overdrawn balances			**(18,375)**		(20,760)
			(386)		1,392

The Consolidated Cash Flow Statement should be read in conjunction with note 25.

Notes to the Consolidated Financial Statements

1. Accounting policies

The principal accounting policies adopted in the preparation of these Consolidated Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Town Centre Securities PLC (the 'Company') is a public limited company domiciled in the United Kingdom. Its shares are listed on the London Stock Exchange. The Consolidated Financial Statements of the Company for the year ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the 'Group'). The address of its registered office is Town Centre House, The Merrion Centre, Leeds, LS2 8LY.

Basis of preparation

Statement of compliance

The Consolidated Financial Statements of Town Centre Securities PLC have been prepared in accordance with UK adopted international accounting standards ('IFRS').

Income and cash flow statements

The Group presents its Income Statement by nature of expense. The Group reports cash flows from operating activities using the indirect method. The acquisitions of investment properties are disclosed as cash flows from investing activities because this most appropriately reflects the Group's business activities. Cash flows from investing and financing activities are determined using the direct method.

Preparation of the Consolidated Financial Statements

The Consolidated Financial Statements have been prepared under the historical cost convention as modified by the revaluation of the Group's property interests and other investments.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions are changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated Financial Statements, are disclosed in Note 2.

Adoption of new and revised standards

New standards and interpretations effective in the current period

Other standards, interpretations and amendments effective in the current financial year have not had a material impact on the consolidated Group financial statements. The Group has not applied any standards, interpretations or amendments that have been issued but are not yet effective.

New and revised accounting standards not yet effective

There are a number of new standards and amendments to existing standards that have been published and are mandatory for the Group's accounting periods beginning on or after 1 April 2025 or later. The Group is not adopting these standards early. There are no accounting standards expected to have a material impact on the Group.

The impact of the following is under assessment:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments) effective 1 January 2026; and
- IFRS 18 'Primary financial statements', which will become effective in the consolidated Group financial statements for the financial year ending 31 March 2028, subject to UK endorsement.

Going concern

In making their assessment of the ability of the Group to continue as a going concern, the Directors have considered the impact of an economic downturn on the Group's forecasts including the effect on liquidity and compliance with bank loan and debenture covenants.

The Group owns a portfolio of multi-let regional property assets located throughout the UK, and operates car parking and hotel businesses. The Group is funded in part by an £82.4m debenture which is due for repayment in 2031 and an asset-specific facility of £13.8m which is due for repayment in 2029. In addition the business has three bilateral Revolving Credit Facilities ('RCFs') totalling £70m which, as at the year-end, were due for repayment or renewal between June 2026 and June 2027. Each of the debt facilities is ring-fenced within security sub-pools of assets charged to the respective lender.

The Group has one bank facility falling due for repayment in June 2026, within the going concern period. The Group is looking to renew this facility for a further three-year term, extending its expiry date to June 2029. The amount outstanding under this facility is currently £0.5m with a property portfolio valued at £7.68m secured against it. If the facility is not renewed, the Group will utilise existing headroom within its remaining facilities, of which £17.3m is available to draw, to repay the outstanding amount.

The other two revolving credit facilities were extended post year-end such that their expiry dates are outside of the Going Concern period.

As at the date of this report, the Group has drawn in aggregate, under all three RCFs, total borrowings of £18.75m, with a further £21.5m available to draw.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

1. Accounting policies continued

One of the most critical judgements for the Board is the loan to value ('LTV') headroom in the Group's debt facilities. This is calculated as the maximum amount that could be borrowed, taking into account the properties secured to the funders and the facilities in place. These covenants range from 60% to 67.5% LTV. The total LTV headroom at 30 June 2025 was £24.6m (2024: £20.4m). Overall, the properties secured under the Group's debt facilities would need to fall 25.8% in value before this LTV headroom level was breached. As at the date of this report the headroom metrics and percentage fall have reduced to £21.5m and 23.4% respectively following the post-balance sheet transactions highlighted in this Annual Report.

In addition to the LTV covenants, the Group's debt facilities include income cover covenants of between 100% for the debenture and 175% on the three revolving credit facilities and asset-specific loan. At the year-end the actual income cover levels ranged from 238% (for the 100% debenture covenant) up to 450% on the NatWest facility.

In order to assess the potential impact of a future economic downturn on the Group and its ability to continue as a going concern, management have analysed the portfolio's tenant base, car parking and hotel operations and produced forecasts to 31 October 2026. These forecasts reflect management's view of a worst case scenario, including assumptions that rent receipts are materially lower than normally experienced and that the car park and hotel businesses recover over the forecast period to a materially lower level than expected. These scenarios include a base case, downside case and then a more extreme downside case to show the effect a more significant downturn in the Group's performance would have on its funding cash headroom and any of its financial covenants. In addition the Company has performed a reverse stress exercise whereby it has looked at each individual facility and at how much of a downturn (compared to the conservative base case cash flows prepared by the Company) there would need to be before any of the financial covenants are breached.

The Group's forecasts, including the various scenarios, show that both the cash headroom figure is resilient and the financial covenant tests are met. Under the base case the minimum cash headroom is expected to be £20.7m, which compares to a minimum of £18.9m under the downside scenario. The significant downside case applied a total discount of 7% to rental income receipts and a 15% discount to budgeted car park income levels. The cash headroom in the Group does not go negative in the period to June 2028 and none of the other financial covenants are breached. The reverse stress test shows that the financial covenants are not breached until either of the discounts applied in the significant downside case are pushed even further with an 8% rental discount applied and 15% to car park income. This breach is forecast to occur in Q1 of FY27 and last until Q2 of FY27 before the position then improves.

The Group is currently experiencing collection rates of over 99% of rent and service charge income invoiced, and for the first two months of FY26 the car park business is trading significantly ahead of expectation.

The forecasts show that the Group has sufficient resources to continue to operate as a going concern for at least the period to 31 October 2026. Based on the forecasts, including the mitigating options available to the Group in the event of the occurrence of the downside scenarios, with the key mitigation being to draw 'headroom' from one facility and either use it to lodge as cash security or repay borrowings at another facility, the Directors consider it appropriate to prepare these financial statements on the going concern basis.

Consolidation

(a) Subsidiaries

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the Company and its subsidiaries ('the Group') as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

A Company purchase that does not meet the definition of a business is treated as an asset acquisition (e.g., this may be the case if a property is acquired in a corporate wrapper). The asset(s) (and any associated acquired liabilities) acquired are recognised at fair value of the consideration paid on the date that control is obtained.

Where the Company increases its stake in a previously held joint venture ('JV') that does not constitute a business and thereby obtains control, an accumulated cost approach is used. The carrying value of the equity accounted JV at the date of obtaining control is considered to form part of the consideration paid, in addition to the fair value of any additional consideration paid to acquire the additional stake. The assets acquired (and any associated liabilities) are recognised based on the combined accumulated cost.

(b) Joint arrangements

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control.

Investments in joint ventures are accounted for using the equity method of accounting and are initially recognised at cost.

The Group's share of its joint ventures, post-acquisition profits or losses is recognised in the Income Statement. Investments in joint ventures are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Group's share of net assets of the joint ventures less any impairment in the value of the investment. Any impairment is initially recognised against the equity value, or if nil, against any outstanding loan balances.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint venture. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Segmental reporting

An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

The Group operates in four business segments comprising property rental, car park operations, hotel operations and investments. The Group's operations are performed wholly in the United Kingdom.

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

Non-current assets

(a) Investment properties

Investment property comprises freehold land and buildings and long-leasehold/right-of-use land and buildings that are held to earn rental income and/or for capital appreciation, rather than for sale in the ordinary course of business or for use in production or administrative functions. This comprises mainly retail units and offices.

Investment property is recognised when it is probable that the future economic benefits that are associated with the investment property will flow to the Group and the cost of the investment property can be measured reliably. Typically these criteria are met on unconditional exchange. Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and other costs incurred in order to bring the property to the condition necessary for it to be capable of operating.

After initial recognition investment property is carried at fair value as determined by an independent external RICS qualified valuer or, if considered appropriate, as determined by the Directors. The fair value of investment properties take into account tenure, lease terms and structural condition. The inputs underlying the valuations include market rents or business profitability, incentives offered to tenants, forecast growth rates, market yields and discount rates, and selling costs including stamp duty.

The gains or losses arising from these valuations are included in the Consolidated Income Statement.

When an existing investment property is redeveloped for continued future use as an investment property, it remains an investment property whilst in development. Subsequent expenditure is added to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Consolidated Income Statement during the financial period in which they are incurred.

Borrowing costs associated with direct expenditure on properties undergoing major refurbishment are capitalised. The amount is calculated using the Group's weighted average cost of borrowing unless borrowings are specifically taken out for redevelopment of the asset, in which case the specific borrowing rate is used.

Investment property is de-recognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The date of disposal is the date the purchaser obtains control of the property. The gain or loss arising on the disposal of investment properties is determined as the difference between the net sale proceeds and the carrying value of the asset and is recognised in the Consolidated Income Statement.

(b) Freehold and right-of-use properties (property, plant and equipment)

Freehold properties are initially recognised at cost and are subsequently carried at fair value, based on periodic valuations by a professionally qualified valuer. The fair value of freehold properties takes into account tenure, lease terms and structural condition. The inputs underlying the valuations include business profitability and market rents, forecast growth rates, market yields and discount rates, and selling costs including stamp duty. Changes in fair value are recognised in other comprehensive income and accumulated in the revaluation reserve except to the extent that any decrease in value in excess of the credit balance on the revaluation reserve, or reversal of such a transaction, is recognised in the Consolidated Income Statement.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

1. Accounting policies continued

At the date of revaluation, the accumulated depreciation on the revalued freehold property is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. On disposal of the asset the balance of the revaluation reserve is transferred to retained earnings.

Leasehold properties held under leases, where a right-of-use asset is recognised, are initially valued at the present value of minimum lease payments payable over the term of the lease. See Leased assets (where the Group acts as a lessee) policy below for further details.

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items within this category so as to write off their carrying value over their expected useful economic lives, or over the lease term if shorter.

(c) Fixtures, equipment and motor vehicles (property, plant and equipment)

Fixtures, equipment and motor vehicles are carried at historical cost less depreciation and provision for impairment. Historic cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis at rates appropriate to write off individual assets over their estimated useful lives of between three and ten years.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in the Consolidated Income Statement.

Fair value

Fair value estimation under IFRS 13 requires the Group to classify for disclosure purposes fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements on its financial assets. The fair value hierarchy has the following levels:

- Level (1) quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level (2) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level (3) inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of assets held for sale, other financial assets and investment property are determined by using valuation techniques. See note 2 for further details of the judgements and assumptions made in relation to investment properties.

Goodwill

Goodwill represents the excess of the cost of a business combination over the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Cost comprises the fair value of assets given, liabilities assumed and equity instruments issued. Direct costs of acquisition are recognised immediately as an expense. Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount may not be recoverable. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets. Any impairment recognised is charged to the Consolidated Income Statement. Where the fair value of identifiable assets, liabilities and contingent liabilities exceeds the fair value of consideration paid, the excess is credited in full to the Consolidated Income Statement on the acquisition date.

Intangible assets – car park activities

Intangible assets are recognised where the Group controls the asset, it is probable that future economic benefits attributable to the asset will flow to the Group and we can reliably measure the cost of the asset. Intangible assets are amortised using the straight-line method over their useful economic life. The amortisation is charged to the Consolidated Income Statement as a direct car park property cost.

Investments – investments in shares

The Group's investments comprise of investments in quoted and unquoted equity investments. Other than where the Group has taken an irrevocable election to recognise investments as fair value through other comprehensive income, the Group treats all investments as fair value through profit and loss.

Purchases and sales of investments are recognised on the trade date, which is the date the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus, where the investment is not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Equity instruments are valued at fair value at each reporting date. The fair values of listed investments are based on current bid prices. Any fair value gains and losses arising on equity instruments classified as fair value through profit and loss are recognised in the income statement. However, an assessment for each individual equity instrument not held for trading is considered, to establish whether an irrevocable election under IFRS 9 should be made to classify the instrument at fair value through other comprehensive income. Where this election has been made, fair value gains are recognised through other comprehensive income. To date, this election has been made for all listed investments held and the Company's investment in YourParkingSpace Limited – at 30 June 2025 the Company did not have any remaining interest in YourParkingSpace Limited.

Dividends on equity instruments are recognised in the Consolidated Income Statement when the Group's right to receive payment is established.

Investments – deferred and contingent consideration

The Group's investments in loan notes, both deferred and contingent consideration elements, are classified as financial assets within the balance sheet of the Company. The Company is holding these investments solely to receive future cash flows in accordance with the terms of the different loan note instruments.

The deferred consideration loan notes will ultimately result in the payment of both 100% of the principal and an interest charge – there are no other cash flows and are accounted for using the amortised cost basis.

The contingent consideration loan notes will ultimately result in the payment of principal with no interest, with the quantum of the actual payment contingent and based on the net revenue of YPS earned post completion. Due to the variable nature of this ultimate receipt they are accounted for using the fair value through profit or loss ('FVTPL') basis.

Trade and related party receivables

Trade and related party receivables (such as loans to joint ventures or loans to investments) are recognised initially at fair value and are subsequently measured at amortised cost less provision for impairment. The amount of the provision is recognised in the Consolidated Income Statement.

Impairment provisions for current and non-current lease and trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. Impairment provisions are recognised within the Consolidated Income Statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

From time to time, the Group elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the Consolidated Statement of Comprehensive Income (operating profit). This is in respect of non-substantial modifications only.

Cash and cash equivalents

Cash and cash equivalents carried in the Consolidated Balance Sheet are held at amortised cost. Cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are included within current liabilities on the Consolidated Balance Sheet.

Share capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

1. Accounting policies continued

Borrowings

Borrowings are held at amortised cost and recognised net of transaction costs incurred. Debt finance costs are amortised based on the effective interest rate.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Bank overdrafts

The Group's banking facility has an agreement which allows the right of off-set between fellow Group companies. Interest payments and covenant tests are conducted on a net basis across the accounts within the banking facility. Whilst management monitors cash on a net basis, the fact that accounts were not actually swept and netted off at 30 June 2025 (and 30 June 2024 respectively) has meant that the cash and overdraft balances have been presented on a gross basis.

Leased (right-of-use) assets (where the Group acts as a lessee)

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low-value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's lease-specific incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of a termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it reassesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- in all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount; and
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

Operating leases (where the Group acts as a lessor)

Leases are classified as operating leases unless the risks and rewards incidental to ownership of the asset pass to the lessee.

In the case of properties where the Group has a leasehold interest, this assessment is made by reference to the Group's right-of-use assets arising under the headlease rather than by reference to the underlying asset.

Where an investment property is held under a leasehold interest, the headlease is initially recognised as an asset at cost plus the present value of minimum lease payments. The corresponding lease liability on the headlease is included in the balance sheet as a finance lease obligation.

Unamortised tenant lease incentives

Leasehold incentives given to tenants on entering property leases are recognised as unamortised lease incentives. The operating lease incentives are spread over the non-cancellable life of the lease. Where this ends with a clean break clause the incentives are spread to this date unless management is reasonably certain that the break will not be exercised.

Taxation

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

(a) Current tax

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

(b) Deferred income tax

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

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

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

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

Employee benefits

The Group operates defined contribution arrangements for all eligible Directors and employees. A defined contribution plan is a pension plan under which the Group pays contributions into a private or publicly administered pension plan. Pension costs are charged to the Consolidated Income Statement in the period when they fall due. Pre-paid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

FINANCIAL STATEMENTS
Notes to the Consolidated Financial Statements continued

1. Accounting policies continued

Revenue recognition

(a) Rental income

Revenue includes rental income net of VAT.

Most of the Group's rental income is billed either monthly or quarterly in advance. A receivable and deferred income is recognised at the date payment is due providing the Directors consider the amount to be collectable. If the Directors consider an unrecognised amount is collectable subsequent to its due date, then the receivable is recognised at that date.

Rent receivables recognised are subject to impairment (refer to the Trade and related party receivables policy above).

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

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

i) fixed rental income is recognised on a straight-line basis over the term of the lease;

ii) turnover rents are based on underlying turnover and are recognised in the period to which the turnover relates;

iii) rent reviews are recognised in the period to which they relate providing they have been agreed or otherwise on agreement; and

iv) where rent concessions have been granted that reduce the payments due under a lease in future periods, the total revised consideration (plus any prepaid or accrued lease payments) is spread over the remaining lease term from the date the concession is granted.

(b) Car park income

Contract car park income is recognised on a straight-line basis over the relevant period, in accordance with the contract to which it relates. Daily car park and car parking enforcement income is recognised when received. Where the Group is employed under a car parking management agreement and acts as agent, the Group only recognises the management fee income (on a straight-line basis) and if applicable its share of any operating profits of the car parks managed.

(c) Hotel income

Room revenue is recognised on a daily basis in accordance with the date of the overnight stay. Food and beverage revenue is recognised at the point of sale.

(d) Interest income

Interest income on any short-term deposits is recognised in the Consolidated Income Statement as it accrues.

(e) Other income

Other income is recognised when the right to payment is established. This includes dividend income, management fees and surrender premiums or dilapidations payments received from outgoing tenants prior to the termination of their lease.

(f) Service charge income

Many of the Group's leases also include the provision of services (e.g. for security, cleaning etc). Revenue from the provision of services is recognised in accordance with the provisions of IFRS 15 as the services are provided to the tenant. Services are typically provided evenly over the lease term. The transaction price is generally specified in the lease contract to reflect the market value of providing the services.

Dividend distribution

Dividend distributions to the Company's Shareholders are recognised in the Consolidated Financial Statements as follows:

i) interim dividends are recognised in the period they are paid; and

ii) final dividends are recognised in the period in which the dividends are approved by the Company's Shareholders.

Share buybacks

Where shares are redeemed or purchased wholly out of profits available for distribution, a sum equal to the total amount paid by the Company's share is deducted from the Company's retained earnings.

Where shares are redeemed or purchased wholly out of profits available for distribution, a sum equal to the amount by which the company's share capital is diminished on cancellation of the shares (the nominal value of the shares) is transferred to the capital redemption reserve.

Reserves

Reserves are analysed in the following categories:

- Share capital represents the nominal value of issued share capital.
- Share premium represents any consideration received in excess of nominal value of the shares issued.
- Capital redemption reserve represents the nominal value of the Company's own shares that have been repurchased and cancelled.
- Revaluation reserve represents the surplus valuation movement upon revaluation of freehold property relating to car park activities and hotel operations.
- Retained earnings represents the cumulative profit or loss position less dividend distributions.

Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, cash flow and fair value interest rate risk, capital risk and price risk.

(a) Credit risk

As noted in the Group's rental income policy above, receivables are only recognised for rental income when the amount due is considered collectable at the time of billing. Management continue to assess the collectability of unpaid amounts that are billed and due, and applies a general loss rate. For individual material amounts, if it becomes probable that the amount will be paid then the receivable will be recognised at that date, along with the related income. Whether an amount is considered to be collectable requires judgement. In making that judgement management consider (on a lease-by-lease basis) payment history and changes in the credit risk of the tenant.

The material financial assets to which the ECL impairment model is applied are set out below:

- Cash and cash equivalents (£17,990,000 at 30 June 2025 and £22,152,000 at 30 June 2024) – all cash and cash equivalents are held with high-quality financial institutions for which there is considered to be no significant credit risk; as such any ECL in respect of this balance is immaterial.
- Trade receivables (£1,671,000 at 30 June 2025 and £1,746,000 at 30 June 2024) – the Directors have applied the simplified approach to trade receivables. Trade receivables have been grouped together based on shared credit risk characteristics and days past due. Loss rates have then been applied to each group based on historical payment profiles adjusted to reflect current and forward-looking information.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury policy aims to maintain flexibility in funding by keeping committed credit lines available.

The maturity profile and details of undrawn banking facilities are set out in note 18.

(c) Cash flow and fair value interest rate risk

The Group has no significant interest-bearing assets. Borrowings issued at variable rates expose the Group to cash flow interest rate risk.

The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest costs may increase as a result of such changes. They may reduce profits or create losses in the event that unexpected movements arise.

The Group continually reviews interest rates and interest rate risk and has a policy of monitoring the costs and benefits of interest rate fixing instruments with a view to hedging exposure to interest rate risk on a regular basis.

At 30 June 2025, 87.5% (2024: 87.5%) of the Group's borrowings were under long-term fixed-rate agreements and therefore were protected against future interest rate volatility.

(d) Capital risk

The Group's objective in managing capital is to maintain a strong capital base to support current operations and planned growth and to provide for an appropriate level of dividend payments to shareholders.

The Group is not subject to external regulatory capital requirements.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

1. Accounting policies continued

(e) Price risk

Current asset investments are subject to price risk as a result of fluctuations in the market. The Group limits the amount of exposure by continually assessing the performance of these investments.

(f) Compliance with covenants

The Group's bank facilities and the mortgage debenture stock include a number of covenants principally relating to income and capital cover. The Directors monitor performance against these covenants on a regular basis.

2. Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The only estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value amounts of assets and liabilities within the next financial year are as follows:

i. The Group's property investments – the basis for valuation is set out in note 12.

ii. Impairments have been applied to the Group's right-of-use car park assets and goodwill as set out in notes 12 and 13 – these have been based on an assessment of the Group's weighted average cost of capital and suitable discount rates.

iii. Taxation – Significant judgement is required in determining the provision for income tax and the calculation of any deferred tax balances. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences impact the income tax and deferred tax provisions in the period in which such determination is made. Some subsidiaries have generated or generate tax losses. Often these can be used to offset taxable gains of subsequent periods. The Group monitors the development of such tax loss situations. Based on the business plans of the Group, the recoverability of such tax losses is determined. In the case that a tax loss is deemed to be recoverable, the recognition of a deferred tax asset for such a tax loss is then decided. This judgement resulted in the recognition of a net deferred tax asset with a book value at 30 June 2025 of £939,000 (30 June 2024: £3,083,000), which comprises of deferred tax assets of £8,091,000 and deferred tax liabilities of £7,152,000.

3. Segmental information

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

(A) Segmental assets

	2025 £'000	2024 Restated £'000
Property rental	**211,688**	215,062
Car park activities	**56,284**	62,239
Hotel operations	**10,200**	9,900
Investments	**3,259**	7,142
	281,431	294,343

(B) Segmental results

	2025					2024 – Restated				
	Property rental £'000	Car park activities £'000	Hotel operations £'000	Investments £'000	Total £'000	Property rental £'000	Car park activities £'000	Hotel operations £'000	Investments £'000	Total £'000
Gross revenue (excl service charge income)	**12,442**	**13,978**	**3,337**	**–**	**29,757**	12,314	13,361	3,308	–	28,983
Service charge income	**2,935**	**–**	**–**	**–**	**2,935**	2,985	–	–	–	2,985
Gross revenue	**15,377**	**13,978**	**3,337**	**–**	**32,692**	15,299	13,361	3,308	–	31,968
Service charge expenses	**(4,310)**	**–**	**–**	**–**	**(4,310)**	(3,982)	–	–	–	(3,982)
Property expenses	**(2,290)**	**(8,444)**	**(2,782)**	**–**	**(13,516)**	(1,431)	(7,521)	(2,670)	–	(11,622)
Net revenue	**8,777**	**5,534**	**555**	**–**	**14,866**	9,886	5,840	638	–	16,364
Administrative expenses	**(5,711)**	**(1,801)**	**–**	**–**	**(7,512)**	(5,571)	(1,722)	–	–	(7,293)
Other income	**1,864**	**30**	**–**	**43**	**1,937**	924	–	–	41	965
Share of post-tax profits from joint ventures	**1,057**	**–**	**–**	**–**	**1,057**	1,025	–	–	–	1,025
Operating profit before valuation movements	**5,987**	**3,763**	**555**	**43**	**10,348**	6,264	4,118	638	41	11,061
Valuation movement on investment properties	**(2,214)**	**–**	**–**	**–**	**(2,214)**	(7,625)	–	–	–	(7,625)
Impairment of car parking assets	**–**	**(2,697)**	**–**	**–**	**(2,697)**	–	(3,878)	–	–	(3,878)
Impairment of goodwill	**–**	**(772)**	**–**	**–**	**(772)**	–	(577)	–	–	(577)
Loss on disposal of investments	**–**	**–**	**–**	**(87)**	**(87)**	–	–	–	(191)	(191)
Valuation movement on investments	**–**	**–**	**–**	**–**	**–**	–	–	–	408	408
Profit on disposal of investment properties	**–**	**–**	**–**	**–**	**–**	27	–	–	–	27
Profit on disposal of freehold and leasehold properties	**–**	**1,762**	**–**	**–**	**1,762**	–	–	–	–	–
Valuation movement on joint venture properties	**–**	**–**	**–**	**–**	**–**	(3,200)	–	–	–	(3,200)
Operating (loss)/profit	**3,773**	**2,056**	**555**	**(44)**	**6,340**	(4,534)	(337)	638	258	(3,975)
Finance costs					**(7,423)**					(7,348)
Finance income					**18**					166
Loss before taxation					**(1,065)**					(11,157)
Taxation					**(2,381)**					3,319
Loss for the year					**(3,446)**					(7,838)

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

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

The net revenue at the development sites for the year ended 30 June 2025, arising from car park operations, was £1,349,000. After allowing for an allocation of administrative expenses, the operating profit at these sites was £838,000.

Revenue received within the car park activities segment and hotel operations segment as well as other income in the property rental segment is the only revenue recognised on a contract basis under IFRS 15. All other revenue within the property rental segment comes from rental lease agreements.

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Notes to the Consolidated Financial Statements continued

4. Administrative expenses

	2025 £'000	2024 £'000
Employee benefits	**4,427**	4,457
Depreciation	**172**	168
Charitable donations	**86**	77
Other	**2,827**	2,591
	7,512	7,293

Depreciation charged to the Consolidated Income Statement as an administrative expense relates to depreciation on central office equipment, including fixtures and fittings, computer equipment and motor vehicles. Depreciation on operational equipment and right-of-use assets within both the car park and hotel businesses are charged as direct property expenses within the Consolidated Income Statement.

5. Services provided by the Group's external auditors

During the year the Group's auditors were remunerated for rendering the following services to the Group:

	2025 £'000	2024 £'000
Audit services:		
• Fees payable to the Group auditors for the audit of the Consolidated and Company Financial Statements	**295**	246
• Audit of the Company's subsidiaries pursuant to legislation	**10**	10
• Other audit-related services	**–**	40
Total audit services	**305**	296
Non-audit services:		
• Other non-audit services	**5**	–
Total non-audit services	**5**	–
Total remuneration of the Company's auditors	**310**	296

6. Employee benefits

	2025 £'000	2024 £'000
Wages and salaries (including Directors' emoluments)	**6,593**	6,417
Social security costs	**743**	705
Other pension costs	**271**	254
	7,608	7,376

Disclosures required by the Companies Act 2006 on Directors' remuneration, including salaries, share options, pension contributions and pension entitlement are included on pages 78 to 84 in the Directors' Remuneration Report and form part of these Consolidated Financial Statements.

The average monthly number of staff employed, including Directors, during the year was 155 (2024: 150).

The Group operates pension arrangements for the benefit of all eligible Directors and employees, which are defined contribution arrangements. The assets of the arrangements are held separately from those of the Group in independently administered funds. All of the pension costs in the table above relate to defined contribution schemes.

7. Other income

	2025 £'000	2024 £'000
Commission received	**196**	169
Dividends received	**43**	41
Service charge management fees	**280**	258
Development management fees	**227**	158
Dilapidations receipts and income relating to surrender premiums	**1,019**	267
Profit on sale of fixed assets	**55**	–
Other	**172**	72
	1,937	965

8. Finance costs and finance income

	2025 £'000	2024 £'000
Interest payable on debenture loan stock	**4,430**	4,430
Interest payable on bank borrowings	**1,756**	1,570
Amortisation of arrangement fees	**274**	286
Interest expense on lease liabilities	**963**	1,062
Total finance costs	**7,423**	7,348
Interest receivable on loans to joint ventures	**(5)**	(159)
Other interest receivable	**(12)**	(7)
Total finance income	**(18)**	(166)
Net finance costs	**7,405**	7,182

9. Taxation

	2025 £'000	2024 Restated £'000
Current		
Current year	**–**	–
Adjustments in respect of prior years	**59**	–
	59	–
Deferred tax		
Recognition of previously unrecognised trading losses	**–**	(2,888)
Utilisation of trading losses	**967**	1,203
Origination and reversal of timing differences	**1,355**	(1,634)
Adjustments in respect of prior periods	**–**	–
	2,322	(3,319)
	2,381	(3,319)

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Notes to the Consolidated Financial Statements continued

9. Taxation continued

Taxation for the year is higher (2024: higher) than the standard rate of corporation tax in the United Kingdom of 25% (2024: 25%). The differences are explained below:

	2025 £'000	2024 Restated £'000
Loss before taxation	(1,065)	(11,157)
Loss on ordinary activities multiplied by rate of corporation tax in the United Kingdom of 25% (2024: 25%)	(266)	(2,789)
Effects of:		
• Valuation movements on which deferred tax is not recognised	2,344	2,110
• Recognition of carried forward trading losses	–	(2,888)
• Expenses not deductible for tax purposes	244	248
• Adjustments in respect of prior years	59	
Total taxation charge/(credit)	**2,381**	(3,319)

The Company left the REIT regime with effect from 1 July 2023. The results of the Company and the Group have subsequently been subject to corporation tax.

10. Dividends

	2025 £'000	2024 £'000
2023 final paid: 2.5p per share	–	1,054
2024 interim paid: 8.5p per share	–	3,584
2025 interim paid: 2.5p per share	1,054	–
	1,054	4,638

An interim dividend in respect of the year ended 30 June 2025 of 2.5p per Ordinary Share was paid to Shareholders on 13 June 2025.

A final dividend in respect of the year ended 30 June 2025 of 2.5p per Ordinary Share is proposed. This dividend, based on the shares in issue at 15 October 2025, amounts to £1,054m which has not been reflected in these accounts and will be paid on 8 January 2026 to shareholders on the register on 19 December 2025.

11. Earnings per share

The calculation of basic earnings per share has been based on the loss for the year, divided by the weighted average number of Ordinary Shares in issue. The weighted average number of shares in issue during the year was 42,162,679 (2024: 44,862,101).

	2025		2024 – Restated	
	Earnings £'000	Earnings per share p	Earnings £'000	Earnings per share p
Loss for the year and earnings per share	(3,446)	(8.2)	(7,838)	(17.5)
Valuation movement on investment properties	2,214	5.3	7,625	17.0
Deferred tax on valuation movements	1,216	2.9	(903)	(2.0)
Impairment of car parking assets	2,697	6.4	3,878	8.7
Impairment of goodwill	772	1.8	577	1.3
Valuation movement on properties held in joint ventures	–	–	3,200	7.1
Profit on disposal of investment properties	–	–	(27)	(0.1)
Profit on disposal of freehold and leasehold properties	(1,762)	(4.2)	–	–
Loss on disposal of investments	87	0.2	191	0.4
Valuation movement on investments	–	–	(408)	(0.9)
EPRA earnings and EPRA earnings per share	1,778	4.2	6,295	14.0

EPRA earnings for the year ended 30 June 2024 included a tax credit £2,888,000 relating to the initial recognition of a deferred tax asset for historical trading losses.

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

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

12. Non-current assets

(A) Investment properties

	Freehold £'000	Right-of-use asset £'000	Development £'000	Total £'000
Valuation at 30 June 2023	160,700	2,250	20,851	183,801
Additions at cost	–	2,860	–	2,860
Other capital expenditure	1,716	–	765	2,481
Disposals	(160)	–	–	(160)
Movement in tenant lease incentives	(380)	–	–	(380)
Valuation movement	(10,466)	6	2,835	(7,625)
Valuation at 30 June 2024	151,410	5,116	24,451	180,977
Other capital expenditure	2,405	17	1,760	4,182
Movement in tenant lease incentives	147	–	–	147
Valuation movement	1,528	(87)	(3,655)	(2,214)
Valuation at 30 June 2025	**155,490**	**5,046**	**22,556**	**183,092**

At 30 June 2025, investment property valued at £178,095,000 (2024: £175,810,000) was held as security against the Group's borrowings.

During the prior year the Group acquired an investment property for a cash consideration of £1,544,000 and recognised an additional IFRS 16 right-of-use asset of £1,316,000.

Right-of-use investment property assets include leasehold property interests.

The Company occupies an office suite in part of the Merrion Centre and one floor of an investment property in London. The Directors do not consider these elements to be material.

(B) Freehold and leasehold properties – car park activities

	Freehold £'000	Right-of-use asset Restated £'000	Total Restated £'000
Valuation at 30 June 2023	25,110	36,724	61,834
IFRS 16 adjustment	–	(95)	(95)
Depreciation	(272)	(1,397)	(1,669)
Valuation movement recognised in Other Comprehensive Income	994	–	994
Other movements – lease reassessments	–	817	817
Reversal of impairment/(impairment)	768	(4,646)	(3,878)
Valuation at 30 June 2024	26,600	31,403	58,003
Disposals	–	(2,098)	(2,098)
IFRS 16 adjustment	–	(95)	(95)
Depreciation	(287)	(1,164)	(1,451)
Valuation movement recognised in Other Comprehensive Income	(656)	–	(656)
Other movements – lease reassessments	–	1,464	1,464
Impairment	(1,107)	(1,590)	(2,697)
Valuation at 30 June 2025	**24,550**	**27,920**	**52,470**

The historical cost of freehold properties and right-of-use assets relating to car park activities is £30,153,000 (2024: £30,153,000).

At 30 June 2025, freehold properties and right-of-use assets relating to car park activities valued at £33,424,000 (2024: £35,450,000) were held as security against the Group's borrowings.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

12. Non-current assets continued

(C) Freehold and leasehold properties – hotel operations

	Freehold £'000
Valuation at 30 June 2024	9,900
Depreciation	(242)
Valuation movement	542
Valuation at 30 June 2025	**10,200**

At 30 June 2025, freehold property relating to hotel operations valued at £10,200,000 (2024: £9,900,000) was held as security against the Group's borrowings.

The fair value of the Group's portfolio of investment and development properties, freehold car park properties and freehold hotel properties have been determined principally by independent, appropriately qualified external valuers CBRE. The remainder of the portfolio has been valued by the Directors.

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

Valuation methodology for all properties (excluding the development properties)

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

Valuation method for the development properties

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

Property income, values and yields as at 30 June 2025 are set out by category in the table below.

	Passing rent £'000	ERV £'000	Value £'000	Initial yield %	Reversionary yield %
Retail and Leisure	393	1,544	15,890	2.3%	9.2%
Merrion Centre (excluding offices)	4,029	4,662	48,079	7.9%	9.2%
Offices	3,097	4,800	46,196	6.3%	9.8%
Hotels	913	913	10,200	8.5%	8.5%
Out-of-town retail	1,050	1,341	13,075	7.6%	9.7%
Residential	1,688	1,852	34,500	4.6%	5.1%
	11,170	**15,113**	**167,940**	**6.3%**	**8.5%**
Development properties			22,556		
Car parks			34,377		
IFRS 16 – Right-of-use assets held within car park activities			19,573		
IFRS 16 – Right-of-use assets held within investment properties			1,316		
			245,762		

Car parks above includes £1.48m of a car park categorised as an investment property in the Consolidated Balance Sheet.

Property income, values and yields have been set out by category as at 30 June 2024 in the table below.

	Passing rent £'000	ERV £'000	Value £'000	Initial yield %	Reversionary yield %
Retail and Leisure	1,178	1,282	13,810	8.1%	8.8%
Merrion Centre (excluding offices)	4,514	4,815	50,254	8.5%	9.1%
Offices	2,688	4,845	45,376	5.6%	10.1%
Hotels	875	875	9,900	8.4%	8.4%
Out-of-town retail	1,041	1,070	12,500	7.9%	8.1%
Residential	1,319	2,108	31,720	3.9%	6.3%
	11,615	**14,995**	**163,560**	**6.7%**	**8.7%**
Development properties			24,451		
Car parks			38,017		
IFRS 16 – Right-of-use assets held within car park activities			21,536		
IFRS 16 – Right-of-use assets held within investment properties			1,316		
			248,880		

Investment properties (freehold and right-of-use), freehold properties (PPE) and hotel operations.

The effect on the total valuation (excluding development properties, car parks and right-of-use assets) of £167.9m of applying a different weighted average yield and a different weighted average ERV would be as follows:

Valuation in the Consolidated Balance Sheet at a net initial yield of 5.3% – £199.7m, Valuation at 7.3% – £144.9m.

Valuation in the Consolidated Balance Sheet at a reversionary yield of 7.5% – £190.3m, Valuation at 9.5% – £150.3m.

Investment properties (development properties)

The key unobservable inputs in the valuation of one of the Group's development properties of £16.9m is the assumed per acre or per unit land value. The effect on the valuation of this development property of applying a different assumed per acre or per unit land value would be as follows:

Valuation in the Consolidated Balance Sheet if there was a 5% increase in the per acre or per unit value – £17.7m, 5% decrease in the per acre or per unit value – £16.0m.

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

Freehold car park activities

The effect on the total valuation of the Group's freehold car park properties of £24.6m in applying a different yield/discount rate (valuation based on a 6.6% net initial yield) and a different assumed rental value/net income (valuation based on £1.6m) would be as follows:

Valuation in the Consolidated Balance Sheet based on a 1% decrease in the yield/discount rate – £28.9m, 1% increase in the yield/discount rate – £21.3m.

Valuation in the Consolidated Balance Sheet based on a 5% increase in the assumed rental value/net income – £25.8m, 5% decrease in the assumed rental value/net income – £23.4m.

Right-of-use car park activities

The effect on the total valuation of the Group's Right-of-use car park properties of £27.9m in applying a different discount rate (valuation based on 12%) and a different growth rate (valuation based on 1%) would be as follows:

		Growth rate		
		0%	1%	2%
Discount rate	11%	26.5	30.7	36.0
	12%	24.6	27.9	32.4
	13%	23.0	25.9	29.3

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Notes to the Consolidated Financial Statements continued

12. Non-current assets continued

Property valuations can be reconciled to the carrying value of the properties in the Consolidated Balance Sheet as follows:

	Investment properties £'000	Car park activities – freehold and leasehold properties £'000	Hotel operations – freehold properties £'000	Total £'000
Externally valued by CBRE	179,475	24,550	10,200	214,225
Investment properties valued by the Directors	2,301	–	–	2,301
Properties held at valuation	181,776	24,550	10,200	216,526
IFRS 16 right-of-use assets held at depreciated cost	1,316	27,920	–	29,236
	183,092	**52,470**	**10,200**	**245,762**

Valuation of investment properties (freehold and right-of-use), freehold properties (PPE) and hotel operations at fair value

All investment properties, freehold properties held in property plant and equipment, hotel operations and assets held for sale are measured at fair value in the Consolidated Balance Sheet and are categorised as level 3 in the fair value hierarchy as defined in IFRS 13 as one or more inputs to the valuation are partly based on unobservable market data. In arriving at their valuation for each property (as in prior years) both the independent external valuers and the Directors have used the actual rent passing and have also formed an opinion as to the two significant unobservable inputs being the market rental for that property and the yield (i.e. the discount rate) which a potential purchaser would apply in arriving at the market value. Both these inputs are arrived at using market comparables for the type, location and condition of the property.

(D) Fixtures, equipment and motor vehicles

	Cost £'000	Depreciation £'000
At 1 July 2023	5,570	4,301
Additions	525	–
Depreciation	–	348
At 30 June 2024	6,095	4,649
Net book value at 30 June 2024		1,446
At 1 July 2024	6,095	4,649
Additions	645	–
Disposals	(135)	(59)
Depreciation	–	402
At 30 June 2025	**6,605**	**4,992**
Net book value at 30 June 2025		**1,613**

13. Goodwill and intangible assets

	2025 £'000	2024 £'000
Goodwill		
At the start of the year	**2,868**	3,445
Impairment	**(772)**	(577)
At the end of the year	**2,096**	2,868
Intangible assets		
At the start of the year	**24**	229
Additions	**496**	–
Amortisation	**(186)**	(205)
At the end of the year	**334**	24
Total goodwill and intangible assets	**2,430**	2,892

Goodwill represents the difference between the fair value of the consideration paid on the acquisitions of certain car park businesses and the fair value of the assets and liabilities acquired as part of these business combinations. The relevant transactions all took place prior to 30 June 2020 and relate to businesses that held car parks under leases with a net asset value of £nil and amounted to consideration (before any impairment) of £4,024,000.

A review of the year end carrying value has been performed to identify any potential impairment to the carrying value of goodwill. This has been based on the discounted future cash flows that are expected to be generated by the assets acquired over the remaining lease length. The cash generating units are the individual car parks acquired. The key assumptions used in preparing these cash flow forecasts are an underlying revenue growth rate of 1% (2024: 1%) and a discount rate of 12% (2024: 10.3%). The assumptions used in the cash flow are based on the Group's historical experience of the sector and expectation of future growth rate for the industry, with the key underlying reasons for the impairment being the increase in discount rate applied to the cash flow forecasts and an increase in the underlying cost base of the car parks (staff costs and utility costs). The recoverable amount of Goodwill has been determined on the basis of value in use.

The effect on the value of Goodwill of £2.1m in applying a different discount rate (valuation based on 12%) and a different growth rate (valuation based on 1%) would be as follows:

		Growth rate		
		0%	1%	2%
Discount rate	11%	1.9	2.1	2.1
	12%	1.6	2.1	2.1
	13%	1.4	1.8	2.1

Goodwill amounting to £1,684,000 at 30 June 2025 (30 June 2024: £2,456,000) relates to assets with finite useful lives based on the unexpired duration of certain car park leases. The calculation of the carrying value is based on the projected cash flows over these periods. The remaining balance of the goodwill and all the intangible assets are not significant and relate to assets with indefinite useful lives.

14. Investments in joint ventures

	2025 £'000	2024 £'000
At the start of the year	**4,752**	7,123
Valuation movement on investment properties	–	(3,200)
Share of post-tax profits from joint ventures before valuation movements	**1,057**	1,025
Distributions	**(173)**	(196)
At the end of the year	**5,636**	4,752

The full amount of investments in joint ventures relates to an equity investment in Merrion House LLP.

Merrion House LLP owns a long leasehold interest over a property that is let to the Group's joint venture partner, Leeds City Council ('LCC'). The interest in the joint venture for each partner is an equal 50% share, regardless of the level of overall contributions from each partner. The investment property held within this partnership has been externally valued by CBRE at each reporting date.

The assets and liabilities of Merrion House LLP for the current and previous year are as stated below:

	2025 £'000	2024 £'000
Non-current assets	**55,050**	55,050
Cash and cash equivalents	**274**	602
Receivables and prepayments	**1,028**	–
Trade and other payables	**(1,217)**	(594)
Current financial liabilities	**(1,839)**	(1,777)
Non-current financial liabilities	**(42,024)**	(43,776)
Net assets	**11,272**	9,505

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

14. Investments in joint ventures continued

The losses of Merrion House LLP for the current and previous year are as stated below:

	2025 £'000	2024 £'000
Revenue	**3,674**	3,674
Expenses	**(10)**	(13)
Finance costs	**(1,551)**	(1,611)
Valuation movement on investment properties	**–**	(6,400)
Net loss	**2,113**	(4,350)

The joint venture has no significant contingent liabilities to which the Group is exposed nor has the Group any significant contingent liabilities in relation to its interest in the joint venture.

15. Investments

	2025 £'000	2024 £'000
Current assets		
Loan notes – deferred consideration	**–**	3,177
	–	3,177
Non-current assets		
Listed investments	**2,599**	3,305
Non-listed investments	**660**	660
	3,259	3,965
Total assets	**3,259**	7,142

Listed investments

	2025 £'000	2024 £'000
At start of the year	**3,305**	4,068
Decrease in value of investments	**(706)**	(763)
At the end of the year	**2,599**	3,305

Listed investments relate to an equity shareholding in a company listed on the London Stock Exchange. This is stated at market value in the table above and has an historic cost of £875,000 (2024: £875,000).

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

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

Non-listed investments

	2025 £'000	2024 £'000
At the start of the year	**660**	410
Additions	**–**	250
At the end of the year	**660**	660

The non-listed investments are categorised as level 3 in the fair value hierarchy as defined in IFRS 13 as the inputs to the valuation are based on unobservable inputs.

Loan notes – deferred consideration

	2025 £'000	2024 £'000
Current assets		
At the start of the year	**3,177**	4,493
Transferred from non-current assets	**–**	3,025
Loan interest	**5**	158
Expenses	**(87)**	(122)
Amounts received at maturity	**(3,095)**	(4,377)
	–	3,177
Non-current assets		
At the start of the year	**–**	3,025
Loan notes issued to the Company in the period	**–**	–
Loan interest	**–**	–
Transferred to current assets	**–**	(3,025)
	–	–

The interest earned on the deferred consideration loan notes is 5% per annum. The current element of deferred consideration was received by the Company in July 2024.

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

Loan notes – contingent consideration

	2025 £'000	2024 £'000
At the start of the year	**–**	1,943
Unwinding of the discount applied to contingent consideration	**–**	32
Valuation movement	**–**	408
Expenses	**–**	(102)
Amounts received at maturity	**–**	(2,281)
	–	–

The contingent consideration loan notes were initially recognised at fair value, based on the estimated performance of YourParkingSpace Ltd ('YPS') in the 14-month period ended October 2023. This is an estimate prepared by the Company. The contingent consideration loan notes are then accounted for using the fair value through profit and loss basis. Following completion of the sale of its investment in YPS, the Company did not have access to regular YPS management information, however it did receive ad hoc updates. The valuation of the contingent consideration at 30 June 2023 was based on the performance of YPS for the period ended 30 June 2023 and assumed no further growth in the remaining four months of the earnout period.

At 30 June 2023 these loan note assets were categorised as level 3 in the fair value hierarchy as defined in IFRS 13 as the inputs to the valuation were based on unobservable inputs.

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16. Trade and other receivables

	2025 £'000	2024 £'000
Trade receivables	**2,081**	1,995
Less: provision for impairment of receivables	**(410)**	(249)
	1,671	1,746
Other receivables and prepayments	**2,131**	2,250
	3,802	3,996

The Directors consider that the carrying amount of net trade receivables approximates to their fair value. The credit risk in respect of trade receivables is not concentrated as the Group has many tenants spread across a number of industry sectors. In addition, the tenants' rents are payable in advance. The provision for impairment of receivables has been calculated after taking into account the financial position of tenants.

Due to the nature of income, amounts receivable are generally recovered in advance and full provision has been made for income recognised but not recovered during the year. As such, the credit risk relating to trade and other receivables is considered to be low and any expected credit loss would be immaterial.

As at 30 June 2025, trade receivables which had not been impaired can be analysed as follows:

			Outside credit terms		
	Total £'000	Within credit terms £'000	Less than one month £'000	One to two months £'000	Older than two months £'000
2025	**1,671**	**1,671**	**–**	**–**	**–**
2024	1,746	1,746	–	–	–

Movements in the Group provision for impairment of trade receivables are as follows:

	2025 £'000	2024 £'000
At the start of the year	**249**	353
Provision for receivables impairment	**508**	117
Receivables written off as uncollectable	**(339)**	(89)
Unused amounts reversed	**(8)**	(132)
At the end of the year	**410**	249

The ageing of the provision is as follows:

	Total £'000	Less than one month £'000	One to two months £'000	Older than two months £'000
2025	**410**	**–**	**–**	**410**
2024	249	–	–	249

The only category within trade receivables is rent receivable. Other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as mentioned above and the cash balances within the Group.

The Group does not hold any material collateral as security.

In assessing whether trade receivables are impaired, each debt is considered on an individual basis and provision is made based on specific knowledge of each tenant, together with the consideration of appropriate economic market indicators.

17. Trade and other payables

	2025 £'000	2024 £'000
Trade payables	**1,442**	1,400
Social security and other taxes	**511**	516
Other payables and accruals	**9,276**	11,509
	11,229	13,425

18. Borrowings and lease liabilities

All the Group's borrowings are either at floating or fixed rates of interest. The Group does not hedge against fluctuations in interest rates. Interest costs may increase or decrease as a result of such changes.

	2025 £'000	2024 Restated £'000
Current		
Bank borrowings – revolving credit facilities	**11,098**	–
Lease liabilities	**1,522**	1,768
	12,620	1,768
Non-current		
Bank borrowings – revolving credit facilities	**2,424**	13,434
Bank borrowings – single asset facility	**14,164**	14,239
Lease liabilities	**27,970**	30,937
5.375% First mortgage debenture stock	**82,347**	82,336
	126,905	140,946
Total borrowings	**139,525**	142,714

The movement in financial liabilities during the year can be summarised as follows:

	2025 £'000	2024 Restated £'000
At the start of the year	**142,713**	134,914
Cash items		
Borrowings repaid (incl cancellation of debenture stock)	**(100)**	(3,087)
Borrowings drawn down	–	9,750
Principal element of lease payments	**(1,780)**	(1,665)
Arrangement fees paid	**(163)**	(419)
Total cash items	**(2,043)**	4,579
Non-cash items		
Amortisation of arrangement fees relating to banking facilities	**274**	286
Movement in leases	**(1,419)**	2,935
Total non-cash items	**(1,145)**	3,221
At the end of the year	**139,525**	142,714

The debenture, bank loans and overdrafts are secured by fixed charges on properties and restricted cash, valued at £221,795,000 (2024: £221,610,000) owned by the Company and its subsidiary undertakings.

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Notes to the Consolidated Financial Statements continued

18. Financial liabilities continued

The gross cash and overdraft balances on the individual accounts are summarised as follows:

	2025 £'000	2024 £'000
Cash balances	**17,989**	22,152
Overdrawn balances	**(18,375)**	(20,760)
Cash and cash equivalents	**(386)**	1,392

Included within cash balances are restricted cash balances of £784,000 at 30 June 2025 (2024: £729,000).

The Group's remaining contractual non-discounted cash flows for financial liabilities (including trade payables, but excluding overdrafts) are set out below:

	2025					
	Trade and other payables £'000	Bank borrowings – RCFs £'000	Debenture stock £'000	Bank borrowings – single asset facility £'000	Lease liabilities £'000	Total £'000
Within one year	**1,442**	**12,101**	**4,430**	**417**	**1,802**	**20,192**
One to two years	–	**2,539**	**4,430**	**417**	**1,812**	**9,198**
Two to three years	–	–	**4,430**	**417**	**1,822**	**6,669**
Three to four years	–	–	**4,430**	**14,008**	**1,832**	**20,270**
Four to five years	–	–	**93,048**	–	**1,842**	**94,890**
Five to ten years	–	–	–	–	**9,374**	**9,374**
Ten to fifteen years	–	–	–	–	**9,491**	**9,491**
In more than fifteen years	–	–	–	–	**28,583**	**28,583**
	1,442	**14,640**	**110,768**	**15,259**	**56,558**	**198,667**

	2024 – Restated					
	Trade and other payables £'000	Bank borrowings – RCFs £'000	Debenture stock £'000	Bank borrowings – single asset facility £'000	Lease liabilities £'000	Total £'000
Within one year	1,400	988	4,430	417	2,028	9,263
One to two years	–	14,603	4,430	417	2,037	21,487
Two to three years	–	–	4,430	417	2,046	6,893
Three to four years	–	–	4,430	417	2,055	6,902
Four to five years	–	–	4,430	14,008	2,064	20,502
Five to ten years	–	–	93,048	–	10,466	103,514
Ten to fifteen years	–	–	–	–	10,726	10,726
In more than fifteen years	–	–	–	–	29,445	29,445
	1,400	15,591	115,198	15,676	60,867	208,732

The debenture issue premium is net of issue costs and is amortised over the life of the debt agreement.

The amounts disclosed in the maturity profile above have been calculated to include notional interest payments, using the interest rates prevailing at 30 June 2025 and 30 June 2024. The calculation is based on the assumption that the level of borrowings remains unchanged until maturity.

The Group had undrawn committed floating rate bank facilities as follows:

	2025 £'000	2024 £'000
Expiring in one year or less	**14,500**	–
Expiring in more than one year	**41,750**	56,250
	56,250	56,250

The availability of undrawn funds is subject to compliance with banking covenants. Performance against covenants is monitored continually and calculations are formally prepared at the end of each quarter. There have been no instances of non-compliance during the year.

19. Deferred tax assets and liabilities

	2025 £'000	2024 Restated £'000
Assets		
Carried forward losses	**718**	1,685
IFRS 16 lease liabilities	**7,373**	8,176
	8,091	9,861
Liabilities		
IFRS 16 right-of-use assets	**5,223**	5,713
Investment property and freehold car park revaluation gains	**1,929**	1,065
	7,152	6,778
Net deferred tax asset	**939**	3,083

The Company left the REIT regime with effect from 1 July 2023, therefore the profits of the Company and the Group are now subject to corporation tax. This has resulted in the recognition of a deferred tax asset, primarily relating to trading losses from previous periods that are available to offset taxation on future profits. In assessing the recognition of a deferred tax asset with respect to losses, management has first reviewed the type of losses, the period in which they arose and then the future profitability of the Group or, where relevant, individual corporate entities.

The Group also has various non-trading losses and surplus management expenses from previous periods, however the associated deferred tax assets have not been recognised as there is insufficient evidence to show that their future utilisation is probable. The total value of losses not included within the deferred tax asset is £1,328,000 (2024: £1,328,000).

In addition the Group has uncrystallised capital losses of £32,246,000 (2024: £24,282,000) on investment property and car park valuation losses that have not been recognised.

The total net deferred tax balance as at 30 June 2025 comprises the charge to the Consolidated Income Statement of £2,381,000 (2024: credit of £3,319,000) less the reduction in deferred tax liabilities arising in the year on revaluation movements recognised in the Consolidated Statement of Comprehensive Income of £178,000 (30 June 2024: charge of £236,000).

20. Financial instruments

The Group finances its operations through a combination of retained cash flows, debentures, finance leases and bank borrowings. Procedures are in place to monitor interest rate risk as considered appropriate by management. Numerical financial instruments disclosures are set out below. Additional narrative disclosures are set out in the accounting policies relating to financial risk management. The carrying value of short-term receivables and payables are considered to approximate to their fair values. All financial liabilities are denominated in Sterling.

Under the terms of the Group's bank borrowing facilities, the Group is required to comply with financial covenants on the properties secured under each facility. The principal covenants, as relevant to each facility, which are tested every three months, are as follows:

- the Loan to Value percentage must not exceed 60% on the Group's revolving credit facilities ('RCFs');
- on the Group's single asset facility the Loan to Value percentage must not exceed 67.5%;
- the ratio of rental income and net car park income (where applicable) must not be less than 175% of the interest charge under the facility; and
- in addition, under one of the facilities, both of the above tests are performed on a Group-wide basis and the consolidated Loan to Value percentage must not exceed 60% and the ratio of rental income and net car park income must not be less than 175% of the interest charged under the three bank facilities and the debenture.

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Notes to the Consolidated Financial Statements continued

20. Financial instruments continued

Under the terms of the Group's debenture stock, the Group is required to comply with the following financial covenants, which are tested annually:

- the Asset Cover percentage must not be less than 150%; and
- the ratio of rental income and net car park income (where applicable) must not be less than 100% of the debenture interest.

The Group has met all of these financial covenants during the year.

Interest rate risk

The interest rate risk of the Group's financial liabilities is as follows:

	As at 30 June 2025			As at 30 June 2024 – Restated		
	Nominal value £'000	Weighted average rate %	Weighted average period Years	Nominal value £'000	Weighted average rate %	Weighted average period Years
Debenture stock	**82,417**	**5.375**	**6**	82,417	5.375	7
Bank floating rate liabilities	**13,750**	**6.19**	**1**	13,750	7.19	2
Bank fixed rate liabilities	**13,800**	**3.02**	**4**	13,800	3.02	5
Bank overdrafts	**18,375**	**6.3**	**0.5**	20,760	7.5	0.5
Lease liabilities	**29,492**	**3.7**	**38**	32,705	3.7	36
	157,834			163,432		

The above amounts for the debenture stock and bank borrowings represent the monetary liabilities and are therefore different to the book values set out in note 18 as a result of unamortised arrangement fees at 30 June 2025 of £298,000 (2024: £397,000).

Under the overdraft facility, the Group is able to offset positive cash balances against overdrawn balances.

Floating rate financial liabilities bear interest at rates for bank term loans based on SONIA plus an average margin of 1.9% and for the bank overdrafts of 2.05% above base rate.

Facilities provided by banks and other lenders are a mixture of fixed rates and floating charge funding. Floating rate borrowings are exposed to the risk of rising interest rates which the Group may decide to manage from time to time by the use of appropriate financial hedging instruments, primarily interest rate swaps.

An increase in SONIA by one percentage point would have increased the Group's loss before tax for the year by approximately £138,000 (2024: £99,000).

Financial instruments held for trading purposes

It is, and has been throughout the year under review, the Group's policy not to trade in financial instruments.

Foreign currency exposure

The Group has no exposure to foreign currency as it has no overseas operations. All transactions are in Sterling.

Interest rates

The interest rates (effective interest rate ('EIR') or incremental borrowing rate ('IBR')) applicable at the Consolidated Balance Sheet date were as follows:

		2025	2024
Bank overdrafts	EIR	**6.3%**	7.5%
Bank borrowings	EIR	**6.19%**	7.19%
Debenture stock	EIR	**5.375%**	5.375%
Lease liabilities	IBR	**3.7%**	3.7%

Fair value of current borrowings

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

Fair value of non-current borrowings

	2025		2024	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Debenture stock	**82,347**	**68,669**	82,337	72,506
Non-current bank borrowings – revolving credit facilities	**13,522**	**13,522**	13,434	13,434
Non-current bank borrowings – single asset facility	**14,164**	**12,476**	14,239	12,174

The above debenture stock has been valued as at 30 June 2025 (and 30 June 2024 respectively) by J C Rathbone Associates on the basis of open market value.

The fair valuation of the debenture stock and the single asset facility are categorised as level 2 in the fair value hierarchy as defined in IFRS 13 as the fair value is calculated with reference to similarly quoted instruments.

All financial liabilities are carried in the Consolidated Balance Sheet at amortised cost.

Capital management

Group management oversees the management of the Group's capital structure with the objective of ensuring that all entities in the Group will be able to continue to operate as going concerns while maximising the return to stakeholders through the optimisation of the balance between debt and equity funding. The capital structure of the Group consists of borrowings and lease liabilities as per note 18 and equity as per the Consolidated Statement of Changes in Equity. The Group's capital structure is reviewed regularly by the Directors.

21. Lease liabilities

At 30 June 2025 the Group has a long leasehold interest in six (30 June 2024: six) properties that are accounted for under IFRS 16.

Future lease payments are as due follows:

	2025			2024 – Restated		
	Minimum lease payments £'000	Interest £'000	Present value £'000	Minimum lease payments £'000	Interest £'000	Present value £'000
Within one year	**1,802**	**1,018**	**784**	2,028	1,122	906
One to two years	**1,812**	**990**	**822**	2,037	1,090	947
Two to three years	**1,822**	**961**	**861**	2,046	1,057	989
Three to four years	**1,832**	**930**	**902**	2,055	1,021	1,034
Four to five years	**1,842**	**897**	**945**	2,064	984	1,080
Five to ten years	**9,374**	**3,950**	**5,424**	10,466	4,314	6,152
Ten to fifteen years	**9,491**	**2,898**	**6,593**	10,726	3,124	7,602
In more than fifteen years	**28,583**	**15,422**	**13,161**	29,445	15,450	13,995
	56,558	**27,066**	**29,492**	60,867	28,162	32,705

22. Net asset value per share

The basic and diluted net asset per share values are the same, as set out in the table below.

	2025 £'000	2024 Restated £'000
Net assets at 30 June	**112,302**	117,444
Shares in issue (000)	**42,163**	42,163
Basic and diluted net asset value per share	**266p**	279p

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Notes to the Consolidated Financial Statements continued

23. Commitments

The Group has commitments of £nil (2024: £854,000) in respect of capital expenditure contracted for at the balance sheet date but not yet incurred, in respect of investment and development properties.

Minimum total future lease payments receivable:	2025 £'000	2024 £'000
Within one year	**8,808**	9,175
One to two years	**7,777**	8,604
Two to three years	**7,140**	7,314
Three to four years	**6,203**	6,659
Four to five years	**5,442**	5,792
Five to ten years	**18,991**	21,311
Ten to fifteen years	**8,294**	9,846
In more than fifteen years	**1,051**	1,163

The Group has a wide range of leases in place with tenants across a broad range of properties, sectors, tenures and rental values.

24. Called up share capital

Authorised

The authorised share capital of the Company as at 30 June 2025 is 164,879,000 (2024: 164,879,000) Ordinary Shares of 25p each. The nominal value of authorised share capital at that date is £41,219,750 (2024: £41,219,750).

Issued and fully paid up

	Number of shares 000	Nominal value £'000
At 30 June 2024	42,163	10,540
Purchase and cancellation of own shares	–	–
At 30 June 2025	**42,163**	**10,540**

The Company has only one type of Ordinary Share class in issue. All shares have equal entitlement to voting rights and dividend distributions.

At the year end the Company had authority to buy back for cancellation a further 6,324,402 Ordinary Shares.

25. Cash flows from operating activities

	2025 £'000	2024 Restated £'000
Loss before tax	**(1,065)**	(12,143)
Adjustments for:		
Depreciation	**2,095**	2,199
Amortisation	**186**	205
Profit on disposal of fixed assets	**(55)**	–
Profit on disposal of investment properties	**–**	(27)
Profit on disposal of freehold and leasehold properties	**(1,762)**	–
Loss on disposal of investments	**87**	191
Valuation movement on investments	**–**	(408)
Finance costs	**7,423**	7,209
Finance income	**(18)**	(166)
Share of post tax (profits)/losses from joint ventures	**(1,057)**	2,175
Valuation movement on investment properties	**2,214**	7,625
Movement in tenant lease incentives	**(147)**	380
Impairment of car parking assets	**2,697**	4,804
Impairment of goodwill	**772**	577
Decrease/(increase) in receivables	**193**	(731)
(Decrease)/increase in payables	**(2,092)**	704
Cash generated from operations	**9,471**	12,594

26. Related party transactions

The only related party transactions that have taken place during the year relate to the remuneration of the Executive Directors and other members of the Ziff Concert Party, who are the key management personnel of the Group, and any dividends paid to the Directors and their family members. Further information about the remuneration of each of the Directors is provided in the audited part of the Directors' Remuneration Report on page 78.

	2025 £'000	2024 £'000
Short-term employee benefits – excluding exceptional bonuses	**1,956**	1,934
Short-term employee benefits – exceptional bonuses	**249**	539
Post-employment benefits	**97**	89
Sale of Motor Vehicle to Executive Director	**78**	–
Dividends paid to the Ziff Concert Party	**599**	2,641
	2,979	5,203

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

Exceptional bonuses are no more than 10% of the profits generated from any significant transactions that are outside of the ordinary course of business for the Company or Group, subject to a maximum of £3m in any one financial year. The purpose of this is to encourage relatively small but ultimately value-enhancing strategic and innovative technological investments that are complementary to the existing core businesses of TCS.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

27. Post Balance Sheet Events

On 19 August 2025 the Company made a $5m investment in a US-based fund looking to buy and sell small multi-family residential units in the mid-west of the US. This investment of £3.8m was funded by a £5m drawdown from our existing Lloyds Bank revolving credit facility. The balance of the proceeds from this drawdown have been added to the working capital of the Group.

28. Restatement of prior year figures

During the year the Directors identified that one of the Group's accounting policies was not applied correctly. For this reason prior year figures have been restated and the details are summarised below:

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

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

- Recognise an increase to lease liabilities of £3,408,000 and £4,104,000 as at 30 June 2023 and 2024.
- Recognise an increase to right of use assets of £1,043,000 and £1,180,000 as at 30 June 2023 and 2024.
- Recognise a reduction in retained earnings of £2,365,000 and £2,193,000 as at 30 June 2023 and 2024.
- Recognise a reduction in property expenses of £199,000, an additional impairment of car park assets of £619,000 and an additional finance charge of £139,000 in the year ended 30 June 2024.
- Recognise a taxation credit of £731,000 resulting from the adjustments brought forward at 30 June 2023 and the further adjustments recognised in the year ended 30 June 2024 within the Consolidated income statement for the year ended 30 June 2024.
- Recognise the impact on cash flow statement line items.

The impact on the Balance Sheet as at 30 June 2024 is as follows:

	2024 Previously reported £'000	(1) Car parking lease liabilities and right-of-use assets £'000	**2024 Restated £'000**
Non-current assets			
Property rental			
Investment properties	180,977	–	**180,977**
Investments in joint ventures	4,752	–	**4,752**
	185,729	–	**185,729**
Car park activities			
Freehold and leasehold properties	56,823	1,180	**58,003**
Goodwill and intangible assets	2,892	–	**2,892**
	59,715	1,180	**60,895**
Hotel Operations			
Freehold and leasehold properties	9,900	–	**9,900**
	9,900	–	**9,900**
Fixtures, equipment and motor vehicles	1,446	–	**1,446**
Investments	3,965	–	**3,965**
Deferred tax assets	2,352	731	**3,083**
Total non-current assets	263,107	1,911	**265,018**
Current assets			
Trade and other receivables	3,996	–	**3,996**
Cash and cash equivalents	22,152	–	**22,152**
Investments	3,177	–	**3,177**
Total current assets	29,325	–	**29,325**
Total assets	292,432	1,911	**294,343**
Current liabilities			
Trade and other payables	(13,425)	–	**(13,425)**
Bank overdrafts	(20,760)	–	**(20,760)**
Financial liabilities	(1,768)	–	**(1,768)**
Total current liabilities	(35,953)	–	**(35,953)**
Non-current liabilities			
Financial liabilities	(136,842)	(4,104)	**(140,946)**
Total liabilities	(172,795)	(4,104)	**(176,899)**
Net assets	119,637	(2,193)	**117,444**
Equity attributable to the owners of the Parent			
Called up share capital	10,540	–	**10,540**
Share premium account	200	–	**200**
Capital redemption reserve	3,309	–	**3,309**
Revaluation reserve	4,184	–	**4,184**
Retained earnings	101,404	(2,193)	**99,211**
Total equity	119,637	(2,193)	**117,444**

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Notes to the Consolidated Financial Statements continued

28. Restatement of prior year figures continued

The impact on the Balance Sheet as at 30 June 2023 is as follows:

	2023 Previously reported £'000	(1) Car parking lease liabilities and right-of-use assets £'000	**2023 Restated £'000**
Non-current assets			
Property rental			
Investment properties	183,801	–	**183,801**
Investments in joint ventures	7,123	–	**7,123**
	190,924	–	**190,924**
Car park activities			
Freehold and leasehold properties	60,791	1,043	**61,834**
Goodwill and intangible assets	3,674	–	**3,674**
	64,465	1,043	**65,508**
Hotel Operations			
Freehold and leasehold properties	9,500	–	**9,500**
	9,500	–	**9,500**
Fixtures, equipment and motor vehicles	1,269	–	**1,269**
Investments	7,503	–	**7,503**
Total non-current assets	273,661	1,043	**274,704**
Current assets			
Trade and other receivables	3,264	–	**3,264**
Cash and cash equivalents	23,320	–	**23,320**
Investments	6,436	–	**6,436**
Total current assets	33,020	–	**33,020**
Total assets	306,681	1,043	**307,724**
Current liabilities			
Trade and other payables	(12,387)	–	**(12,387)**
Bank overdrafts	(21,700)	–	**(21,700)**
Financial liabilities	(4,665)	–	**(4,665)**
Total current liabilities	(38,752)	–	**(38,752)**
Non-current liabilities			
Financial liabilities	(126,841)	(3,408)	**(130,249)**
Total liabilities	(165,593)	(3,408)	**(169,001)**
Net assets	141,088	(2,365)	**138,723**
Equity attributable to the owners of the Parent			
Called up share capital	12,113	–	**12,113**
Share premium account	200	–	**200**
Capital redemption reserve	1,736	–	**1,736**
Revaluation reserve	2,784	–	**2,784**
Retained earnings	124,255	(2,365)	**121,890**
Total equity	141,088	(2,365)	**138,723**

The impact on the income statement is as follows:

	2024 Previously reported £'000	(1) Car parking lease liabilities and right-of-use assets £'000	**2024 Restated £'000**
Gross revenue	28,983	–	**28,983**
Service charge income	2,985	–	**2,985**
Gross revenue	31,968		**31,968**
Service charge expenses	(3,982)	–	**(3,982)**
Property expenses	(11,821)	199	**(11,622)**
Net revenue	16,165	199	**16,364**
Administrative expenses	(7,293)	–	**(7,293)**
Other income	965	–	**965**
Valuation movement on investment properties	(7,625)	–	**(7,625)**
Impairment of car parking assets	(3,259)	(619)	**(3,878)**
Impairment of goodwill	(577)		**(577)**
Loss on disposal of investments	(191)		**(191)**
Valuation movement on investments	408		**408**
Profit on disposal of investment properties	27	–	**27**
Share of post-tax losses from joint ventures	(2,175)	–	**(2,175)**
Operating loss	(3,555)	(420)	**(3,975)**
Finance costs	(7,209)	(139)	**(7,348)**
Finance income	166		**166**
Loss before taxation	(10,598)	(559)	**(11,157)**
Taxation	2,588	731	**3,319**
Loss for the year attributable to owners of the Parent	(8,010)	172	**(7,838)**

The impact on the cash flow statement is as follows:

	2024 Previously reported £'000	(1) Car parking lease liabilities and right-of-use assets £'000	**2024 Restated £'000**
Loss for the financial year	(10,598)	(1,545)	**(12,143)**
Adjustments for:			
Depreciation	2,199	–	**2,199**
Amortisation	205	–	**205**
Profit on disposal of investment properties	(27)	–	**(27)**
Loss on sale of investments	191	–	**191**
Movement in valuation of investments	(408)	–	**(408)**
Finance costs	7,209	–	**7,209**
Finance income	(166)	–	**(166)**
Share of post tax losses from joint ventures	2,175	–	**2,175**
Movement in valuation of investment properties	7,625	–	**7,625**
Movement in lease incentives	380	–	**380**
Impairment of car parking assets	3,259	1,545	**4,804**
Impairment of goodwill	577	–	**577**
Increase in receivables	(731)	–	**(731)**
Increase in payables	704	–	**704**
Cash generated from operations	12,594	–	**12,594**

FINANCIAL STATEMENTS

Company Balance Sheet

as at 30 June 2025

	Notes	2025 £'000	2024 £'000
Fixed assets			
Investment properties	4	**80,981**	82,005
Fixtures, equipment and motor vehicles	4	**431**	639
Investments	5	**234,431**	240,617
		315,843	323,261
Current assets			
Debtors	6	**119,902**	107,556
Cash		**13**	14
		119,915	107,570
Creditors: amounts falling due within one year			
Financial liabilities – borrowings	8	**(29,473)**	(20,760)
Other creditors	7	**(231,913)**	(222,805)
		(261,386)	(243,565)
Net current liabilities		**(141,471)**	(135,995)
Total assets less current liabilities		**174,372**	187,266
Financial liabilities – borrowings	8	**(84,771)**	(95,770)
Net assets		**89,601**	91,496
Equity attributable to the owners of the Parent			
Called up share capital	9	**10,540**	10,540
Share premium account		**200**	200
Capital redemption reserve		**3,309**	3,309
Other reserve		**56,578**	57,524
Retained earnings		**18,974**	19,923
Total Shareholders' funds		**89,601**	91,496

Company number: 00623364

As permitted by Section 408 of the Companies Act 2006, the Parent Company's Profit and Loss Account has not been included in these Company Financial Statements. The loss shown in the financial statements of the Parent Company was £841,000 (2024: loss of £9,780,000).

The Company Financial Statements on pages 134 to 143 were approved by the Board of Directors on 16 October 2025 and signed on its behalf by

E M Ziff
Chairman & Chief Executive

Company Statement of Changes in Equity

for the year ended 30 June 2025

	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 30 June 2023	**12,113**	**200**	**1,736**	**57,524**	**43,781**	**115,354**
Comprehensive income for the year						
Loss	–	–	–	–	(9,780)	(9,780)
Total comprehensive income for the year	–	–	–	–	(9,780)	(9,780)
Contributions by and distributions to owners						
Arising on purchase and cancellation of own shares	(1,573)	–	1,573	–	(9,440)	(9,440)
Final dividend relating to the year ended 30 June 2023	–	–	–	–	(1,054)	(1,054)
Interim dividend relating to the year ended 30 June 2024	–	–	–	–	(3,584)	(3,584)
Balance at 30 June 2024	**10,540**	**200**	**3,309**	**57,524**	**19,923**	**91,496**
Comprehensive income for the year						
Loss	–	–	–	–	(841)	(841)
Total comprehensive income for the year	–	–	–	–	(841)	(841)
Reserve transfer – impairment of investment in subsidiaries	–	–	–	(946)	946	–
Contributions by and distributions to owners						
Interim dividend relating to the year ended 30 June 2025	–	–	–	–	(1,054)	(1,054)
Balance at 30 June 2025	**10,540**	**200**	**3,309**	**56,578**	**18,974**	**89,601**

FINANCIAL STATEMENTS

Notes to the Company Financial Statements

1. Accounting policies

Basis of preparation

The Company Financial Statements have been prepared in accordance with FRS 102 (The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland), the going concern basis, the historical cost convention as modified by the revaluation of investment properties and certain investments and in accordance with the Companies Act 2006 and applicable law.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2). The principal accounting policies, which have been applied consistently, are as set out below:

Financial Reporting Standard 102 – reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- the requirements of Section 4 Statement of Financial Position;
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation (paragraph 3.17(d));
- the requirements of Section 11 Financial Instruments (paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c));
- the requirements of Section 12 Other Financial Instruments (paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A); and
- the requirements of Section 33 Related Party Disclosures (paragraph 33.7).

This information is included in the Consolidated Financial Statements of Town Centre Securities PLC as at 30 June 2025 which may be obtained from Companies House, Cardiff CF4 3UZ.

Investment properties

Investment properties are included in the Company Financial Statements at open market values based on an independent external valuation, as at 30 June each year, or held at Directors' valuation. Movements in fair value are taken through the income statement.

Investments

Investments are held on the Company Balance Sheet at fair value. Any fair value gains and losses are taken to the income statement.

Investment income

Income from investments is accounted for when the right to receipt is established.

Investment in subsidiary undertakings

Prior to the adoption of FRS 102, investments in subsidiaries were revalued with any gains arising recognised in the other reserve. On adoption of FRS 102 on 1 July 2015, the Directors of the Company elected to measure the fixed asset investments at deemed cost, being the carrying amount at the date of transition as determined under the entity's previous financial reporting framework.

Investments are assessed at each reporting date to determine whether there is any such indication that an investment is impaired. Where there is an indication, the carrying value of the investment is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the Company's profit/loss for the year and a transfer is made from the other reserve to retained earnings within the Company Statement of Changes in Equity (where the impairment is less than the amount of other reserve related to that investment).

On disposal of an investment, any gain/loss on disposal is recognised in the profit/loss for the year of the Company and any other reserve related to the investment disposed of is transferred from the other reserve to retained earnings within the Company Statement of Changes in Equity.

The unrealised non-distributable reserve represents distributions made by subsidiaries in prior years in the form of non-qualifying consideration which have given rise to a non-distributable gain. Amounts sitting in the reserve are transferred to retained earnings within the Company Statement of Changes in Equity when the gain becomes realised.

Trade receivables

Trade receivables are recognised initially at fair value and are subsequently measured at cost less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables concerned. The amount of the provision is recognised in the income statement.

Cash and cash equivalents

Cash and cash equivalents are carried in the Company Balance Sheet at cost. Cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the Company Balance Sheet. Where there is a formal legal arrangement with a right to offset, the net position of the individual accounts will be presented in cash or current liabilities as appropriate.

Joint ventures

A joint venture is a contractual arrangement whereby the Company and other parties undertake an economic activity that is subject to joint control.

Investments in jointly controlled entities are valued at cost less impairment.

Revenue

Revenue, which excludes value added tax, represents the invoiced value of rent and services supplied to customers. Rental income is accounted for on a straight-line basis in accordance with the lease to which it relates.

Unamortised tenant lease incentives

Leasehold incentives given to tenants on entering property leases are recognised as unamortised lease incentives. The operating lease incentives are spread over the non-cancellable life of the lease. Where this ends with a clean break clause the incentives are spread to this date unless management is reasonably certain that the break will not be exercised.

Reserves

The Company's total equity is analysed into the following categories:

- Share capital represents the nominal value of issued share capital.
- Share premium represents any consideration received in excess of nominal value of the shares issued.
- Capital redemption reserve represents the nominal value of the Company's own shares that have been repurchased and cancelled.
- Other reserves relates to the revaluation of the Company's investments.
- Retained earnings represents the cumulative profit or loss position less dividend distributions.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The only estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value amounts of the Company's assets and liabilities within the next financial year are those relating to the valuation of investment properties (note 4).

3. Employee benefits and auditor's remuneration

	2025 £'000	2024 £'000
Wages and salaries (including Directors' emoluments)	**3,806**	3,917
Social security costs	**472**	482
Other pension costs	**198**	186
	4,476	4,585

Employee benefits are charged to the income statement within administrative expenses.

All of the pension costs in the table above relate to defined contribution schemes.

The aggregate remuneration of the Directors of the Company was £2,301,000 (2024: £2,665,000).

The average monthly number of staff employed by the Company during the year was 46 (2024: 45). Disclosures required by the Companies Act 2006 on Directors' remuneration, including salaries, share options, pension contributions and pension entitlement, are included on page 81 in the Directors' Remuneration Report and form part of the Consolidated Financial Statements. The remuneration paid to the Parent Company auditors in respect of the audit of the Parent Company Financial Statements for the year ended 30 June 2025 is set out in note 5 to the Consolidated Financial Statements.

FINANCIAL STATEMENTS

Notes to the Company Financial Statements continued

4. Tangible assets

Investment properties	Freehold £'000	Long leasehold £'000	Development £'000	Total £'000
Valuation at 30 June 2024	53,415	4,190	24,400	82,005
Additions	306	17	1,760	2,083
Valuation movement	397	(87)	(3,655)	(3,345)
Movement in tenant lease incentives	238	–	–	238
Valuation at 30 June 2025	**54,356**	**4,120**	**22,505**	**80,981**

The above freehold and long leasehold properties have been independently externally valued as at 30 June 2025 and 30 June 2024 on the basis of open market value by CBRE in accordance with the Royal Institution of Chartered Surveyors Appraisal and Investment Manual.

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

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

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

Fixtures, equipment and motor vehicles	Cost £'000	Accumulated depreciation £'000
Balance at 30 June 2024	2,590	1,951
Additions	6	–
Disposals	(135)	(59)
Depreciation	–	138
Balance at 30 June 2025	**2,461**	**2,030**
Net book value at 30 June 2025		**431**
Net book value at 30 June 2024		639
Total tangible assets		
At 30 June 2025		**81,412**
At 30 June 2024		83,244

5. Fixed asset investments

	2025 £'000	2024 £'000
Shares in Subsidiary Companies		
At 1 July	**233,562**	233,562
Impairment	**(2,390)**	–
At 30 June	**231,172**	233,562
Listed investments		
At 1 July	**3,305**	4,068
Revaluation	**(706)**	(763)
At 30 June	**2,599**	3,305
Other investments		
At 1 July	**3,750**	9,608
Additions	**–**	250
Loan interest	**5**	159
Revaluation	**–**	485
Disposals	**(3,095)**	(6,752)
At 30 June	**660**	3,750
Total fixed asset investments	**234,431**	240,617

As permitted by Section 615 of the Companies Act 2006, where the relief afforded under Section 612 of the Companies Act 2006 applies, cost is the aggregate of the nominal value of shares issued plus the fair value of any other consideration given to acquire the share capital of the Subsidiary Companies.

Listed investments, all of which are listed on a recognised stock exchange, are stated at market value in the table above and have an historic cost of £875,000 (2024: £875,000).

As at 30 June 2024, other investments included the deferred consideration loan notes of £3,177,000 arising from the sale of the Company's investment in YourParkingSpace Limited.

The interest earned on the deferred consideration loan notes was 5% per annum. The deferred consideration was received by the Company in July 2025.

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

6. Debtors

	2025 £'000	2024 £'000
Trade receivables	**234**	631
Less: provision for impairment of debtors	**(135)**	(262)
	99	369
Amounts owed by Subsidiary Companies	**118,377**	106,063
Other debtors and prepayments	**1,426**	1,124
	119,902	107,556

The Directors consider that the carrying amount of net trade receivables approximates to their fair value. The credit risk in respect of trade receivables is not concentrated as the Company has many tenants spread across a number of industry sectors. In addition, the tenants' rents are payable in advance. The provision for impairment of receivables has been calculated after taking into account the financial position of tenants.

Due to the nature of income, debts are generally recovered in advance and full provision has been made for income recognised but not recovered during the year. As such, the credit risk relating to trade and other receivables is considered to be low and any expected credit loss would be immaterial.

The expense relating to the impairment of debtors for the year ended 30 June 2025 was £10,000 (2024: £65,000).

Amounts owed by Subsidiary Companies are unsecured, interest-free and repayable on demand. The Directors do not expect the balances due from subsidiaries to be received in the next 12 months.

7. Other creditors

	2025 £'000	2024 £'000
Trade payables	**209**	146
Taxation and social security	**222**	233
Amounts owed to Subsidiary Companies	**228,195**	218,177
Other payables and accruals	**3,287**	4,249
	231,913	222,805

Amounts owed to Subsidiary Companies are unsecured, interest-free and repayable on demand.

FINANCIAL STATEMENTS

Notes to the Company Financial Statements continued

8. Financial instruments

The Company's borrowings are at both floating and fixed rates of interest. The Company takes on exposure to fluctuations in interest rates on its financial position and cash flows. Interest costs may increase or decrease as a result of such changes.

	2025 £'000	2024 £'000
Non-current		
Bank borrowings	**2,434**	13,434
5.375% First mortgage debenture stock	**82,347**	82,336
	84,771	95,770
Current		
Bank borrowings	**29,473**	20,760
Total borrowings	**29,473**	116,530

The Company's debenture stock and bank borrowings are secured by fixed charges on certain of the properties and restricted cash, valued in total at £221,795,000 (2024: £221,610,000), that are either owned directly by the Company or by its Subsidiary Companies.

The debenture issue premium is net of issue costs and is amortised over the life of the debt agreement.

The Company had undrawn committed floating rate bank facilities as set out below:

	2025 £'000	2024 £'000
Expiring in one year or less	**14,500**	–
Expiring in more than one year	**41,750**	56,250
	56,250	56,250

The availability of undrawn funds is subject to compliance with banking covenants.

Included within facilities expiring in one year or less are overdraft facilities subject to annual review. There are net cash balances of £17,237,000 held by Subsidiary Companies which offset the Company's overdraft on consolidation. The total overdraft facility is based on the Group's right of set off. Other facilities are available to provide funding for future investments.

The Company finances its operations through a combination of retained cash flows, debentures and bank borrowings. Procedures are in place to monitor interest rate risk as considered appropriate by management. Numerical financial instruments disclosures are set out below.

All financial liabilities are denominated in Sterling.

Interest rate risk

The interest rate risk of the Company's financial liabilities is as follows:

	As at 30 June 2025			As at 30 June 2024		
	Nominal value £'000	Weighted average rate %	Weighted average period Years	Nominal value £'000	Weighted average rate %	Weighted average period Years
Debenture stock	**82,417**	**5.375**	**6**	82,417	5.375	7
Bank overdraft	**18,375**	**6.3**	**0.5**	20,760	7.50	0.5
Bank floating rate liabilities	**13,750**	**6.19**	**1**	13,750	7.19	2
	114,542			116,927		

The above amounts represent the monetary liabilities and are therefore different from the book values included on the Company Balance Sheet as a result of unamortised arrangement fees at 30 June 2025 of £298,000 (2024: £397,000).

Floating rate financial liabilities bear interest at rates for term loans based on LIBOR plus an average margin of 1.92% and for the overdraft of 2.05% above base rate.

Financial instruments held for trading purposes

It is, and has been throughout the year under review, the Company's policy not to trade in financial instruments.

Foreign currency exposure

The Group has no exposure to foreign currency as it has no overseas operations and all sales and purchases are made in Sterling.

Effective interest rates

The effective interest rates at the balance sheet date were as follows:

	2025	2024
Bank overdraft facility	**6.3%**	7.5%
Bank borrowings	**6.19%**	7.19%
Debenture stock	**5.375%**	5.375%

Fair values of current borrowings

Where market values are not available, fair values of financial assets and liabilities have been calculated by discounting expected future cash flows at prevailing interest rates. The carrying amounts of short-term borrowings approximate to fair value.

Fair value of non-current borrowings

	2025		2024	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Debenture stock	**82,347**	**68,669**	82,337	72,506
Long-term bank borrowings	**13,522**	**13,522**	13,434	13,434

9. Called up share capital

Authorised

164,879,000 (2024: 164,879,000) Ordinary Shares of 25p each.

Issued and fully paid up

	Number of shares 000	Nominal value £'000
At 30 June 2024	42,163	10,540
Purchase and cancellation of own shares	–	–
At 30 June 2025	**42,163**	**10,540**

The Company has only one type of ordinary share class in issue. All shares have equal entitlement to voting rights and dividend distributions.

10. Subsidiary Companies

The Company's wholly owned Subsidiary Companies at 30 June 2025, registered in England or Scotland and operating in the United Kingdom, are as follows:

	Company number	Activity
Held directly		
TCS Holdings Limited	2271353	Property investment
Buckley Properties (Leeds) Limited*	647309	Property investment
Citipark plc*	8837214	Car park operations
TCS (Residential Conversions) Limited*	3946495	Property investment
TCS Property Management Limited*	5281225	Management company
TCS Trustees Limited*	3112933	Trustee for employee benefit plans
TCS Properties Limited*	2831154	Property investment
TCS (Brownsfield Mill) Limited*	10291290	Property investment
TCS (Merrion Hotel) Limited*	10380988	Hotel operator
Bay Sentry Solutions Limited*	12133595	Car park operations
Belgravia Living Group Limited*	09554878	Property Investment
TCS (Whitehall Plaza) Limited	9922032	Dormant
Dundonald Property Investments Limited	3672365	Dormant

FINANCIAL STATEMENTS

Notes to the Company Financial Statements continued

10. Subsidiary Companies continued

	Company number	Activity
TCS (9 Cheapside) Limited	10139127	Dormant
TCS (Tariff Street) Limited	09929851	Dormant
TCS Development Management (Merrion) Limited	8696141	Dormant
Citicharge Limited	13322988	Dormant
Apperley Bridge Limited	6879596	Dormant
TCS Park Row Limited	8077103	Dormant
Citipark Management Limited	8837203	Dormant
TCS (Merrion House JVC02) Limited	8561356	Dormant
Tassgander Limited	4077297	Dormant
Blackpool Markets Limited	2740190	Dormant
Emett Exhibitions Limited	1544918	Dormant
Milngavie East Limited	SC464805	Dormant
No 29 Management Co (Eastgate) Limited	3873683	Dormant
T Herbert Kaye's Estates Limited	0226678	Dormant
TCS (Bolton) Limited	4104688	Dormant
TCS Piccadilly Limited	4317396	Dormant
TCS Whitehall Riverside Limited	4329860	Dormant
TCS (Rochdale JV) Limited	7712764	Dormant
TCS (Rochdale Management) Limited	7712123	Dormant
TCS Car Parks Limited	4847697	Dormant
TCS Eastgate Limited	6554827	Dormant
TCS Finance Limited	3108777	Dormant
TCS Trading Limited	3060862	Dormant
The Merrion Centre Limited	0814845	Dormant
Town Centre Enterprises Limited	0221003	Dormant
Town Centre Securities (Developments) Limited	3946549	Dormant
Town Centre Securities (Manchester) Limited	0129485	Dormant
Town Centre Securities (Scotland) Limited	0748937	Dormant
Town Centre Services Limited	2285764	Dormant
TCS plc	4329979	Dormant
Citiflex plc	3385312	Dormant
Held indirectly		
TCS Freehold Investments Limited	3684812	Property investment
TCS Leasehold Investments Limited	3684827	Property investment
Town Centre Car Parks Limited	5494592	Car park operations
TCCP (Clarence Dock) Limited*	6219875	Car park operations
TCS (Milngavie) Limited*	6391627	Property investment
TCS (Merrion House JVC01) Limited*	8561354	Property investment
KBT Cornwall Limited*	8087077	Car park operations
Belgravia Living (Burlington House) Limited*	9948722	Property investment
BLG (Burlington House) Limited	11284761	Property investment
Parking Ticketing Limited	7818341	Dormant
Dundonald (Cumbernauld) Limited	5983938	Dormant
TCS (Bothwell Street) Limited	4240551	Dormant

	Company number	Activity
Dundonald Property Developments Limited	6430444	Dormant
Riverside (Leeds) Limited	4569350	Dormant
TCS (Greenhithe) Limited	4413344	Dormant
TCS (Isleworth) Limited	4413343	Dormant
TCS (Parliament Street 1) Limited	4768830	Dormant
TCS (Parliament Street 2) Limited	4768845	Dormant
TCS Energy Limited	4414144	Dormant
TCS (Mill Hill) Limited	4413341	Dormant
TCS (Residential) Limited	4249007	Dormant
TCS Solar Limited	5113915	Dormant
TCS (Mill Hill) Limited	4413341	Dormant
TCS (Residential) Limited	4249007	Dormant
TCS Solar Limited	5113915	Dormant

* The Subsidiary Companies marked with an asterisk above are exempt from preparing audited statutory accounts under section 479a of the Companies Act 2006.

The Company's directly owned joint venture, which is registered in England and operate in the United Kingdom, is as follows:

	Proportion of ordinary shares held %	Activity
Bay Sentry Limited	50	Dormant

The Company also has an indirect 50% interest in Merrion House LLP (OC387717).

The registered office of Subsidiary Companies and joint ventures is as follows:

KBT Cornwall Limited
20–22 Wenlock Road
London
N1 7GU

Bay Sentry Solutions Limited
20 Wenlock Road
London
N1 7GU

All other subsidiaries and joint ventures
Town Centre House
The Merrion Centre
Leeds
LS2 8LY

SHAREHOLDER INFORMATION

Notice of Annual General Meeting

Notice is hereby given that the 2025 Annual General Meeting (the 'Meeting') of Town Centre Securities PLC (the 'Company') will be held at Town Centre House, The Merrion Centre on Tuesday 25 November 2025 at 11:00am.

You will be asked to consider and, if thought fit, pass the Resolutions below. Resolutions 1 to 13 will be proposed as ordinary resolutions. For an ordinary resolution to be passed, a simple majority of the votes cast must be in favour of the resolution. Resolutions 14 to 17 will be proposed as special resolutions. For a special resolution to be passed, at least 75% of the votes cast must be in favour of the resolution.

Shareholders will be able to attend the AGM in person this year.

We encourage all Shareholders to vote via proxy in advance of the AGM. Your vote is important, and you are encouraged to use it. Shareholders should vote by way of proxy in advance of the Meeting. To ensure your vote is counted, you should appoint the 'Chair of the Meeting' as your proxy.

This Notice includes the resolutions ('Resolutions') to be discussed at the AGM. You are requested to complete and submit a Form of Proxy as soon as possible whether you intend to attend the AGM or not. In any event, the Proxy instruction should reach the Company's Registrar by 11.00am on Friday 21 November 2025.

Completion of a Form of Proxy will not preclude you from attending the AGM physically.

Ordinary resolutions

Resolution 1: Annual Financial Statements and Directors' Report

1. To receive the Company's Annual Financial Statements (together with the Directors' Report and the Auditor's Report) for the financial year ended 30 June 2025.

Resolution 2: Directors' Remuneration Report

2. To approve the Directors' Remuneration Report set out on pages 78 to 84 of the Company's 2025 Annual Report for the year ended 30 June 2025 (excluding the Directors' remuneration policy included in the report).

Resolution 3 to 9: Re-election of Directors

3. To re-elect Michael Ziff as a Non-Executive Director of the Company.
4. To re-elect Ian Marcus as a Non-Executive Director of the Company.
5. To re-elect Paul Huberman as a Non-Executive Director of the Company.
6. To re-elect Edward Ziff as an Executive Director of the Company.
7. To re-elect Benjamin Ziff as an Executive Director of the Company.
8. To re-elect Stewart MacNeill as an Executive Director of the Company.
9. To re-elect Craig Burrow as an Executive Director of the Company.

Resolution 10: Appointment of auditors

10. To appoint Grant Thornton UK LLP as the auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next General Meeting at which annual financial statements are laid before the Company's Shareholders.

Resolution 11: Remuneration of auditors

11. To authorise the Directors to determine the remuneration of the Company's auditors.

Resolution 12: Authority to make political donations

12. To authorise, in accordance with Part 14 of the UK Companies Act 2006 (the 'Act'), the Company and all companies that are subsidiaries of the Company at the date on which this resolution is passed, or at any time when this resolution has effect to:

    (a) make political donations to political parties and/or independent election candidates;

    (b) make political donations to political organisations other than political parties; and

    (c) incur political expenditure,

    (as such terms are defined in the Act), up to an aggregate amount of £50,000, and the amount authorised under each of paragraphs (a) to (c) above shall also be limited to such amount, during the period beginning on the date of the passing of this resolution and ending at the conclusion of the next Annual General Meeting of the Company to be held in 2024. Upon the passing of this resolution, all existing authorisations and approvals relating to political donations or expenditure under Part 14 of the Act shall be revoked without prejudice to any donation made, or expenditure incurred, prior to the passing of this resolution pursuant to such authorisation or approval. For the purpose of this resolution, the terms 'political donation', 'political parties', 'independent election candidates', 'political organisation' and 'political expenditure' shall have the meanings given by sections 363 to 365 of the Act.

Resolution 13: Authority to allot Ordinary Shares

13. To generally and unconditionally authorise the Board, in substitution for any existing authority, but without prejudice to the exercise of any such authority prior to the date of the passing of this resolution, pursuant to and in accordance with Section 551 of the Act to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company:

    (a) up to an aggregate nominal amount of £3,513,556.50 (representing 14,054,226 ordinary shares) (such amount to be reduced by any allotments or grants made under paragraph (b) below in excess of such sum); and

    (b) comprising equity securities (as defined in the Act) up to a nominal amount of £7,027,113.25 (representing 28,108,453 Ordinary Shares) (such amount to be reduced by any allotments or grants made under paragraph (a) above) in connection with an offer by way of a rights issue:

        (i) to ordinary Shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

        (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

        and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary, expedient or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

    provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company, to be held in 2026, or 25 February 2027, whichever is earlier, save that the Company may, before such expiry, make an offer or enter into an agreement which would or might require shares to be allotted, or rights to subscribe for or to convert securities into shares to be granted, after such expiry; and the Board may allot shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Special resolutions

Resolution 14: Authority to disapply pre-emption rights

14. That, if resolution 13 above is passed, the Board be given power to allot equity securities (as defined in the Act) for cash under the authority given by that resolution and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if Section 561 of the Act did not apply to any such allotment or sale, such power to be limited:

    (a) to the allotment of equity securities and sale of treasury shares in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of resolution 13, by way of a rights issue only):

        (i) to ordinary Shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

        (ii) to holders of other equity securities, as required by the rights of those securities, or as the Board otherwise considers necessary,

    and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

    (b) in the case of the authority granted under paragraph (a) of resolution 14 and/or in the case of any sale of treasury shares, to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount of £527,033.50,

    such power to apply until the end of the next Annual General Meeting to be held in 2026, or 25 February 2027, whichever is earlier, but, in each case, during this period the Company may make offers and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

Resolution 15: Additional authority to disapply pre-emption rights for purposes of acquisitions or capital investments

15. That, if resolution 13 above is passed, the Board be given the power, in addition to any power granted under resolution 14 above, to allot equity securities (as defined in the Act) for cash under the authority granted under paragraph (a) of resolution 13 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if Section 561 of the Act did not apply to any such allotment or sale, such power to be:

    (a) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £527,033.50; and

    (b) used only for the purposes of financing a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice, or for the purposes of refinancing such a transaction within six months of it taking place,

    such power to apply until the end of the next Annual General Meeting to be held in 2026, or 25 February 2027, whichever is earlier, but, in each case, during this period the Company may make offers and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

SHAREHOLDER INFORMATION

Notice of Annual General Meeting continued

Resolution 16: Authority to purchase the Company's own shares

16. That the Company be generally and unconditionally authorised for the purpose of Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of Ordinary Shares of £0.25 each in the capital of the Company, provided that:
    (a) the maximum number of Ordinary Shares which may be purchased is 6,324,402;
    (b) the minimum price, exclusive of any expenses, which may be paid for each Ordinary Share is £0.25;
    (c) the maximum price, exclusive of any expenses, which may be paid for each Ordinary Share is an amount equal to the higher of:
        (i) 105% of the average mid-market value of an Ordinary Share, as derived from the London Stock Exchange Daily Official List for the five business days prior to the day on which the purchase is made; and
        (ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share.
    (d) this authority shall expire on the date of the next Annual General Meeting of the Company or on 25 February 2027, whichever is the earlier, but, in each case, provided that the Company may, before such expiry, enter into a contract or contracts to purchase shares which will or may be executed wholly or partly after the expiry of such authority and the Company may make a purchase of shares under such contract or contracts as if the authority had not expired.

Resolution 17: Notice of General Meetings, other than Annual General Meetings

17. That a General Meeting (other than an Annual General Meeting) of the Company may be called on not less than 14 clear days' notice.

By order of the Board

Dr Edward Ziff OBE DL
Chairman & Chief Executive

16 October 2024

Registered Office:
Town Centre House, The Merrion Centre, Leeds, LS2 8LY
Registered in England and Wales No. 00623364

Explanatory notes

Ordinary resolutions

Resolution 1: To receive the Annual Financial Statements and Directors' Report

Under the Company's Act 2006, the Directors are required to present the Strategic Report, Directors' Report, Auditor's Report and Annual Financial Statements of the Company to the Meeting. These are contained in the Company's 2025 Annual Report and Financial Statements for the year ended 30 June 2025 (the 'Annual Report'), which was circulated at the time of this Notice and is also available on the Company's website at tcs-plc.co.uk.

Resolution 2: Directors' Remuneration Report (excluding the Directors' Remuneration Policy) for the year ended 30 June 2025

Under the Companies Act 2006 (the 'Act'), the Directors must prepare an Annual Report detailing the remuneration of the Directors and a statement by the Chairman of the Remuneration Committee (together, the 'Directors' Remuneration Report'). The Act also requires that a resolution be put to Shareholders each year for their approval of that report. The Directors' Remuneration Report can be found on pages 78 to 84 of the Annual Report. Resolution 2 is an advisory vote only and the Directors' entitlement to remuneration is not conditional on it.

Resolutions 3 – 9: Re-election of Directors

The Board has agreed a policy whereby all Directors will seek annual re-election at the AGM, in accordance with the FRC Code of Corporate Governance.

The Board believes that each Director seeking re-election continues to have the requisite skills and experience, and to demonstrate the necessary commitment, to contribute effectively to the Board. In addition, the Board confirms that each Non-Executive Director is able to commit sufficient time to meet their Board responsibilities. The biographical details of the Directors seeking re-election at the Meeting are set out on pages 64 to 65 of the Annual Report.

None of the Non-Executive Directors seeking re-election at the Meeting have any existing or previous relationship, transaction or arrangement with the Company, nor with any controlling Shareholder of the Company or any associate of a controlling Shareholder of the Company, within the meaning of Listing Rule 13.8.17R(1). In considering the independence of the Non-Executive Directors, the Board has taken into account guidance from the UK Corporate Governance Code.

Resolution 10: Appointment of the auditors

At each General Meeting at which the Company's Annual Financial Statements are presented to its members, the Company is required to appoint auditors to serve until the next such meeting. The Board, on the recommendation of the Audit Committee, recommends the appointment of Grant Thornton UK LLP as auditors of the Company.

Resolution 11: Remuneration of auditors

The remuneration of the Company's auditors must be fixed by the Company in a General Meeting or in such manner as the Company may determine in a General Meeting. This resolution gives authority to the Directors to approve the terms of engagement and determine the remuneration of the Company's auditors.

Resolution 12: Authority to make political donations

Under the Act, political donations to any political parties, independent election candidates or political organisations other than political parties, or the incurring of political expenditure, are prohibited unless authorised by Shareholders in advance.

As the legislation is capable of wide interpretation, the terms 'political donation', a 'political party', a 'political organisation' or 'political expenditure' are not easy to define. For example, sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling public duties, and support for bodies representing the business community in policy review or reform, may fall within the scope of these matters.

Therefore, notwithstanding that the Company has not made a political donation in the past, and has no intention, either now or in the future, of making any political donation or incurring any political expenditure, the Board has decided to propose Resolution 12 to avoid running the risk of the Company or its subsidiaries inadvertently breaching the Act through the undertaking of routine activities.

As permitted under the Act, this resolution also covers any political donations made or political expenditure incurred by any subsidiaries of the Company. This resolution caps the amount of all forms of political donations and expenditure that the Company and its subsidiaries would be permitted to make at an aggregate of £50,000.

Resolution 13: Authority to allot Ordinary Shares

The purpose of this resolution is to give the Directors authority to allot shares in place of the existing authority approved at the Annual General Meeting of the Company held on 27 November 2024, which expires at the end of the 2025 Annual General Meeting.

The authority in paragraph (a) of the resolution will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to a nominal value of £3,513,556.50 (representing 14,054,226 Ordinary Shares), which is equivalent to approximately one third of the total issued Ordinary Share capital of the Company as at 15 October 2025, which is the latest practicable date prior to publication of this Notice.

In accordance with institutional guidelines issued by the Investment Association, paragraph (b) of Resolution 13 will allow Directors to allot, including the Ordinary Shares referred to in paragraph (a) of Resolution 13, further of the Company's Ordinary Shares in connection with a pre-emptive offer by way of a rights issue to Ordinary Shareholders up to a maximum nominal amount of £7,027,113.25 representing approximately two thirds (66.67%) of the Company's existing issued Ordinary Share capital and calculated as at 15 October 2025 (being the latest practicable date prior to publication of this document).

The Company does not currently hold any shares in treasury.

The Board believes it is in the best interests of the Company to have these authorities so that the Board can allot securities at short notice and without the need to hold a General Meeting.

The authorities sought in paragraphs (a) and (b) of resolution 13 are without prejudice to previous allotments made under such existing authorities.

The authorities will only be valid until the conclusion of the next Annual General Meeting of the Company to be held in 2026 or 25 February 2027, whichever is earlier.

Special resolutions

Resolution 14: Authority to disapply pre-emption rights

At the Annual General Meeting held on 27 November 2024, the Directors were given the authority to issue equity securities of the Company and sell treasury shares in exchange for cash until the 2025 Annual General Meeting. Resolution 14 renews this authority allowing Directors to issue equity securities and to sell treasury shares for cash on a non-pre-emptive basis: (i) to Ordinary Shareholders in proportion to their existing shareholdings and to holders of other equity securities as required by the rights of those securities, or as the Directors consider necessary, and to deal with, among other things, treasury shares, fractional entitlements and legal and practical problems in any territory, for example, in the case of a rights issue or other similar share issue; and (ii) otherwise, up to an aggregate nominal amount of £527,033.50 (representing 2,108,134 Ordinary Shares). This number represents approximately 5% of the issued share capital as at 15 October 2025, the latest practicable date prior to publication of this Notice.

The Directors believe that this resolution will assist them in taking advantage of business opportunities as they arise.

The Company does not currently hold any shares in treasury.

These authorities are without prejudice to allotments made under previous authorities and will only be valid until the conclusion of the next Annual General Meeting to be held in 2026 or 25 February 2027, whichever is earlier.

Resolution 15: Additional authority to disapply pre-emption rights for purposes of acquisitions or capital investments

On 5 May 2016, the Pre-emption Group published a monitoring report on the implementation of its 2015 Statement of Principles for Disapplying Pre-emption Rights and a recommended template resolution for disapplying pre-emption rights. The template recommends companies request authority to disapply pre-emption rights in respect of the additional 5% to be used when the board considers the use to be for an acquisition or specified capital investment in accordance with the 2015 Statement of Principles as a separate resolution to the disapplication to issue shares on an unrestricted basis.

Resolution 16 seeks this separate authority. Where the authority granted under resolution 15 is used, the Company will disclose this in the announcement regarding the issue, the circumstances that have led to its use and the consultation process undertaken.

In accordance with the section of the Statement of Principles regarding cumulative usage of authorities within a rolling three-year period, the Directors also confirm their intention that (except in relation to an issue pursuant to resolution 15 in respect of the additional 5% referred to above) no more than 7.5% of the issued Ordinary Share capital will be issued for cash on a non-pre-emptive basis during any rolling three-year period, without prior consultation with Shareholders.

The Directors believe that this resolution will assist them in taking advantage of business opportunities as they arise.

These authorities are without prejudice to allotments made under previous authorities and will only be valid until the conclusion of the next Annual General Meeting to be held in 2026, or 25 February 2027, whichever is earlier.

SHAREHOLDER INFORMATION

Notice of Annual General Meeting continued

Resolution 16: Authority to purchase the Company's own shares

Resolution 16 is a special resolution that will grant the Company authority to make market purchases of up to 6,324,402 Ordinary Shares, representing 15% of the Ordinary Shares in issue as at the date of the Notice.

The Directors have no present intention to exercise the authority granted by this resolution, but the authority provides the flexibility to allow them to do so in future. The Directors would not exercise the authority unless they believed that the expected effect would promote the success of the Company for the benefit of its Shareholders as a whole. Any shares bought back will either be cancelled or placed into treasury at the determination of the Directors.

The maximum price which may be paid for each ordinary share must not be more than the higher of (i) 105% above the average of the mid-market values of the ordinary shares for the five business days before the purchase is made or (ii) the higher of the price of the last independent trade and the highest current independent bid for the Ordinary Shares. The minimum price which may be paid for each Ordinary Share is £0.25.

This authority shall expire at the Annual General Meeting to be held in 2026 or on 25 February 2027, whichever is the earlier, when a resolution to renew the authority will be proposed.

Resolution 17: Notice of General Meetings other than Annual General Meetings

Under the Act, the notice period required for all General Meetings of the Company is 21 clear days. Annual General Meetings will always be held on at least 21 clear days' notice, but Shareholders can approve a shorter notice period for other general meetings. At last year's Annual General Meeting, Shareholders authorised the calling of general meetings (other than an Annual General Meeting) on not less than 14 clear days' notice, and it is proposed that this authority be renewed.

Resolutions and important notes

The formal notice convening the Meeting ('the Notice') is set out on pages 144 to 146 of this document and includes explanatory notes to each of the resolutions to be proposed at the Meeting. There will be an opportunity for you to raise questions at the Meeting about the resolutions set out in the Notice and about the business of the Company.

Further information

Further information relating to the Company and its financial information can be found in the Company's Annual Report and financial statements for the year ended 30 June 2025, which was circulated at the same time as this Notice and is also available on the Company's website at tcs-plc.co.uk

Recommendation

The Board considers that Resolutions 1 to 17 are in the best interests of the Company and its Shareholders as a whole and recommends that you vote in favour of such resolutions, as the Directors intend to do in respect of their own beneficial holdings.

Important notes

The following notes explain your general rights as a Shareholder and your right to attend and vote at this Annual General Meeting or to appoint someone else to vote on your behalf.

1. The right to vote at the meeting is determined by reference to the register of members. Only those Shareholders registered in the register of members of the Company as at close of business on Friday 21 November 2025 (or, in the event that the meeting is adjourned, in the register of members at close of business on the date which is two days before the date of any adjourned meeting) shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting.

2. In order to gain admittance to the meeting, members may be asked to prove their identity.

3. A Shareholder is entitled to appoint one or more persons as proxies to exercise all or any of his or her rights to attend, speak and vote at the meeting. A proxy need not be a Shareholder of the Company. A Shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him/her. To appoint more than one proxy using a hard copy proxy form, you will need to complete a separate Form of Proxy in relation to each appointment. Additional proxy forms may be obtained by contacting the Company's registrar at MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL or you may photocopy the proxy form. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. A failure to specify the number of shares each proxy appointment relates to or specifying a number which when taken together with the number of shares set out in the other proxy appointments is in excess of the number of shares held by the Shareholder may result in the proxy appointment being invalid. You can only appoint a proxy using the procedures set out in these notes.

   The appointment of a proxy will not preclude a member from attending and voting in person at the meeting if he or she so wishes.

4. You can vote either:
   - by logging on to https://uk.investorcentre.mpms.mufg.com/ where full instructions can be found; or
   - through the Investor Centre app (see notes below); or
   - by requesting a hard copy form of proxy directly from the registrar, MUFG Corporate Markets, by emailing shareholderenquiries@cm.mpms.mufg.com or calling on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 and 17:30, Monday to Friday excluding public holidays in England and Wales; or
   - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below; or
   - if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to proxymity.io (see notes below).

   For an electronic proxy appointment to be valid, the appointment must be received by the Company's registrar by no later than 11.00am on Friday 21 November 2025 (or in the event that the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting).

   For a hard copy form of proxy to be valid, it must be completed, signed and sent to the offices of the Company's registrars, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, so as to arrive no later than 11.00am on Friday 21 November 2025 (or, in the event that the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting).

   Any electronic communication sent by a member to the Company or the Company's registrar which is found to contain a virus will not be accepted by the Company but every effort will be made by the Company to inform said member of the rejected communication.

5. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all Shareholders and those who use them will not be disadvantaged.

6. The return of a completed proxy form, electronic filing, any CREST Proxy Instructions or appointment of a proxy via Proxymity will not prevent a Shareholder from attending the Meeting and voting in person if he/she wishes to do so. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

7. Investor Centre is a free app for smartphone and tablet provided by MUFG Corporate Markets (the Company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below.

   Alternatively, you may access the Investor Centre via a web browser at: https://uk.investorcentre.mpms.mufg.com/.

8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from 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.

9. In order for a proxy appointment or instruction made by means of CREST 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 instructions, as described in the CREST Manual. The message must be transmitted to be received by the issuer's agent (ID RA10) by 11:00am on Friday 21 November 2025. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer'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.

10. 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 message. 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 a 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

SHAREHOLDER INFORMATION

Notice of Annual General Meeting continued

11. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 11:00am on 21 November 2025 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

12. A Shareholder or Shareholders having a right to vote at the meeting and holding at least 5% of the total voting rights of the Company (see note 14 below), or at least 100 Shareholders having a right to vote at the meeting and holding, on average, at least £100 of paid share capital, may require the Company to publish on its website a statement setting out any matter that such Shareholder(s) propose to raise at the meeting relating to either the audit of the Company's accounts (including the Auditors' Report and the conduct of the audit) that are to be laid before the meeting or any circumstances connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting of the Company in accordance with Section 527 of the Act.

    Any such request must:

    12.1 identify the statement to which it relates, by either setting out the statement in full or, if supporting a statement requested by another Shareholder, clearly identifying the statement which is being supported;

    12.2 comply with the requirements set out in note 13 below; and

    12.3 be received by the Company at least one week before the meeting.

    Where the Company is required to publish such a statement on its website:

    12.4 it may not require the Shareholder(s) making the request to pay any expenses incurred by the Company in complying with the request;

    12.5 it must forward the statement to the Company's auditors no later than the time when it makes the statement available on the website; and the statement may be dealt with as part of the business of the meeting.

13. Any request by a Shareholder or Shareholders to require the Company to publish audit concerns as set out in note 12 above:

    13.1 may be made either:

    13.1.1 in hard copy, by sending it to the Company Secretary, Town Centre House, The Merrion Centre, Leeds, LS2 8LY; or

    13.1.2 in electronic form, by sending it to 0113 234 0442, marked for the attention of the Company Secretary, or to info@tcs-plc.co.uk (please state 'TCS: AGM' in the subject line of the email);

    13.2 must state the full name(s) and address(es) of the Shareholder(s); and

    13.3 (where the request is made in hard copy from or by fax) must be signed by the Shareholder(s).

14. As at 15 October 2025 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consists of 42,162,679 Ordinary Shares of 25p each, carrying one vote each. The Company does not hold any Ordinary Shares in treasury. Therefore, the total voting rights in the Company as at 15 October 2025 is 42,162,679.

15. Shareholders have the right to ask questions at the meeting relating to the business being dealt with at the meeting in accordance with Section 319A of the Act. The Company must answer any such questions unless:

    15.1 to do so would interfere unduly with the preparation for the meeting or would involve the disclosure of confidential information;

    15.2 the answer has already been given on a website in the form of an answer to a question; or

    15.3 it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

16. Where a copy of this Notice is being received by a person who has been nominated to enjoy information rights under Section 146 of the Act ('Nominee'):

    16.1 the Nominee may have a right under an agreement between the Nominee and the Shareholder by whom he/she was appointed, to be appointed, or to have someone else appointed, as a proxy for the meeting; or

    16.2 if the Nominee does not have any such right or does not wish to exercise such right, the Nominee may have a right under any such agreement 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 notes 3 to 5 above does not apply to a Nominee. The rights described in such notes can only be exercised by Shareholders of the Company.

17. Biographical details of all those Directors who are offering themselves for appointment or reappointment at the meeting are set out on page 64 and 65 of the Annual Report and Accounts.

18. A Shareholder which is a corporation may authorise one or more persons to act as its representative(s) at the meeting. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual Shareholder, provided that (where there is more than one representative, and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares.

19. The following documents will be available for inspection during normal business hours at the registered office of the Company from the date of this notice until the time of the meeting.

    19.1 copies of the service contracts of the Executive Directors; and

    19.2 copies of the letters of appointment of the Non-Executive Directors.

20. The information required by Section 311A of the Act to be published in advance of the meeting, which includes the matters set out in this Notice and information relating to the voting rights of Shareholders is available at tcs-plc.co.uk.

Investor Information

Registrar

All general enquiries concerning shareholdings in Town Centre Securities PLC should be addressed to:

Link Group
PXS
Central Square
29 Wellington Street
Leeds
LS1 4DL

Telephone: 0371 664 0300

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

Telephone from outside United Kingdom:
+44 (0) 371 664 0300

Email: shareholderenquiries@linkgroup.co.uk

Website: linkassetservices.com

Dividends

Interim dividend: 2.5p per share paid on 13 June 2025 to Shareholders on the register on 23 May 2025.

A proposed final dividend of 2.5p per share will be paid on 8 January 2026 to shareholders on the register on 19 December 2025

Payment of dividends

Shareholders whose dividends are not currently paid to mandated accounts may wish to consider having their dividends paid directly into their bank or building society account. This has a number of advantages, including the crediting of cleared funds into the nominated account on the dividend payment date. If Shareholders would like their future dividends to be paid in this way, they should complete a mandate instruction available from the registrars. Under this arrangement tax vouchers are sent to the Shareholder's registered address.

Advisors

Independent auditors
BDO LLP

Brokers
Panmure Liberum

Bankers
Lloyds Banking Group Plc
The Royal Bank of Scotland Plc
Svenska Handelsbanken AB (Publ)

Solicitors
DLA Piper UK LLP
Bond Dickinson LLP
TLT LLP

Principal valuers
Jones Lang LaSalle
CBRE

Corporate public relations
MHP Communications

Contact information

Registered office
Town Centre House
The Merrion Centre
Leeds
LS2 8LY

Registered number
623364 England

Email
info@tcs-plc.co.uk

Website
tcs-plc.co.uk

Company Secretary
Tom Evans
Town Centre House
The Merrion Centre
Leeds
LS2 8LY

Registrar and transfer office
Link Group

Trustees to mortgage debenture holders
Link Market Services Trustees Limited
c/o Apex Corporate Trustees (UK) Limited
6th Floor
125 Wood Street
London
EC2V 7AN

SHAREHOLDER INFORMATION
Glossary

AGM	Annual General Meeting
CVA	Company Voluntary Arrangement, a process under UK insolvency law which allows a company to reschedule its debts with the consent of a specified majority of its creditors.
EPC	Energy Performance Certificate
EPRA	European Public Real Estate Association
EPRA EPS	A measure of EPS designed by EPRA to present underlying earnings from core operating activities
EPRA Guidance	The EPRA Best Practices Recommendations Guidelines October 2019
EPRA NTA	A measure of NAV designed by EPRA to present the fair value of a company on a long-term basis. For these purposes, the Group uses EPRA Net Tangible Assets as defined in the EPRA Guidance
EPS	Earnings per share calculated as the profit or loss for the period after tax attributable to Shareholders of the Company divided by the weighted average number of shares in issue in the period
ERV	Estimated rental value: the independent valuer's opinion of the open market rent which, on the date of valuation, could reasonably be expected to be obtained on a new letting or rent review of a property
GDV	Gross Development Value
IFRS	International Financial Reporting Standards
LTV	Loan-to-value: • Facility specific – the outstanding amount of a loan as a percentage of property value • Group LTV – The amount of financial liabilities less cash and cash equivalents (incl. overdrawn balances) as a percentage of the Group's total assets less cash and cash equivalents
NAV	Net asset value
Net borrowings	Total financial liabilities less IFRS 16 lease liabilities and cash equivalents
Net initial yield	Annualised net rents on an investment property as a percentage of the investment property valuation less purchaser's costs
Post investment yield	Annualised net rents on a property as a percentage of the total development costs of a property
REIT	Real Estate Investment Trust
Reversionary yield	ERV on an investment property as a percentage of the investment property valuation less purchaser's costs
Total property return	Calculated as the net operating profit and gains/losses from property sales and valuations as a percentage of the opening portfolio carrying value
Total shareholder return	The movement in share price over a period plus dividends paid in the period expressed as a percentage of the share price at the start of the period
Void rate	The percentage of the portfolio (based on rental and estimated rental value) of units that are not subject to a lease or an agreement for lease. This measure excludes units that are specifically held for redevelopment
Weighted average unexpired lease term	The term to the first tenant break or expiry of the leases in the portfolio weighted by rental value before rent concessions, also referred to as WAULT

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Visit us at **emperor.works**

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