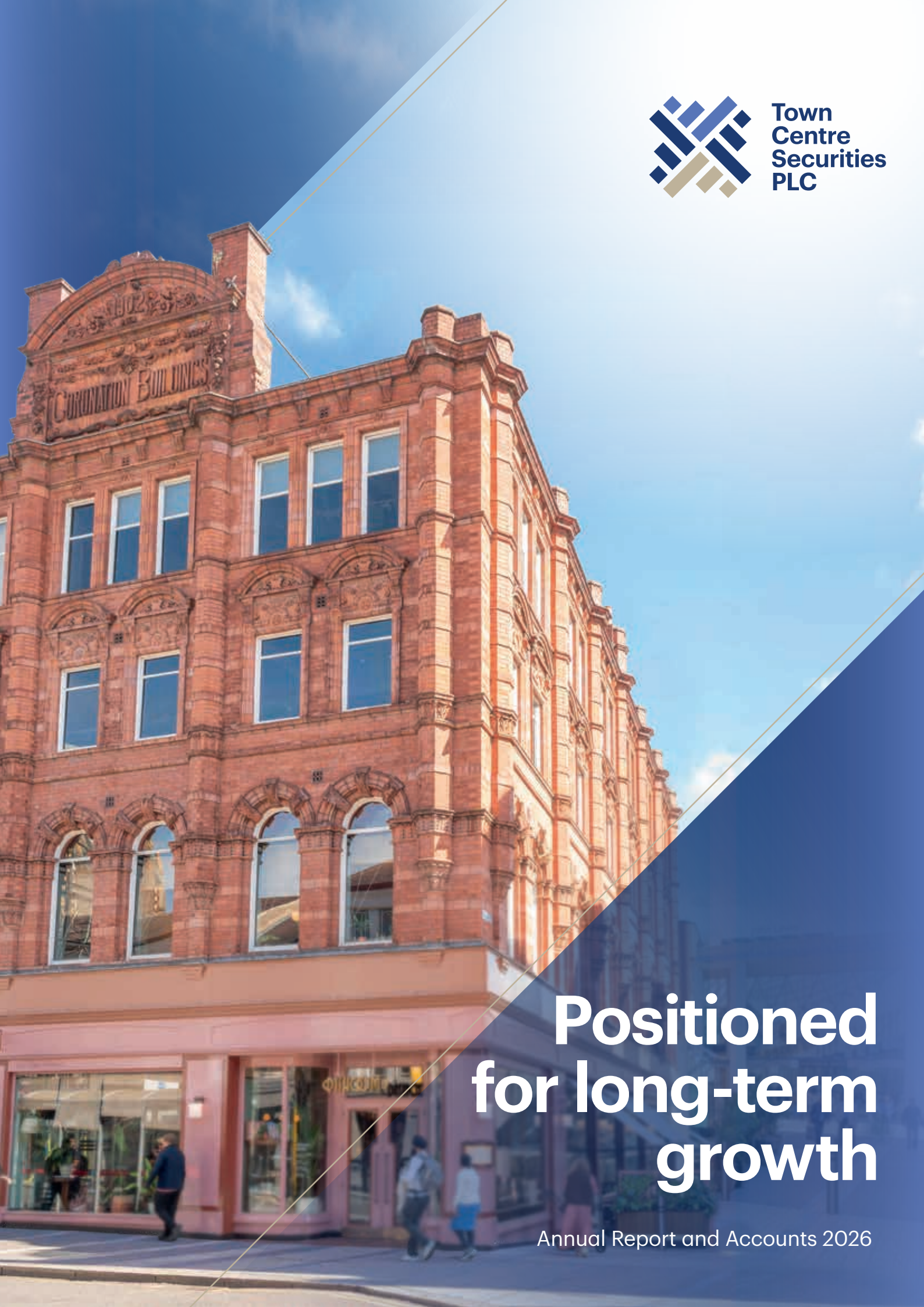


Town Centre Securities PLC

Positioned for long-term growth

Annual Report and Accounts 2026

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.

INFO@TCS-PLC.CO.UK



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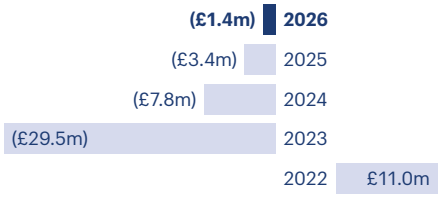
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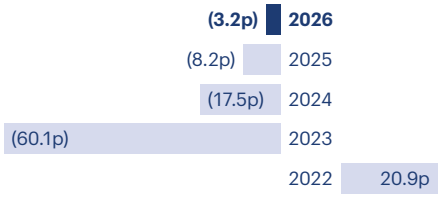
Highlights

Underlying
Financial Performance

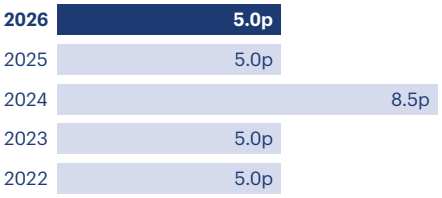
Statutory profit/(loss) after tax
(£1.4m)



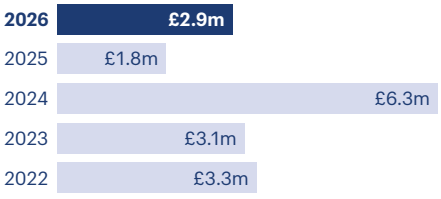
Statutory earnings per share
(3.2p)



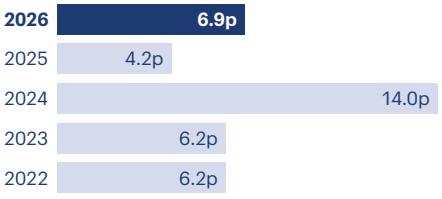
Total dividends per share
5.0p



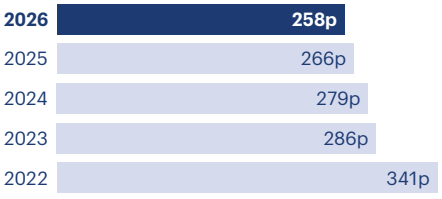
EPRA earnings after tax[1]
£2.9m



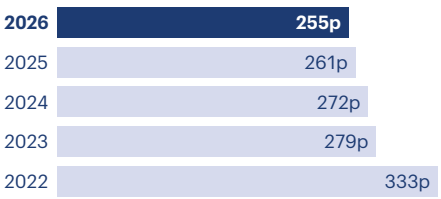
EPRA earnings per share[1]
6.9p



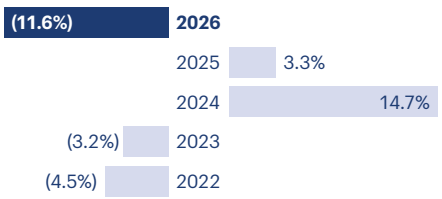
IFRS net assets per share[1]
258p



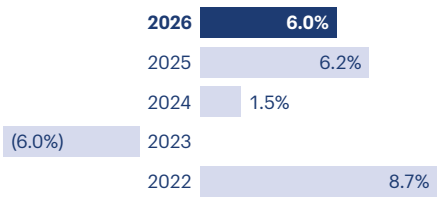
EPRA net tangible assets per share[2]
255p



Total shareholder return[2]
(11.6)%



Total property return[2]
6.0%



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 another year of stability for Town Centre Securities.

Edward Ziff OBE DL
Chairman & Chief Executive



This Year in Numbers

Property asset sales

£0.0m

2025 | £0.0m
2024 | £0.2m
2023 | £37.9m
2022 | £48.0m

READ MORE → PAGE 21

Other investment sales

£0.0m

2025 | £3.1m
2024 | £6.7m
2023 | £11.2m
2022 | £0.1m

Proportion of retail and leisure

35%

2025 | 30%
2024 | 30%
2023 | 31%
2022 | 29%

READ MORE → PAGE 20

Net asset value per share

258p

2025 | 266p
2024 | 279p
2023 | 286p
2022 | 341p

READ MORE → PAGE 60

Investing in both additional accretive property but also our first investment in the United States

Overview

The business delivered sound results for the year, despite the volatile macroeconomic backdrop. Emerging positive sentiment in the real estate sector was stalled by the US/Iran conflict, and the effects of increases to employers' operating costs are also being felt across the UK economy.

Highlights of the year include reletting the vacant nightclub unit in the Merrion Centre and progress in the repositioning of our Vicar Lane site in Leeds, where Dishoom has opened its eagerly awaited new restaurant, and Sticks'n'Sushi is planning to open in early 2027, subject to planning. Although some parts of retail remain challenging, we have continued to relet and renew leases of existing units; as a result we are delighted that our voids rate is below 5%, compared to 7.4% a year ago. Rent collections remain robust, and our car park division is trading strongly.

Adding to our core portfolio, we made two investments in the reporting period: we acquired a retail property in Central London and invested in a US-based fund targeting multi-family residential properties in the Midwest of the US, as a means of diversifying beyond purely UK real estate. We expect that both investments will bring both income and capital growth.

The volatility in construction costs, the funding environment and uncertainty among prospective tenants are all presenting issues to commencing development at our key sites, but we will monitor the situation closely and proceed only when the economics align with our strict financial criteria.

Financial performance

- Our statutory loss in the year of £1.4m (2025: £3.4m loss) includes valuation losses and impairments in our property portfolio of £3.7m, with a like-for-like portfolio valuation down 1.5% from June 2025.
- Taking into account the other comprehensive losses in the year totalling £0.1m and £2.1m in dividends paid; net asset value per share was 258p, compared with 266p at 30 June 2025.
- Net borrowings, excluding lease liabilities, increased in the period following the investments highlighted above and stood at £120.8m at 30 June 2026 (£110.4m at 30 June 2025), with 25.3% of this exposed to variable interest rates.
- EPRA earnings per share are 6.9p for the year (2025: 4.2p).
- 99% of all rent and service charge income invoiced in the year was collected.

Dividend and capital allocation

A dividend of 2.5p per share will be paid on 7 January 2027 to shareholders on the register as of 18 December 2026. Together with the interim dividend of 2.5p paid on 12 June 2026, this results in a total dividend of 5.0p for the period, equating to £2.1m, or 72.1% of EPRA earnings. Maintenance of the dividend during a period of economic uncertainty is a reflection of the strength of the Company's core business and financial position.

In March 2026 we bought back for cancellation a further £5.3m of debenture stock to provide a more balanced distribution of security across our financing arrangements. This was funded from working capital and a £2m drawdown from one of our revolving credit facilities.

Sustainability

Sustainability remains a priority, and 44% of our assets are now rated EPC B or above. During the period we switched to a new business energy provider, focusing exclusively on supplying 100% renewable electricity. We are continuing to explore further solar farms on the roofs of all our buildings.

Outlook

We will continue to prioritise generating long-term value from our core property portfolio and car parking operations, applying our financially responsible approach as we evaluate investment decisions and bring forward our development assets when market conditions align with our conservative risk appetite.

With our diversified portfolio, robust financial position, talented team, and long-term view, we are well placed to withstand evolving macroeconomic challenges and deliver sustainable growth.

Edward Ziff OBE DL
Chairman & Chief Executive
14 October 2026


Town Centre House, Leeds

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

Market Overview

Our Market

The market continues to evolve as changing occupier requirements, investment sentiment and development economics reshape the UK real estate landscape. The following section explores the key trends influencing occupational and investment markets, the conditions supporting future development activity, and how TCS is responding to long-term structural changes across its portfolio and pipeline.

Occupational Market

Our position

The Company's occupational exposure sits within a diversified but geographically focused portfolio. Leeds and Manchester together continue to represent the overwhelming majority of the portfolio (87%), with the Merrion Centre, Leeds, the single largest asset.

Rent collection has remained strong throughout the year with over 99% of amounts invoiced collected (percentage unchanged from FY25).

The void rate across the portfolio has improved to 4.9% at 30 June 2026, from 7.4% at 30 June 2025 following significant lettings in the year.

Key developments

The improvement in the void rate has been achieved through key lettings at Vicar Lane, Leeds following its successful repositioning as a prime leisure destination. In addition, the former nightclub and a two-floor office unit have been relet to new leisure occupiers within the Merrion Centre.

Three tenants across the portfolio entered into CVAs during the period, one of which has remained in occupation and is continuing to pay their rent in full. The net rental income per annum lost from these two units is £0.2k, however both units have been relet or are in solicitors' hands with new tenants.

Impact and our response

The improvement in the void rate during the year highlights the benefit of the Company's diversified portfolio; strong rent collection and the low incidence of CVAs during the year indicate the occupier base largely held up through the year.

We continue to work closely with tenants, pursue active asset management strategies on all of our properties, using repositioning to sharpen the retail and leisure offer where necessary.

Investment Market

Our position

The Company's portfolio is diversified across a number of sectors as shown in the table on the opposite page, reducing reliance on any single occupier type. During the year there was a shift towards retail and leisure, with the percentage of the portfolio invested in this sector growing from 30% to 35%.

Key developments

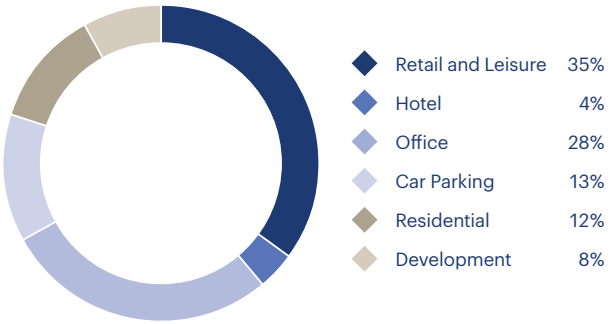
In the period the Company acquired a retail-led investment property on Marylebone High Street, London and made a separate investment in a US-based Single Family Residential fund.

The Company has not sold any properties in the year, instead concentrating on the asset management opportunities within its existing portfolio.

Impact and our response

With only relatively small investments made, the diversified nature of the Company's portfolio has remained broadly the same as last year. The underlying value of these properties have also not changed significantly, representing the wider market where property yields have remained broadly the same throughout the year.

Sector share of portfolio (%)



Development Pipeline

Our position

The Company holds a development pipeline with an estimated gross development value ('GDV') of over £500m, spanning three flagship schemes in Leeds and Manchester. Most sites are already within approved local government strategic planning frameworks, or hold detailed planning permission outright.

Scheme and Location	Use	Estimated GDV
Piccadilly Basin – *Manchester*	Mixed residential, commercial and car parking	>£170m
Whitehall Riverside – *Leeds*	Office, car parking, and potential leisure	>£175m
Merrion Estate (Wade House/100MC) – *Leeds*	Purpose-built student accommodation	>£155m

Key developments

Planning approval was secured from Leeds City Council in December 2025 for a flagship purpose-built student accommodation ('PBSA') scheme: 1,039 beds, delivered by repurposing the vacant 13-storey Wade House and constructing a new 37-storey tower on the adjacent 100MC site.

Impact and our response

We continue to approach bringing the pipeline forward as 'risk-controlled', prioritising financial prudence over pace, and explicitly avoiding overcommitment ahead of an improvement in investment yields.


Vicar Lane, Leeds

Spotlight: Our dynamic and flexible approach to longer-term market change

The way people use city centres continues to change, and we have long believed that the best response is not to resist that change but to anticipate it, repositioning our assets so they remain relevant, well-occupied and income-producing over the long term. Nowhere is this clearer than at the Merrion Centre, our largest single asset. Over successive phases of investment, we have transformed the Merrion from a traditional shopping mall into a genuinely mixed-use destination, combining offices, hotel, leisure, food and beverage, car parking and everyday convenience retail. That evolution continues: the planning consent secured for a landmark student accommodation scheme introduces residential use to the estate for the first time, while the refurbished Tenpin entertainment hub and a growing roster of independent and international food operators are broadening the centre's appeal across the day and into the evening. Each step reduces our reliance on any single use and strengthens the Merrion's role at the heart of the Arena Quarter.

The same disciplined, flexible approach is being applied across our wider Leeds portfolio. At 123 Albion Street, adjacent to the Merrion Centre, we have repositioned the ground floor units towards experiential leisure, welcoming Glee comedy club and, more recently, Rileys Sports Bars, whose 11,000 sq ft letting marks the operator's first venue in Yorkshire. These occupiers bring energy and footfall to one of the city's busiest thoroughfares and complement the fully let office floors above. At Vicar Lane, our Grade II listed island site between Victoria Gate and the Victoria Quarter, we are curating a premium mix of fashion, food and lifestyle operators, with lettings to Dishoom and Acai & The Tribe reinforcing the area's emergence as Leeds' new destination for shopping and socialising. Together, these projects show how active asset management, an understanding of occupier demand and a willingness to adapt allow us to create lasting value as markets evolve.

STRATEGIC REPORT

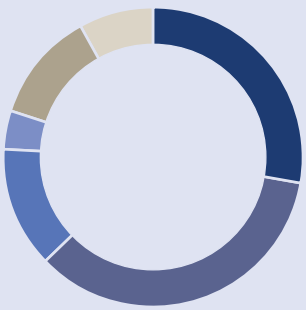
Our Business Model and Strategy

What sets us apart

Investment case →

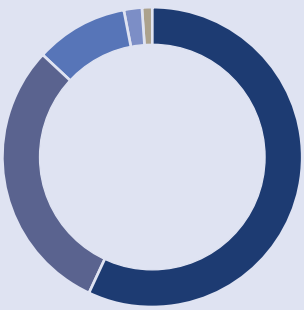
Our diversified portfolio spans a wide range of sectors across key regional locations.

Portfolio value by sector



Offices	28%
Retail and Leisure	35%
Car Parking	13%
Hotel	4%
Residential	12%
Development	8%

Portfolio value by location



Leeds	57%
Manchester	30%
London	10%
Scotland	2%
Sheffield	1%



Development pipeline of over £500m of high-quality assets

Our pipeline presents significant long-term growth opportunities.



Established relationships with diverse, high-quality tenants

Our tenants include household names such as Morrisons, Iceland, M&S, Pure Gym, Dishoom 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.

STRATEGIC REPORT

Our Business Model and Strategy continued

What we do

Our strategy

Create a long-term quality portfolio



Actively manage assets to optimise income and capital growth

- Refurbish and upgrade
- Renew leases
- Reduce voids

READ MORE → PAGE 10



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

READ MORE → PAGE 11



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

READ MORE → PAGE 12



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

READ MORE → PAGE 13

How we generate value for our key stakeholders

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



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 pre-requisite.



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 Performance

How we measure performance

Our strategy is centred on creating long-term shareholder value through active asset management, disciplined capital allocation, investment in our development pipeline and targeted acquisitions. The following pages outline the strategic priorities that guide decision-making across the business, alongside the key performance indicators we use to measure progress and assess performance against our objectives.

Active management

of assets to optimise income and capital growth

Our ambition:

- Drive sustainable income and capital growth through hands-on, in-house management of a diversified, regionally focused portfolio, centred on Leeds and Manchester with selective exposure to London.
- Continue to evolve the Merrion Centre from a traditional shopping mall into a vibrant, mixed-use city-centre destination spanning retail, leisure, food and beverage, offices, hotel, car parking and, for the first time, residential.
- Work closely with occupiers to maximise occupancy, protect rental income and capture reversionary potential across the portfolio.
- Grow CitiPark as a capital-light, technology-led car parking business that generates profitable income alongside the property portfolio.
- Reposition under-utilised assets to unlock latent value and create income and capital uplift.

Progress:

- Maintained a diversified portfolio: at the year end it was 35% retail and leisure, 28% offices, 13% car parks, 12% residential, 8% developments and 4% hotels, with 87% located in Leeds and Manchester.
- Sustained excellent rent collection of over 99% for the period, mirroring the collection rate of the previous year.
- Repositioned Vicar Lane, Leeds: following planning approval in October 2025, landlord's works were completed ahead of Dishoom taking occupation in April 2026, fitting out its new restaurant and successfully opening, converting the former Flannels retail unit into a leisure destination.
- Added a Central London asset with active management potential: a retail property acquired for £5.6m in November 2025, comprising two ground-floor shops and three long-leasehold flats above, offering scope for future income and capital growth.
- Void rate of 4.9% at 30 June 2026, which is before factoring in a further £0.2k of lettings in solicitors' hands.
- The Merrion Centre continued to strengthen as a restaurant and leisure destination, benefiting from rising footfall from the city's growing student population, and the planning decision notice for the 1,039-bed student scheme received in December 2025.
- CitiPark delivered revenue growth following the roll-out of its barrierless, ANPR, technology-enabled parking management system.

Priorities:

- Reduce the void rate by converting lettings in solicitors' hands and re-letting vacant space.
- Individual asset management plans on all properties including the new Central London retail property.
- Continue to grow CitiPark's earnings by extending its technology platform and building on like-for-like growth across the estate.
- Recycle capital from mature or non-core assets into higher-returning opportunities, linking new acquisitions to capital recycling while keeping finances robust.



100MC, Leeds

Capital expenditure in FY26 on the existing portfolio

£2.9m

(FY25: £4.2m)

Void rate at 30 June 2026 stands at:

4.9%

(30 June 2025: 7.4%)



Capital maximisation

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

Our ambition

- Maintain a conservative, flexible capital structure that blends long-term secured debt, revolving bank facilities, retained earnings and shareholder equity, so the Group can fund its development pipeline and selective acquisitions without overstretching the balance sheet.
- Keep the cost of capital low and predictable, with most borrowings at fixed rates and comfortable covenant headroom.
- Recycle capital from mature or non-core assets into higher-returning opportunities, linking new acquisitions to the recycling of existing capital rather than relying on additional leverage.

Progress in the year

- **Secured lending:** In March 2026 the Company bought back a further £5.3m of its debenture stock for cancellation at an all-in cost of £97.50 per £100 nominal, funded from working capital and a £2m revolving credit drawdown. This reduced the debenture's nominal value to £77.1m and added a small amount to net assets.
- **Fixed, long-dated funding:** The weighted average cost of borrowings stood at 5.2%, with 75% of borrowings at fixed rates, anchored by the 5.375% First Mortgage Debenture Stock 2031 and £14m of property-specific debt fixed until 2029.
- **Bank facility headroom:** Loan-to-value headroom over the Group's bank facilities was £15.0m, with a further £44.3m of revolving credit facilities undrawn at the year end.
- **Deploying existing facilities into growth:** Existing revolving facilities funded a $5m (£3.8m) investment in a US multi-family residential fund, which carries an 8% per annum preferred return, and the £5.6m acquisition of a mixed retail and residential property in Central London.
- **Gearing:** LTV rose to 55.5% at the year end (FY25: 53.1%), reflecting valuation movements and the investments made.

Priorities for the year ahead

- Bring LTV back below 50% through asset recycling, retained earnings and income growth, while maintaining covenant headroom across all facilities.
- Keep the majority of debt at fixed rates, and review the facility mix to match the timing of development spend.
- Maintain a sustainable, earnings-covered dividend, retaining the remainder to reinvest in the business.

Loan to value[1] as at 30 June 2026

55.5%

(FY25: 53.1%)

LTV headroom over our bank facilities as at 30 June 2026

£15.0m

(FY25: £24.6m)

Generated from asset and investment sales in the year ended 30 June 2026

£0.0m

(FY25: £3.2m)

Weighted average cost of net borrowings at 30 June 2026

5.2%

(FY25: 5.2%)

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

STRATEGIC REPORT

Our Performance continued

Investment

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

Our ambition

- Use our development pipeline as a key driver of long-term income and capital growth. The pipeline is a valuable and strategic point of difference, with an estimated GDV of over £500m.
- Unlock value from land we already own. Most of our schemes already sit within local authority approved strategic planning frameworks, or have detailed planning permission.
- Bring developments forward in a disciplined, risk-controlled way. We never overcommit the business, and we build on our proven track record of securing planning and delivering strategic schemes.

Progress

- **Merrion Estate, Leeds.** Leeds City Council issued the planning decision notice in December 2025 for a flagship student accommodation scheme. It will deliver 1,039 high-quality bedrooms by repurposing the vacant 13-storey Wade House and adding a 37-storey building on the adjacent 100MC site. The scheme has an estimated GDV of over £155m.
- **Whitehall Riverside, Leeds.** Following planning consent in 2024, ground works were completed in FY25. In July 2025 we unveiled 'Z', a smart, energy-efficient, best-in-class office development at the heart of a masterplan that also includes a multi-storey car park.
- **Piccadilly Basin, Manchester.** Our Dale Street and Burlington Street surface car parks are key components of the Piccadilly Basin Strategic Regeneration Framework, which we are working to refresh. The scheme is mixed residential, commercial and car parking, with an estimated GDV of over £170m.
- **Value in the meantime.** Development sites continue to earn income as temporary surface car parks while they wait.

Priorities

- Advance the Merrion PBSA scheme towards delivery.
- Secure pre-lets and an appropriate funding structure so we can start building 'Z' at Whitehall Riverside. We will commit when investment conditions support it. Rental values and demand for prime, right-sized new office space are rising, but investment yields do not yet reflect this, and that is delaying physical development.
- Complete the refresh of the Piccadilly Basin SRF to unlock the next phase of this city-centre opportunity.
- Fund development in a way consistent with robust finances, linking new investment to the recycling of existing capital.



CitiPark Merrion Centre, Leeds

Development pipeline remains in place

£500m

(FY25: £400M)

Electric Vehicle charging bays across our portfolio

61

(FY25: 61)



Acquisition

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

Our ambition

- Build a more diversified, income-resilient portfolio by acquiring investment assets across a broader range of sectors.
- Focus acquisition activity on our three core cities, Leeds, Manchester and London, where we have deep market knowledge, an established presence and a development pipeline that new assets can complement. We will continue to explore opportunities in these cities while retaining robust finances and linking new acquisitions with the recycling of existing capital.
- Target assets that deliver both secure income and capital growth, with a preference for properties offering active asset-management upside.
- Keep each investment decision anchored in financial discipline, ensuring opportunities are accretive and do not compromise loan-to-value headroom or covenant compliance.

Progress

- In November 2025 we acquired a retail property in Central London for £5.6m. It comprises two ground-floor retail units and three long-leasehold residential units on the upper floors.
- In August 2025 we made a $5m (£3.8m) investment in a US fund specialising in small multi-family residential units in the mid-west, which attracts a preferred return of 8% per annum. This broadens our residential exposure while keeping direct property acquisitions focused on our core cities.

Priorities

- Pursue selective, accretive acquisitions in Leeds, Manchester and London that improve sector balance, particularly in residential, leisure and other income-producing uses with long-term demand.
- Fund new investments by recycling capital from mature or non-core assets, so that acquisition activity does not increase gearing.
- Look for acquisitions that complement our development pipeline in Leeds and Manchester, strengthening our ownership around key regeneration areas.
- Monitor the US residential fund investment against its preferred-return target as part of the wider diversification strategy.

Retail and leisure proportion of portfolio

35%

(FY25: 30%)

Percentage of portfolio now invested in residential

12%

(FY25: 14%)

Percentage of the portfolio located in Leeds and Manchester

87%

(FY25: 89%)



STRATEGIC REPORT

Feature Story

Vicar Lane repositioning

Nestled in the heart of the city, Vicar Lane is a 0.65-acre island site located between two of Leeds' most prestigious shopping centres, Victoria Gate and Victoria Quarter.

A Grade II listed building constructed in the early 1900s, it retains many original architectural features lending an authentic historical charm to this vibrant location. As part of the large mixed-use block, we have repositioned Vicar Lane as a prime retail and leisure destination following the eagerly awaited opening of Dishoom in August 2026 and the announcement that Sticks'n'Sushi will be opening next door in March of 2027.



Dishoom, Vicar Lane, Leeds

We have repositioned Vicar Lane as a prime retail and leisure destination



Dishoom, Vicar Lane, Leeds



Sticks'n'Sushi, Vicar Lane, Leeds

Dishoom, Vicar Lane, Leeds

STRATEGIC REPORT

Feature Story

Marylebone High Street acquisition

During the year the Company strengthened its London portfolio with a £5.6m off-market investment in a high-quality Marylebone asset.

The property comprises two ground-floor and basement retail units, initially let to high-end women's fashion retailer Ganni and New York-based heritage eyewear brand Moscot. The upper parts consist of three two-bedroom residential apartments, which are currently held on long leaseholds.

The location benefits from the Howard de Walden Estate's careful stewardship of Marylebone Village, which has created a vibrant retail environment which continues to attract sustained demand from both premium and independent occupiers, reinforcing the area's reputation as one of London's most dynamic and carefully curated shopping destinations.

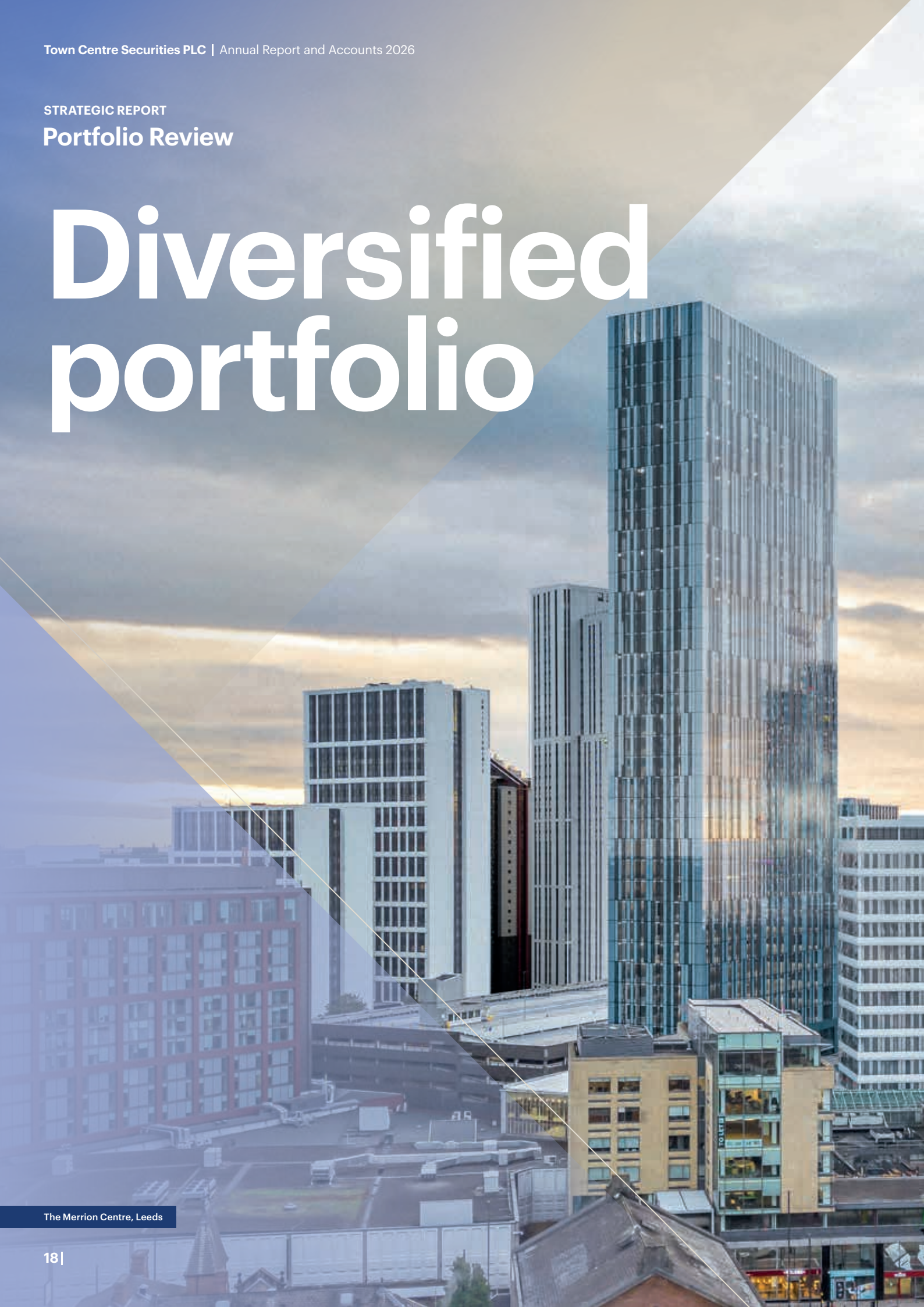
The property comprises two ground and basement retail units and three residential apartments held on long leaseholds.


MARYLEBO
VILLAGE
MOSCOT
MOSCOT

STRATEGIC REPORT

Portfolio Review

Diversified portfolio

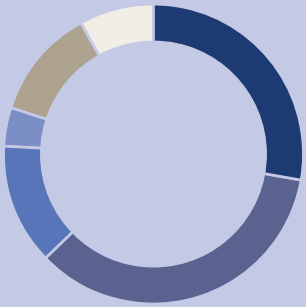


The Merrion Centre, Leeds

Valuation →

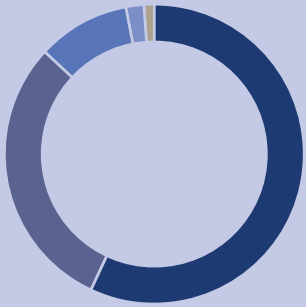
The like-for-like value of our portfolio decreased by 1.5% (£3.7m) after capital expenditure of £8.5m in the year.

Portfolio value by sector



Offices	28%
Retail and Leisure	35%
Car Parking	13%
Hotel	4%
Residential	12%
Development	8%

Portfolio value by location



Leeds	57%
Manchester	30%
London	10%
Scotland	2%
Sheffield	1%

Percentage of Offices

28%

2025 | 29%

Percentage of Residential

12%

2025 | 14%



La Fiesta, Merrion Centre, Leeds

STRATEGIC REPORT

Portfolio Review continued

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

Portfolio overview

	Passing rent £m	ERV £m	Value £m	% of portfolio	Valuation increase/ (decrease)	Initial yield	Reversionary yield
Retail & Leisure (City Centre excl Merrion)	0.8	1.9	24.9	10%	15.8%	3.1%	7.0%
Merrion Centre (excl offices)	4.2	4.1	48.5	19%	(9.2%)	8.1%	8.1%
Out of town retail	0.5	1.5	15.8	6%	20.8%	3.3%	9.1%
Total Retail and Leisure	**5.5**	**7.5**	**89.2**	**35%**	**0.5%**		
Offices	5.1	6.6	72.1	28%	4.0%	6.7%	8.6%
Hotels	0.9	0.9	9.5	4%	(6.9%)	9.0%	9.0%
Residential	1.6	1.9	32.3	12%	(6.4%)	4.8%	5.4%
	13.2	**16.9**	**203.1**	**79%**	**0.2%**	**6.1%**	**7.8%**
Development property			21.0	8%	(12.0%)		
Car parks			34.8	13%	(3.6%)		
Portfolio			**258.9**	**100%**	**(1.5%)**		

Note: includes our share of Merrion House within Offices (£27.5m – see note 14 of these financial statements) and car park goodwill of £1.1m (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 (£21.7m) 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:

	FY26 £m	FY25 £m
Portfolio – as per note 12	**252.0**	245.8
50% share in Merrion House	**27.5**	27.5
Goodwill – Car parks	**1.1**	1.7
Less – Right-of-use car parks	**(21.7)**	(20.9)
As per the table above	**258.9**	254.1



CGI No.5 Whitehall Riverside, Leeds

Sales and purchases

During the financial year ended 30 June 2026 we did not sell any properties and acquired a single retail property investment.

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%	0.0	0%
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%
FY26	0.0	0%	5.6	100%
	168.4	71%	63.6	32%

Retail and leisure

The retail and leisure market has continued to recover and we have seen a 0.5% increase in the value of our retail and leisure portfolio. In addition we have invested £5.6m in a retail-led Marylebone High Street property during the year.

As with last year the key valuation improvements are on the retail and leisure assets outside of the Merrion Centre. Renewed interest in our Vicar Lane property following its repositioning as a prime leisure destination is a particular highlight, as well as key lease renewals with M&S and Pure Gym at our Urban Exchange property in Manchester; these have contributed to double digit valuation increases in both of these subsectors of our retail and leisure portfolio. The business strategy to retain a short-term flexible approach to parts of the internal mall of the Merrion Centre, in order to bring forward development, has impacted on the underlying values of these retail units.

Regional offices

The valuation of our office portfolio has grown by 4% in the year after a number of years of decline; this growth reflects resilient demand for quality commercial space despite broader economic challenges. The growth is seen in both our Leeds and Manchester based office buildings.

Our 50% stake in Merrion House has marginally increased in the year. As a relatively long-dated and less risky asset, the valuation of this property is correlated more to the UK bond market rather than the underlying physical asset. If the economy improves we expect the valuation of this property to also improve.

Residential

Our residential portfolio decreased in value by 6.4% in the year. In May 2026 the Renter's Rights Act 2025 came into force, which brought with it a structural shift in the regulation of the private rented sector; in favour of the tenant, and to the detriment of the landlord. This has had an impact on the yields used to value our residential properties with the reversionary yield moving out from 5.1% to 5.4% in the year.

Car parks

During the year, the Company's freehold and long leasehold car park assets fell in value by £1.3m, a drop of 3.6%. Occupancy levels across the portfolio remain consistent, however increased operating costs, in particular business rates and rental charges, have negatively impacted the underlying values.

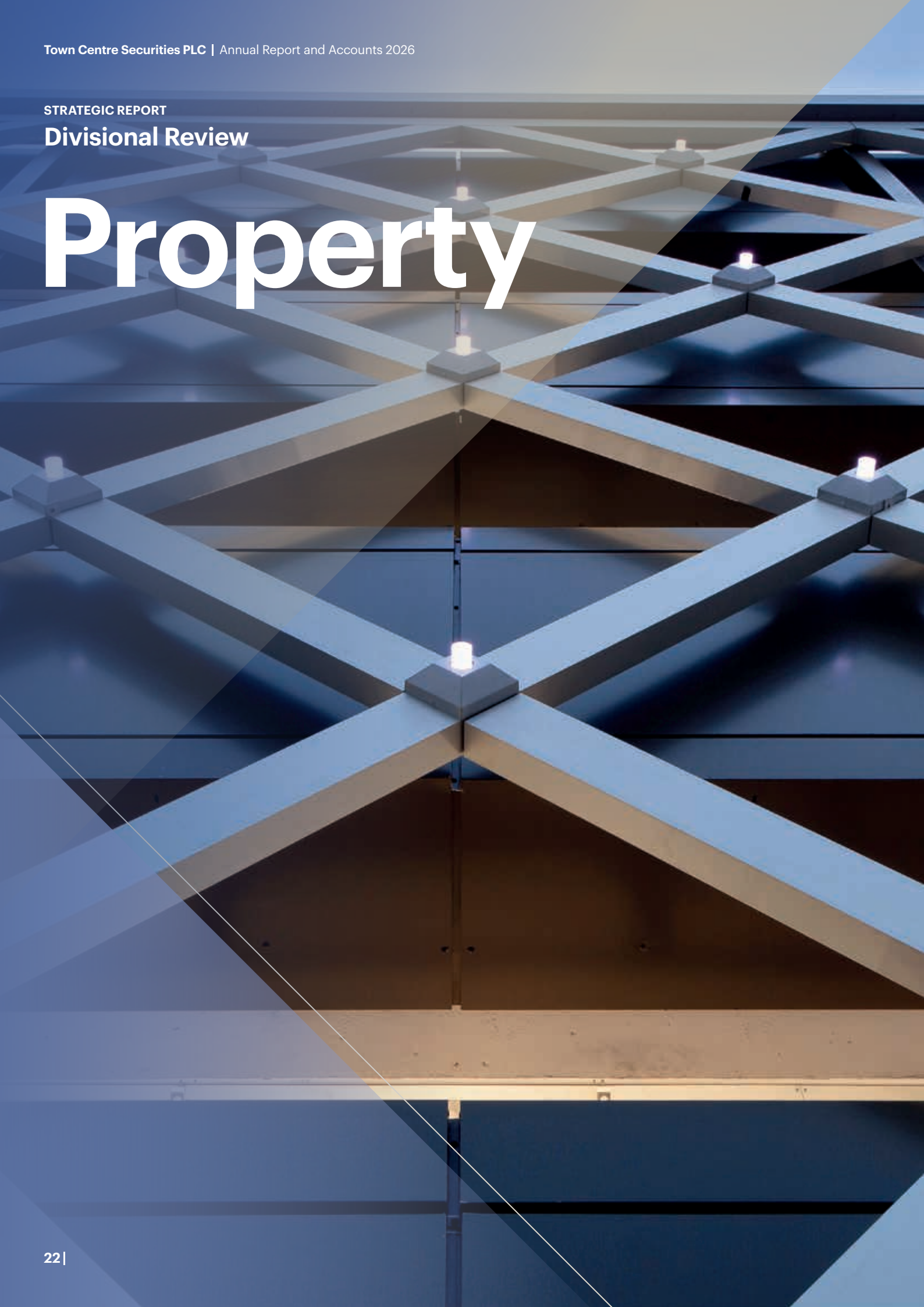
Developments

The value of the Company's development sites reduced by £2.7m or 12.0% in the year. The reduction relates to both the Company's Piccadilly Basin, Manchester and Whitehall Riverside, Leeds development sites. Even though prime office rents are continuing to rise, especially in Leeds, the increases are not sufficient to counteract both escalating build costs and new regulatory expenses, the Building Safety Act and biodiversity net gain requirement to name but two.

STRATEGIC REPORT

Divisional Review

Property



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

Overview →

Our diverse portfolio, long-term approach and financial position have remained core strengths in the context of geopolitical volatility and macroeconomic uncertainty.

Our assets continue to perform well, reflected in a low void rate. We completed one acquisition during the reporting period and remain open to opportunities that meet our investment criteria. Rent collection has stayed strong.

We have also advanced our development projects, while keeping a close watch on the economic landscape and sentiment to guide our decision-making.



The Merrion Estate, Leeds

STRATEGIC REPORT

Divisional Review continued

Divisional review – Property

Total Revenue

£15.5m

2025 | £15.4m

Performance by segment

Our office assets have been well let, and the speculative refurbishment we have undertaken between tenancies has been positively received. The wider sector is seeing greater caution among prospective occupiers, particularly in the new build segment, as they assess the potential impact of AI on their space requirements, adding to hesitancy related to energy and other operating costs. This is leading to some occupiers erring towards smaller spaces as they evaluate their longer-term occupational needs. On the supply side, a challenging funding environment and inflationary pressures have limited the development pipeline of new build properties in attractive locations with strong sustainability credentials, accentuating disparities in rental levels compared with high-quality refurbished space.

Our leisure portfolio has performed strongly. The positioning of our Vicar Lane scheme in Leeds has continued to attract high-profile operators. Dishoom's newest restaurant opened in August 2026, Sticks'n'Sushi is set to add its 18th UK outlet there in early 2027, subject to planning, and Acai & The Tribe is another recent let.

The Merrion Centre has seen a number of lease renewals among retail and leisure occupiers, as well as agreements with new operators. These included the completion in May of the lease for the nightclub unit, whose evolved offer, including plans for live music and private hire, is set to open in the autumn. Our Urban Exchange retail warehouse in Manchester saw renewals with PureGym and M&S. In London, we added to our portfolio with the £5.6m acquisition in November of a site on Marylebone High Street, which includes two retail units and three long leasehold residential units on the upper floors.

In the residential segment, our assets in Leeds, Manchester and Glasgow have continued to see high occupancy and rental levels.

Development pipeline

Challenging market conditions have limited development activity across the sector. We have attractive assets and development schemes at Whitehall Riverside and the Merrion Centre in Leeds, and in the Piccadilly Basin in Manchester, but will take a conservative approach to physical development until investment yields improve.



Hygge, Merrion Centre, Leeds

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

In December 2025 we received the planning approval decision notice from Leeds City Council for a student accommodation scheme at the Merrion Centre. Several factors have impacted the viability of the 37-storey 100MC site, including a fall in the number of international students, delivery of other purpose-built student accommodation schemes in the area, a rebasing of rents for affordability reasons, investor appetite and increased costs relating to the Building Safety Act and interest rates. We are therefore focused on the Wade House element and are working towards a gateway to application.

Outlook

Our long history has taught us that, while presenting challenges, evolving market dynamics also create opportunities. We look ahead with cautious optimism, underpinned by our diversified portfolio, robust finances, and the deep, cross-sector expertise of our colleagues. Our primary focus will remain on managing our existing assets and on progressing our development pipeline as and when the economic climate makes this viable. Any further accretive investments will be assessed carefully and funded from reinvestment of existing capital following the disposal of non-core assets.



MINT XL, Merrion Centre, Leeds

STRATEGIC REPORT

Divisional Review continued

CitiPark



CitiPark, AO Arena, Manchester

Performance →

CitiPark performed well during the year, and overall utilisation was high.

Divisional review – CitiPark

Total Revenue

£15.4m

2025 | £14.0m

In Leeds, our weekday promotion offering all-day parking at the Merrion Centre for £5 has seen a strong take-up. Originally intended as a short trial, we have continued the initiative due to its success in attracting new customers and encouraging people to return to the workplace on more days, which has helped offset the loss of several large occupiers in the surrounding area. Our Whitehall Riverside site continues to operate as a surface car park, and we will monitor the viability of this site as a temporary car park whilst considering the longer-term development of the site.

Elsewhere, Manchester and London continued to trade well, although leased sites in Watford, London and Ilford faced challenges from upward-only rent reviews. In Watford, we responded by exercising the break clause to exit our lease, allowing us to renegotiate a three-year agreement with the incoming owner on a reduced and capped rent while they progress their redevelopment plans.

With the majority of our portfolio owner-operated, we have avoided the burden of over-rented assets that has affected others in the sector. The changing landscape of the UK parking market, including the difficulties faced by some operators, may indeed create opportunities for us, for example to acquire new freehold sites.

There were only modest changes to the portfolio during the year and we did not enter any new car park management agreements. In Manchester, we exited the management agreement at New Jackson and extended our agreement with the AO Arena for a further two years, installing our barrierless parking management system.

Across the portfolio, while seeking to drive profitable revenue growth we also continued to focus on cost mitigation, including targeted work with specialist advisors to reduce liabilities by appealing business rates increases and seeking transitional relief where possible.

Technology and innovation

We continued to invest in technology to enhance the customer experience and improve operational efficiency. 99% of the portfolio now operates on CitiPark's parking management system, integrated with our app and upgraded payment machines. The app and pre-booking platform were refreshed during the year to enhance the customer journey.

We are leveraging AI in several ways and are exploring further opportunities. For example, we have deployed AI-driven route planning for our operations team to optimise branch visits, taking into account journey times, fuel consumption and site utilisation data.

We are also using AI to enhance customer support, through live-chat signposting to first-touch resolutions. In addition, AI tools are helping us monitor local market dynamics more efficiently, supporting more informed decision-making.

Utilisation of EV charging continues to grow, and we remain committed to investing in charging infrastructure where this is supported by data on customer demand. We will evaluate further opportunities to manage third-party charging assets.

In an example of our innovative approach to maximising space utilisation, we submitted a planning application for a padel court facility on the roof of the Merrion Centre car park.

Outlook

CitiPark is well positioned for the year ahead and beyond, rooted in our talented team, extensive sector knowledge, and criteria for assessing opportunities that balance financial prudence with our growth ambitions. We will continue to evaluate investments that meet our requirements, seeking high-quality management agreements and selective freehold acquisitions, and upgrading some older sites with targeted capital expenditure where needed.

STRATEGIC REPORT

Section 172 Statement



Town Centre House, Leeds

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 07



Strategy

Clearly defined plans for the future of the business

READ MORE → PAGE 08



Responsible business

Demonstrating understanding of how our business impacts those around us

READ MORE → PAGE 32

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.

Community

Why it is important:

We believe we have a duty to make a positive contribution locally and be considered an integral part of the community.

How we engaged during the year:

The Company made its Christmas 2025 programme at the Merrion Centre more inclusive. The centre ran dedicated SEND sessions at Santa's Cabin during the first hour of each opening day, aimed at children with special educational needs and disabilities and their families.

Much of TCS's community engagement takes place through cultural and civic events at the Merrion Centre in Leeds. In February 2026 it again hosted the city centre's largest Chinese New Year celebration. The event was run in partnership with local schools including the Leeds Chinese Community School and New Vision Education Chinese School, with funding and on-site staff from the University of Leeds' Business Confucius Institute, bringing together students, families, community groups and local businesses.

TCS has also worked to engage the city's large student population. For Freshers' Week 2025 it offered students more than £12,000 in prizes through its 'Shop, Show & Win' scheme and launched new guided food tours. More than 100 students joined the tours, which introduced them to the centre's independent food and drink venues. Smaller placemaking projects, such as a new mural marking 30 years of the long-standing Merrion Centre business Natural Born Cobblers, show the same focus on the local community.

Further details on our engagement with the community can be found on page 35.

Debt Funders

Why they are important:

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.

How we engaged during the year:

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 has started negotiations on either extensions to or suitable renewals for these facilities.

Employees

Why they are important:

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.

How we engaged during the year:

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 42 members of staff, in the September 2026 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.

The gender split between employees is 73/27 Male to Female, with further details around this provided within the Nomination Committee report on page 72.

Ian Marcus, Non-Executive Director is our workforce representative.

Further details on our workforce engagement can be found on page 35.

Environment

Why it is important:

The Board acknowledges that it has a responsibility to minimise its environmental impact.

How we engaged during the year:

During the year the Board, along with the Sustainability and Climate Change Committee and external professional advisers, developed the TCS 'Pathway to Net Zero'. Incorporating 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 are 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 page 37.

Shareholders

Why they are important:

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.

How we engaged during the year:

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 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. In order to diversify the exposure of the Company, whilst also seeking investments that will generate both income and capital returns, the Company made two investments in the year, including a first investment into the United States.

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 2026 and a proposed final dividend to be paid in January 2027.

Tenants

Why they are important:

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.

How we engaged during the year:

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 to get through any crisis 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 in 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), increasing the coverage in the year to all tenants occupying over 8,000 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 4 and 5.

STRATEGIC REPORT

ESG

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 38 and 39.

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

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:

Our ESG principles

Minimise our environmental impact



Our objectives	Our progress	Our priorities looking ahead
• Improve the energy performance of the portfolio, increasing the proportion of assets with an EPC rating of B or above ahead of tightening MEES requirements. • Measure and reduce carbon emissions across Scope 1, 2 and 3. • Embed sustainability in our developments and in how we reuse existing buildings.	• Built on the expanded full Scope 1, 2 and 3 reporting introduced in FY25. FY25 reported 43% of the portfolio at EPC B or above; this has moved to 44% at 30 June 2026. • Developed the Company's Net Zero Pathway. • 'Z' at Whitehall Riverside is designed as smart, energy-efficient, best-in-class office space.	• Deliver a targeted EPC improvement programme across the remaining lower-rated assets. • Implementation of the Company's Net Zero Pathway. • Regularly monitor the carbon reduction targets informed by our Scope 1–3 baseline. • Integrate low-carbon design, secure cycle storage and EV infrastructure into the Merrion, Whitehall Riverside and Piccadilly Basin pipeline.

Engage with our external stakeholders



Our objectives	Our progress	Our priorities looking ahead
• Communicate openly and regularly with shareholders, debenture holders, lenders, tenants and local authorities. • Deliver sustainable, covered dividends while protecting a robust balance sheet. • Work closely with tenants to support occupancy and long-term relationships.	• All 17 resolutions were approved at the 2025 AGM. The interim dividend was maintained at 2.5p and fully covered by EPRA earnings. • In March 2026 we bought back for cancellation a further £5.3m of debenture stock at £97 per £100 nominal, reducing debt and adding to net asset value. • Rent collection stayed strong at above 99%. We worked with Leeds City Council to secure planning approval for Dishoom at Vicar Lane in October 2025.	• Maintain regular dialogue with lenders and investors as we bring forward the development pipeline in a risk-controlled way. • Keep engaging closely with tenants to reduce voids and support their trading.

STRATEGIC REPORT

ESG continued

Our approach continued

Engaged and committed employees



Our objectives	Our progress	Our priorities looking ahead
• Attract, develop and retain talented people across our property, CitiPark and hotel teams. • Promote wellbeing, inclusion and a safe working environment. • Keep colleagues informed and involved in the direction of the business.	• Maintained ongoing training on cyber security and GDPR, which continue to require vigilance from all staff.	• Invest in development and succession planning as the business moves into its next phase of growth. • Build on our wellbeing and inclusion programmes, acting on colleague feedback.

Make a positive contribution to our communities



Our objectives	Our progress	Our priorities looking ahead
• Create places that support thriving, safe and vibrant city centres in Leeds and Manchester. • Support local charities and community organisations through donations, partnerships and volunteering. • Use our developments to bring regeneration and employment to the areas where we invest.	• Obtained the decision notice in December 2025 for the 1,039-bed student scheme at the Merrion Centre, introducing residential use for the first time in the Centre's 61-year history. • Brought a high-profile restaurant operator to Vicar Lane, adding to the city centre's leisure offer. • Continued our charitable partnerships.	• Deliver community benefits through the Merrion and Whitehall Riverside schemes, including local employment and public realm improvements. • Help refresh the Piccadilly Basin regeneration framework in Manchester. • Continue and deepen our charity partnerships and volunteering.

Always do the right thing



Our objectives	Our progress	Our priorities looking ahead
• Maintain high standards of governance, transparency and ethical conduct. • Manage risk prudently, with a conservative approach to financing and development. • Treat tenants, customers, suppliers and colleagues fairly.	• Kept a disciplined, prudent financial approach: bank facility headroom of £15.0m at the year end and compliance with all covenants. • Continued a structured risk management process.	• Keep strengthening internal controls and financial reporting under the new audit relationship. • Maintain a cautious approach that funds new investment by recycling existing capital rather than adding leverage. • Keep cyber security, data protection and supplier standards high.

People & Communities

Engaged and committed employees

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

We are a business with a family feel. Over more than 60 years we have built a clear culture as a company that cares for its people, creates opportunity and gives accountability. Expectations of staff are high and at times demanding. We endeavour always to support staff, and to go above and beyond any documented HR policy. We want every colleague to know that, if they have a problem, work-based or personal, they can talk to the Directors and senior management knowing the Company will do everything it can to support them. We believe in opportunity for all and do not tolerate any form of discrimination.

Our Non-Executive Director Ian Marcus is the Board's designated representative for the wider workforce. Whenever he is in the office, Ian meets with staff members. This role allows the Board to assess culture and engagement across the business and to challenge management where necessary.

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

Human rights

Although we do not have a dedicated human rights policy, 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 head office at Town Centre House in the Merrion Centre, Leeds, designed to be a modern and comfortable place to work.

In recent years we have improved benefits for head-office staff, including Company pension contributions above statutory requirements, a health insurance policy, an electric vehicle salary sacrifice scheme and health screening.

We are committed to learning and development and continue to support colleagues through professional qualifications, including Chartered Surveyor and Chartered Accountant training. We have also continued to offer work experience opportunities to local students.

Diversity and inclusion 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 people particularly close to our hearts. We complement our support for long-standing partners with standalone initiatives. We also use our assets and resources, above all the Merrion Centre, to work with community partners and create a sense of wider community in the places where we operate.

Our community programme is led by our Head of ESG, working with our marketing and Merrion Centre teams.

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 plan and deliver social action, including fundraising, for their chosen charities.

Young people – LEAP enterprise fairs, Merrion Centre

In January 2026 we marked 20 years of the Leeds Enterprise Advisory Project ('LEAP') holding its enterprise fairs at the Merrion Centre. Over that time more than 4,500 students have been mentored through LEAP programmes at the Centre, gaining practical business and life skills by trading with real customers. The Valentine's LEAP Fair was held at the Centre on 7 February 2026, and the 40th LEAP Fair will take place there at Christmas 2026.

Families – Leeds School Uniform Exchange, Merrion Centre

In summer 2025 the Merrion Centre hosted the first city-centre pop-up of the Leeds School Uniform Exchange, run by local charity Wear and Share Leeds. The shop offers good-quality, pre-loved school uniform free of charge, with no referral needed, helping families with the cost of the new school year and reducing textile waste. Across 10 pop-up days, 319 families were welcomed and 2,570 items of uniform given away. Following this success, the pop-up returned in summer 2026 in a larger unit with more stock and at least 15 opening days.



Merrion Centre Leeds Uniform Exchange 2026

STRATEGIC REPORT

ESG continued

People & Communities continued

Culture and community – Chinese New Year, Merrion Centre

In February 2026 the Merrion Centre hosted Leeds city centre's largest Chinese New Year celebration, welcoming the Year of the Horse. Delivered with Leeds Chinese Community School, New Vision Education Chinese School and the Business Confucius Institute at the University of Leeds, the programme included lion and Qi Lin dances, Tai Chi, traditional music and Hanfu and Qipao fashion showcases. Three days of free Chinese arts and crafts workshops ran for families during February half term.



It was the busiest celebration in the Centre's history, with 41,584 visitors across the two main event days, up 33.5% on 2025, and 67,459 across the full programme. Tenants reported strong trading and many new customers.

Health – University of Leeds 'Growing Well Study'

In March 2026 the Merrion Centre hosted a pop-up research hub for the University of Leeds 'Growing Well Study', inviting families to take part in child health research in central Leeds.

Civic pride – Leeds 400

The Merrion Centre supported TRIVIAL PURSUIT Leeds, a free, city-wide reimagining of the board game marking the city's 400th year and inviting the public to test their knowledge of Leeds.

Local enterprise – The Mini Mall, Merrion Centre

In June 2026 we welcomed The Mini Mall to the Merrion Centre, a new flagship home for Yorkshire's independent makers and traders. The concept gives local brands a permanent city-centre shopfront alongside national retailers.

Free family events – Merrion Centre

Throughout the year the Centre offered free family activities, including Peter Rabbit™ live Easter storytime, Bluey story sessions during the May half term, and a Football in Fabric exhibition to mark the 2026 World Cup.



Supporting charities through our space

The Merrion Centre continues to provide space for charity retailers, including the Leeds Hospitals Charity shop and St Gemma's Hospice, who are in the process of moving to a larger retail unit within the Centre.



The year was also marked by great sadness within the TCS family. In August 2025, Ben Ziff, Managing Director of CitiPark and a Director of TCS, and his wife Sophia lost their darling daughter Celine, aged one year and 19 days, to an extremely rare childhood cancer. Our thoughts have been with Ben and his family throughout. In June 2026 Ben released Big Little Life (Cece's Song), written with singer-songwriter Bertie in Celine's memory, with all proceeds going to Noah's Ark Children's Hospice.

We are immensely proud of Ben for turning such a personal loss into something that celebrates Celine's life and supports other families.

Song available to listen on Spotify, Apple Music and YouTube

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.

Environmental sustainability remains an important part of how we manage and operate our assets. As expectations around environmental performance continue to grow, we remain committed to finding practical ways to reduce our environmental impact, use resources more efficiently and create a cleaner, greener environment for our tenants, visitors and the wider community.

During the year, we have continued to strengthen our approach through better data reporting, investment in our infrastructure, and closer collaboration with tenants, contractors and service partners. These measures have enabled us to better understand our environmental impact, identify opportunities for improvement and build upon the progress already achieved.

While sustainability is an ongoing journey, we are proud of the progress made this year and remain focused on finding new ways to improve. By building on these achievements and exploring new opportunities, we will continue to reduce our environmental impact while creating places that are sustainable, attractive, and enjoyable for everyone who visits and works within them.

Energy consumption and efficiency

Reducing energy consumption continues to be a key focus of our sustainability strategy, and during the year we completed a significant lighting upgrade programme across the Merrion Centre. The scheme involved replacing older, less efficient lighting with modern LED alternatives, helping to reduce energy consumption whilst improving the reliability, performance and longevity of the Centre's lighting infrastructure.

In addition to the major lighting upgrade works, we have adopted a policy of replacing lights and lamps with LED alternatives as part of their normal lifecycle replacement programme. This ensures that energy efficiency improvements continue to be delivered as older fittings reach the end of their operational life, allowing us to modernise the estate in a practical and cost-effective way.

Alongside the lighting improvements, we also invested in a major upgrade of the Centre's main mall smoke ventilation system. The existing equipment was replaced with a modern, more energy-efficient system incorporating an uninterruptible power supply function. This upgrade improves resilience, reliability and compliance with current standards while providing a more efficient and sustainable solution for the future of the Centre.

Energy efficiency improvements have not been limited to capital investment. During the year, we reviewed our operational handover procedures to ensure that non-essential lighting is switched off out of hours wherever possible. This simple but effective measure helps to reduce unnecessary overnight energy consumption across the estate. Coupled with this, a more detailed review of electricity usage within vacant units has been undertaken. By monitoring unusual spikes in consumption, we have been able to identify instances where lighting, equipment or other electrical systems have unintentionally been left running, allowing action to be taken quickly and helping to minimise wasted energy.

These projects demonstrate that improving environmental performance can often be achieved through a combination of investment, good operational management and attention to detail. Whether that is upgrading ageing equipment, switching to more efficient technology or simply ensuring lights and electrical systems are switched off when not needed, every improvement helps reduce our overall energy consumption.

Waste management

Waste management remains a key focus within our environmental strategy. During 2026, following the transition from Biffa to Veolia in November 2025, we have enhanced the quality and transparency of our waste reporting, providing greater visibility of waste streams and supporting more informed sustainability initiatives.

Non-hazardous general waste continues to represent the largest waste stream, accounting for approximately 86% of all waste generated, while dedicated recycling streams for glass, dry mixed recycling and food waste continue to reduce the volume of waste requiring general disposal.

This ongoing focus on segregation and recycling helps minimise environmental impact, and supports our wider sustainability objectives. By ensuring materials are directed into the most appropriate waste streams, we continue to improve recycling performance and reduce reliance on general waste disposal.

We remain committed to our goal of sending zero waste to landfill, with all waste either recycled, processed through specialist waste streams, or recovered through accredited energy recovery facilities. The move to Veolia has also given us improved reporting and greater visibility of the waste we produce, helping us better understand where further improvements can be made.

STRATEGIC REPORT

ESG continued

Environment continued

Encouraging tenants to manage their waste responsibly remains a key focus. Throughout the year, we have continued to promote the use of glass, dry mixed recycling and food waste collections, making it easier for tenants to separate materials correctly and reduce the amount of waste requiring treatment. Food waste collections remain particularly important for our food and beverage tenants, while the improved reporting available through Veolia is helping us identify trends and target support where it is most needed.

Cleaning services environmental performance

Supporting our wider environmental objectives, our cleaning contractor, Churchill, continues to deliver initiatives focused on reducing plastic consumption, improving resource efficiency and supporting more sustainable procurement practices.

A key area of focus during the year has been the reduction of single-use plastics within the cleaning supply chain. By working closely with suppliers and introducing products supplied in recyclable cardboard and plant-based packaging, Churchill has achieved 22.91kg of plastic savings, equivalent to approximately 3,329 plastic bottles removed from the supply chain. These savings have been achieved whilst maintaining the high standards of cleanliness expected.

The most significant improvement this year has been in plastic reduction. During the previous reporting period, the contract achieved 9.94kg of plastic savings through the use of non-plastic packaging and improvements in cleaning product dosing systems. This year's saving of 22.91kg represents an increase of 12.97kg, or approximately 130% year on year, demonstrating the continued success of Churchill's sustainable procurement initiatives.

Looking ahead, we continue to work closely with Churchill to identify further opportunities to improve efficiency and reduce environmental impact. This includes exploring the feasibility of introducing robotic cleaning technology across parts of the portfolio, which has the potential to optimise cleaning operations.

Solar energy

We continue to explore the potential for solar photo-voltaic ('PV') across the estate, and good progress has been made in understanding what could be achievable. We have comparable cost options quotes from different suppliers and had solar PV specialists visit the site to assess the most suitable roof areas. Their assessment has identified a number of viable opportunities, taking into account the position of the roofs, sunlight exposure and the potential costs and benefits of an installation.

We aim to carry out a technical survey and design to confirm the number of panels that could be installed and the potential generation. Prior to this exercise, the condition of the roofs needs to be addressed, but the initial work has been encouraging and has confirmed that solar PV is a realistic option worth pursuing. We will continue to explore the opportunities and look to progress the project when the roof position allows.

During the year we generated 204,592kWh of electricity from our existing three solar farms (FY25: 219,610kWh).

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.

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. We are 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 Environment section of this Strategic Report.



Solar farm at CitiPark, Leeds Dock

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.

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

ENERGY CONSUMPTION (ALL UK-BASED)[1]	2026	2025	Unit
Transport fuel	293,732	209,105	Kilowatt hours of energy used
Electricity	3,772,132	4,253,562	Kilowatt hours of energy used
Gas fuel	778,209	535,532	Kilowatt hours of energy used
TOTAL	**4,844,073**	**4,998,199**	Kilowatt hours of energy used

CO_2E EMISSIONS (ALL UK-BASED)[1]	2026	2025	Unit
Scope 1[2]	217.1	150.4	Tonnes of CO_2e
Scope 2[3]	494.3	768.1	Tonnes of CO_2e
Total Scope 1 and 2	711.4	918.4	Tonnes of CO_2e
Total Scope 3[4]	2,443.0	2,920.7	Tonnes of CO_2e
TOTAL	**3,154.4**	**3,839.1**	Tonnes of CO_2e

CARBON INTENSITY	2026	2025	Unit
Reference 1: Area	85,526	85,397	Sq m (office area for Group)
Reference 2: Employee	155	155	Employees (FTE)
Reference 3: Gross revenue (£'000)	31,139	29,757	Gross revenue (excl. service charge income)
CO_2e by area[1]	0.037	0.045	Tonnes CO_2e per m^2
CO_2e by employee[1]	20.35	24.77	Tonnes CO_2e per employee (FTE)
CO_2e by £'000 of Gross revenue	0.1013	0.1290	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 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 second year that we are reporting on our 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, we're able to understand the total emissions associated with our 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.

The boundary for reporting includes all assets owned by the Group; 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, hotel). Tenant energy consumption data was requested from tenants accounting for 44% of the total property area; data was received to represent 38% 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).

STRATEGIC REPORT

ESG continued

TCFD

TASK FORCE ON CLIMATE-RELATED DISCLOSURES

Throughout the year to June 2026, 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. This year marks a major milestone in our sustainability journey: in March 2026 we formalised our Net Zero Pathway and adopted our overarching Sustainability Strategy, formally establishing our net zero targets and a structured approach to decarbonisation across our portfolio and wider operations. The Board intends to decarbonise the Company's assets in line with the UK Government's 2050 net zero ambition, and we have now established formal interim targets to support delivery of this commitment. During the year our asset portfolio has remained broadly 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 pleased with the progress made this year in strengthening the foundations of our climate-related strategy and look forward to the commencement of Net Zero Pathway implementation beginning in FY2026/27.

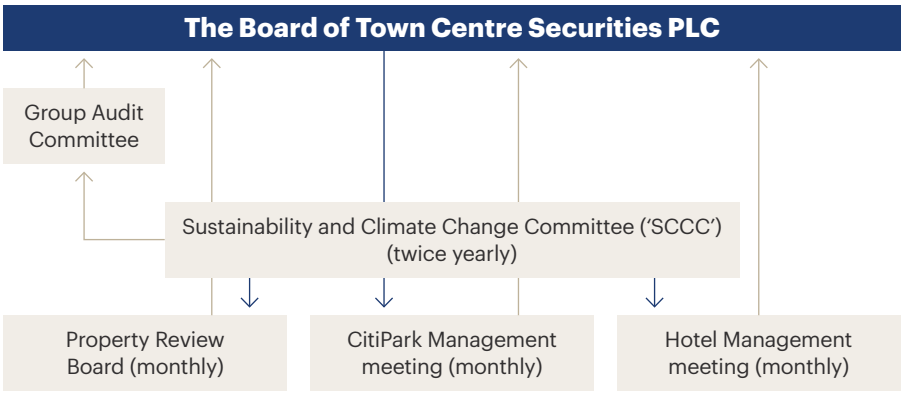
Our report this year remains in accordance with UKLR 6.6.6(8). We have provided detail on the 11 specific TCFD requirements and the actions we are taking to achieve full compliance with the TCFD recommended disclosures in a table on pages 47 to 49. We have concluded that we are in full compliance with the governance, risk management, the metrics and targets sections as well as Part A of the strategy recommendations – the metrics and targets section having improved this year following the establishment of formal net zero targets. Strategy Part B is considered to be approaching full compliance and Part C remains at partial compliance pending the completion of a formal scenario analysis exercise.

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

Creation of our Net Zero Pathway (March 2026) with formal targets: Net Zero Scope 1 & 2 emissions by 2035; Net Zero across all scopes by 2050; 50% reduction in Scope 1 & 2 emissions by 2030 from a 2025 baseline
Adoption of Sustainability Strategy with four strategic pillars: Build a Sustainable Foundation; Maintain & Develop our Sustainable Portfolio; Create Value for Customers and Communities; Work towards a Sustainable Future
Completion of baseline GHG inventory (FY2024/25): providing the foundation for tracking progress against net zero targets

Governance

The Board is ultimately responsible for overseeing all activities, including those that relate to climate change and sustainability. The following 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.

For FY27 and onwards this reporting will also include a review of the different initiatives highlighted in the Sustainability Strategy and the Net Zero Pathway. These are then reviewed by the Audit Committee and approved by the Board.

During the year we have strengthened our sustainability governance as a Year 1 initiative under our Sustainability Strategy. Clear roles, responsibilities and oversight structures have been established across the sustainability team, with defined ownership across all workstreams: Craig Burrow, the Group Property Director, leads on sustainability targets, energy efficiency and delivery of key sustainability initiatives; other members of the Committee are responsible for sustainability data collection, management systems and reporting, EPC and MEES compliance trajectories, sustainability policy and, with the assistance of the Head of Marketing, community engagement.

This expanded team supports the SCC Committee in driving delivery of our Sustainability Strategy and Net Zero Pathway.

A summary of the risk report and the climate-related disclosures are included in the Financial Statements on pages 50 and 54.

As part of our approach to embedding climate-related issues and related cost implications into our business processes, we 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 main 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 from the prior year. In line with our Net Zero Pathway, we have been able to better quantify our GHG emissions as an emerging transition risk and have incorporated this understanding into our risk assessment process. Our baseline GHG inventory provides the foundation for modelling the potential financial impact of carbon pricing. A formal climate scenario analysis, including tailored physical and transition scenarios, is planned as a Year 2 initiative under our Sustainability Strategy in FY2027/28. In line with TCFD recommendations, these risks and opportunities are monitored across multiple time horizons, 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	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 – 2.2% and relates solely to development sites, where further flood mitigation will form part of the underlying development.	M L
Temperature rises (+1.5°C, +2°C and +4°C)	Change in tenant requirements regarding existing offices, especially if they are themselves committing to net zero targets.	There is a risk of ageing assets being stranded if not adapted to manage increasing temperatures.	M L

S Short term M Medium term L Long term

STRATEGIC REPORT

ESG continued

TCFD continued

Climate-related risks	Description	Impact and mitigating factors	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 2031 – current estimate £14.5m – 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. Our Net Zero Pathway and asset-level decarbonisation plans (to be developed by 2027) will further inform our response to regulatory change including future MEES tightening.	S M L
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. Our baseline GHG inventory (total: 3,839 tCO_2e in FY2024/25, with Scope 1 & 2 at 918 tCO_2e) now provides a foundation for modelling the potential financial impact of carbon pricing, and we will continue to take advice on how best to factor a theoretical cost of carbon into our Net Zero Pathway and decision-making process.	M L
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. The production of our Net Zero Pathway with clear, time-bound targets and a phased implementation roadmap demonstrates our commitment to credible action. 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.	M L
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. Transitioning to renewable electricity – a key action in our Net Zero Pathway beginning FY2026/27 – will also help mitigate energy cost volatility over time.	S M L
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. Our Net Zero Pathway requires all future developments to be designed to net zero-aligned standards, ensuring new assets are positioned for the low-carbon transition.	M L
	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 at the Merrion Centre. Asset-level decarbonisation plans (to be completed by 2027) will include transition of gas boilers to low-carbon heating systems.	M L

S Short term M Medium term L Long term

Climate-related opportunities	Description	Impact	Term
Transition			
Resource efficiency	Increasing awareness of climate-related issues is helping with the adoption of energy and water-efficient solutions, including LED lighting, retrofitting buildings and electric vehicles.	Ongoing cost reductions for both the business and its tenants. Our tenant collaboration programme (launched as a Year 1 Sustainability Strategy initiative) and energy efficiency review programme are our primary actions for capturing these opportunities.	S M L
Products and services	Expansion of both the CitiCharge APP and the number of EV charging stations across the portfolio.	Helping to generate a more diverse set of income streams for the Car Parking business, whilst promoting the transition to electric vehicles nationwide. A sustainability-focused EV charging rollout strategy is being developed for CitiPark (Year 2 initiative, FY2027/28).	S M L
	Further technological innovation, with the barrierless and ANPR-based car park management system (fully deployed January 2025), reducing both the requirement for paper tickets and 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.	S M L
	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 for 100% EV charging parking spaces.	Ability to generate a rental premium, especially for BREEAM Outstanding space, and also faster rates of letting. All future developments will be designed to net zero-aligned standards per our Sustainable Development Policy (to be created by December 2026).	M L
Market	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. Our Net Zero Pathway and Sustainable Development Policy will support the case for green finance.	M L

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

- Finalisation of our Net Zero Pathway (March 2026), formally establishing the Company's net zero targets and decarbonisation strategy, including a commitment to achieving Net Zero Scope 1 and 2 emissions by 2035, Net Zero across all scopes by 2050, and a 50% reduction in absolute Scope 1 and 2 emissions by 2030 from the 2025 baseline.
- Adoption of our Sustainability Strategy (March 2026) with four strategic pillars providing a structured framework for delivering our environmental and social commitments across the business.
- Continuing to prioritise properties with EPC ratings of D or lower when developing and implementing individual energy efficiency plans to improve these ratings. Our estimate of the capital expenditure required to bring the portfolio in line with an EPC rating of B by 2031 is £14.5m. A capital investment of £2m has been estimated for 2026/27 and we anticipate this annual allocation will increase the nearer we get to 2031. This is incorporated into the annual cash and investment projections of the Company.
- Development of an asset-based EPC and MEES compliance trajectory (target: September 2027), creating a clear pathway to ensure all assets meet current and future EPC and MEES regulatory requirements. All existing assets will be aligned to a clear, costed decarbonisation pathway by 2027, consistent with our Net Zero Pathway targets.
- Delivery of an energy efficiency review and improvement programme (target: June 2027), conducting energy efficiency assessments and implementing targeted improvements across assets including LED lighting, building management system optimisation, and equipment upgrades.
- Designing and developing best-in-class energy-efficient buildings. All future developments will be designed to net zero-aligned standards with no direct fossil fuel use in operation, as formalised through our Sustainable Development Policy (target: December 2026).

STRATEGIC REPORT

ESG continued

TCFD continued

- Developing our renewable energy transition plan (target: June 2027), identifying and planning the transition to renewable electricity sources for all assets across the portfolio, including renewable tariffs, power purchase agreements and on-site solar PV generation.
- Moving all our fleet to electric or hybrid vehicles, 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 photo-voltaic generation capability through the installation of further solar PV across the roofs and flat surfaces of our portfolio.

Car park activities

- Continued operation of the barrierless parking equipment and ANPR cameras across our entire portfolio of car park assets, deployed 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 (for example provision of enforcement services).
- Development of a sustainability-focused EV charging rollout strategy for CitiPark (Year 2 Sustainability Strategy initiative, FY2027/28), creating a strategic plan for expanding EV charging infrastructure that supports broader sustainability and net zero goals.
- Active and Sustainable Travel initiatives for CitiPark planned for Year 2 (FY2027/28), exploring how the CitiPark proposition can evolve to encourage walking, cycling, public transport and low-carbon travel options.

Hotel operations

- Improving energy efficiency within the hotel.
- Formalising hotel sustainability plans (target: June 2027), developing a structured sustainability plan for the hotel covering energy, water, waste and operational improvements, aligned with our wider Net Zero Pathway.

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 advisors, 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 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 will be launching our tenant collaboration programme (target: December 2026), to build structured engagement with tenants on sustainability including data sharing, energy efficiency improvements and community engagement.

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. Our Sustainable Development Policy (to be created by December 2026) will formalise our approach to low-carbon building design, low-carbon materials and future-proofed energy infrastructure across all new developments.

Risk management – during the year

We continue to operate our traffic light system, which grades every risk and opportunity both for probability and impact. This system continues to highlight the key material risk for the Company to be around the requirement for a minimum EPC rating of B before 2031.

The creation of our Net Zero Pathway has provided a structured basis for understanding and managing our GHG emissions and the associated financial risks. Our baseline GHG inventory (total emissions: 3,839 tCO_2e for FY2024/25, with Scope 1 at 150 tCO_2e, Scope 2 at 768 tCO_2e and Scope 3 at 2,921 tCO_2e) has been prepared in accordance with the GHG Protocol using the Operational Control approach. This inventory enables us to better understand our emissions hotspots and to begin quantifying the potential financial implications of carbon pricing and transition risk in our risk assessment process.

Climate risk planning, mitigation and adaptation and transition risk planning are planned as Year 2 initiatives (FY2027/28), which will involve formal assessment of climate risks across our assets and planning for risks associated with the low-carbon transition including regulation, market shifts and technology changes. This will further strengthen our compliance with the strategy resilience requirements of the TCFD recommended disclosures.

We continue to develop our approach to modelling internal carbon prices and will incorporate the impacts of carbon pricing into our Net Zero Pathway and asset management decision-making as our approach matures.

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.

This year, we have formally established our net zero targets as set out in our Net Zero Pathway:

- Net Zero Scope 1 and 2 emissions by 2035
- Net Zero Scope 1, 2 and material Scope 3 emissions by 2050
- 50% reduction in absolute Scope 1 and Scope 2 emissions by 2030, from a 2025 baseline
- All existing assets to be aligned to a clear, costed decarbonisation pathway by 2027
- All new developments designed and delivered to net zero-aligned standards

These targets will be monitored annually through our GHG inventory process and reported through our annual corporate reporting. Progress against the Net Zero Pathway will be overseen by the SCC Committee.

Our baseline GHG inventory for FY2024/25 has been completed with total emissions of 3,839 tCO_2e across Scopes 1, 2 and 3. The inventory was prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, using the Operational Control approach. The baseline breakdown by scope is as follows:

	tCO_2e	%
Total Scope 1 Emissions	150	4%
Total Scope 2 Emissions	768	20%
Total Scope 3 Emissions	2,921	76%
Total Emissions (Scopes 1, 2 and 3)	**3,839**	**100%**

The largest emissions sources are tenant energy consumption (43% of total), landlord-controlled electricity use (20%), and emissions associated with supplier purchasing and capital expenditure (22%). Understanding these emissions hotspots enables the Company to prioritise actions where they will have the greatest impact.

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 (FY26)	7.2%	36.8%	27.9%	15.7%	12.4%	0.0%	0.0%	**100%**
Percentage of portfolio (FY25)	7.1%	36.1%	27.8%	16.2%	11.8%	0.7%	0.3%	**100%**

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

STRATEGIC REPORT

ESG continued

TCFD continued

During the year the SCC Committee met to discuss the current metrics reported, with a particular focus on embedding the new Net Zero Pathway targets into our reporting framework and extending our Scope 3 emissions data. The following table summarises the performance of the Company in the year:

Category	Metric	FY26	FY25	Target	Actual	Target met?
Energy consumption and efficiency	Total kilowatt hours of energy used	4,844,073	4,998,199	5% reduction year-on-year	-3%	N
GHG emissions (intensity)	Tonnes CO_2e by £'000 of Gross revenue	0.1013	0.1290	5% reduction year-on-year	-21%	Y
GHG emissions (absolute) – new metric	Total Scope 1, 2 & 3 emissions (tCO_2e)	3,154	3,839[1]	Reduce in line with Net Zero Pathway trajectory	-18%	Y
	Total Scope 1 & 2 emissions (tCO_2e)	711	918[1]	50% reduction by 2030 (target: 459 tCO_2e or less by 2030)	-21%	
Energy generation	kWh of solar PV generation	204,592	219,610	5% increase year-on-year	-7%	N
Waste management	Waste diverted from landfill	100%	100%	Maintain 100%	Maintained	Y
	Percentage of waste recycled	50%	50%	5% increase year-on-year	0%	N
Carbon footprint of new developments	Embodied carbon footprint per sq ft	n/a	n/a	5% reduction year-on-year		
Building efficiency	Percentage of portfolio EPC A or B	44.0%	43.2%	5% increase year-on-year	1.9%	N
	Estimate of cost to bring portfolio to EPC B or better	£14.5m	£14.3m	n/a		
Sustainable transportation	Average number of EV charging bays in operation at year end	61	61	25% increase year-on-year	0%	N
	Number of fully electric vehicles operated by the Company	6	5	n/a		
	Number of employees in EV salary sacrifice scheme	4	3	n/a		
Physical risk	Percentage of portfolio in a Flood Risk Zone 3 area	2.2%	2.2%	n/a		

1 FY25 baseline from Net Zero Pathway (March 2026).

For the next year, the SCC Committee will be specifically targeting improvements on the following metrics, along with the continued delivery of our Net Zero Pathway and Sustainability Strategy:

- Increased percentage of portfolio EPC A or B (trajectory towards 100% EPC B or better by 2031)
- Tracking Scope 1 & 2 GHG emissions against 50% reduction target by 2030 from 2025 baseline
- Development of asset-level decarbonisation pathways for all existing assets (target: by 2027)
- Scope 1, 2 and 3 emissions reduction through portfolio decarbonisation and tenant collaboration
- Transition to renewable electricity across the portfolio (renewable energy transition plan: June 2027)
- Increase engagement with all our stakeholders (including tenants and our operational businesses) through our tenant collaboration programme
- Increase in PV coverage across the portfolio

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

TCFD recommended disclosures

KEY
COMPLIANCE F Full P Partial

Governance

DISCLOSURE	COMPLIANCE	
a) **Describe the Board's oversight of climate-related risks and opportunities**	F	The Company established a Sustainability and Climate Change Committee in 2022. The two key responsibilities of this Committee are to focus on the Company's developing net zero plan and net-zero strategy 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. The governance structure has been further strengthened during the year through the formal Sustainability Strategy, with defined roles and responsibilities established across the sustainability team. The Board believes the Company is 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. The formal terms of reference of the SCC Committee have been agreed and adopted. The sustainability team structure has been formalised with defined ownership across workstreams. 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 continues to meet and leads on the Company's thinking and planning regarding its decarbonisation planning and Net Zero Pathway delivery.
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 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 into the Company's overall risk management**	F	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. The Net Zero Pathway provides additional long-term structure for managing and monitoring climate-related financial risks, including the potential impact of carbon pricing and regulatory change.

STRATEGIC REPORT

ESG continued

TCFD recommended disclosures continued

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 carbon performance; and increased regulatory and policy measures. The opportunities identified include: improved commercial opportunities of owning assets which are energy efficient; increasing revenue streams from EV charging and the possibility of securing more competitive financing. Further details of the risks and opportunities are set out on pages 41 to 43. The Board and SCC Committee have performed a review of the material climate-related risks and opportunities and 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. The production of our Net Zero Pathway this year, together with the Sustainability Strategy, has significantly strengthened the integration of climate considerations into business strategy and financial planning – the Net Zero Pathway provides a clear decarbonisation trajectory and identifies the capital investment required to achieve our targets. Asset-level decarbonisation plans are being developed (target: all assets by 2027), which will further inform financial planning. As development activity increases in coming years, the Board expects to achieve full compliance as these processes are more fully tested through actual project delivery.
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. A formal climate scenario analysis, including tailored physical and transition climate scenarios, is planned as a Year 2 initiative under our Sustainability Strategy in FY2027/28. Under a well below 2°C scenario, the Company's strategy is considered resilient, bearing in mind the physical locations of its assets and the development opportunities offered. The Board expects to reconsider its compliance with this part of the TCFD disclosure requirements once the formal scenario analysis has been completed.

KEY
COMPLIANCE F Full P Partial

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 and 3 and are aligned to the Greenhouse Gas Protocol Corporate Standard and DEFRA Environmental Reporting Guidelines. Our baseline GHG inventory for FY2024/25 has been completed (total: 3,839 tCO_2e), developed in accordance with the GHG Protocol using the Operational Control approach, establishing a robust foundation for tracking progress against our Net Zero targets. The other metrics used by the Company to assess climate-related risks and opportunities are disclosed in the table on page 41 to 43. The Board has assessed full compliance with the requirements of this disclosure.
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. Our baseline GHG inventory for FY2024/25 identifies Scope 1 emissions of 150 tCO_2e (4%), Scope 2 emissions of 768 tCO_2e (20%), and Scope 3 emissions of 2,921 tCO_2e (76%) including tenant energy consumption (1,650 tCO_2e), purchased goods and services (854 tCO_2e), Merrion House JV (200 tCO_2e) and other value chain activities. The related potential risks can be viewed on pages 41 to 43.
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	P	We have established formal net zero targets through our Net Zero Pathway: Net Zero Scope 1 and 2 emissions by 2035; Net Zero emissions across all scopes by 2050; 50% reduction in absolute Scope 1 and 2 emissions by 2030 from the 2025 baseline; all existing assets to be aligned to a costed decarbonisation pathway by 2027; and all new developments to be designed and delivered to net zero-aligned standards. In addition to these net zero targets, the ongoing metrics and targets are set out on page 46. Following the establishment of these formal targets, the Board has assessed full compliance with the requirements of this disclosure.

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.

Bi-annual Audit Committee

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

Quarterly IT & Data Governance Committee

This committee of senior management reviews IT and data-specific risks and ensures that key risks are understood and managed. This includes a review of adherence to the GDPR regulations.

Board meetings – six per year (reduced from eight)

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

Property Review Group – six per year (reduced from eight)

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 per 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.

Bi-annual Joint Venture Board meetings

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

Bi-annual 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 FY25
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, driven by ongoing geopolitical unrest, changes to UK government fiscal and economic policy, or broader cyclical reasons could result in tenant failures, falling asset values, rising debt costs, or less debt availability. Whilst the acute cost-of-living and energy crises of recent years have moderated, new pressures including increased employer costs arising from changes to National Insurance contributions and the National Living Wage represent continued risks to tenants and the wider economy.	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 75% of our debt at 30 June 2026 (ignoring finance leases).	—

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 believes 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 over the last seven years to sell retail and leisure assets has resulted in these assets now representing only 35% 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.	—
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.	—

Likelihood	H High	M Medium	L Low
Impact	H High	M Medium	L Low
Change from FY2025	↑ 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. The growing sophistication of AI-powered cyber attacks, including AI-generated phishing and social engineering, represents an emerging and escalating threat, and the Company continues to review and enhance its cyber defences accordingly. • 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.	—
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 per 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 oneor both of the Company's brokers and if necessary the Company's legal advisor. • Azets is engaged as the Company's tax advisors and is tasked with ensuring we remain compliant in all aspects of tax. • The Corporate and Criminal Offences ('CCO') legislation 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 down-time 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 Piccadilly Basin, Manchester, Whitehall Riverside, Leeds and within the Merrion Centre, 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 continuing to evolve, any long-term investment with significant capital required represents a heightened level of risk. Build-cost inflation, whilst showing signs of moderation compared to recent peak levels, continues to affect the viability of some developments.	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.	—
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, there are no bank borrowings due for repayment in the next year. The NatWest facility is due for renewal in December 2027, which the Board is actively progressing. • 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.	—

Likelihood	H High	M Medium	L Low
Impact	H High	M Medium	L Low
Change from FY2025	↑ Improving	— No change	↓ Worsening

STRATEGIC REPORT

Risk Report continued

Property risks continued

Risk	Likelihood	Impact	Mitigation	Trend
Tenant and sector risk Individual tenant failures, or exposure to a specific sector. This risk continues to be shaped by elevated operating costs for tenants, including utility bills, staff costs driven by National Living Wage increases, and the lagged effects of the interest rate cycle on business borrowing costs. Whilst inflation has moderated from its recent peak, affordability pressures remain, particularly for retail and office tenants.	H	M	There have been an increasing number of CVAs and administrations within the retail sector, and the structural shift in retail shopping habits continues to affect tenant resilience. TCS is taking a number of actions: • Since 2016 the Company has significantly reduced its exposure to retail and leisure from 60% to 35% of value at June 2026. • 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 by revenue are Leeds City Council, Step Change, Pure Gym and Morrisons. • CitiPark income helps further mitigate the reliance on specific property tenants.	—
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. 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 testbed 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.	—

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's NatWest facility is due to expire in December 2027 following a recent credit approved one year extension, and the Board is actively engaged in the refinancing process to ensure continuity of this facility ahead of its maturity. • 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.	—
Cost of debt Rising debt costs.	H	M	The following actions help mitigate the risk to the Company: • At today's date 75% of the Company's debt is in the form of fixed interest, long-term borrowings. • The Board monitors interest rate movements closely. The Bank of England's rate reduction cycle through 2025 and 2026 has reduced the cost burden on variable rate facilities. The Company's three-year budget planning exercise includes a single 25bps base rate increase, although opinion is expecting a 25bps reduction to be the next base rate movement.	—
Financial covenant compliance Breaching a financial covenant under one of the Group's debt facilities.	L	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 £1.9m 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.	—

Likelihood	H High	M Medium	L Low
Impact	H High	M Medium	L Low
Change from FY2025	↑ 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 a £77.1m 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 December 2026 and June 2029. Each of the debt facilities is ring-fenced within security sub-pools of assets charged to the respective lender.

At the year end the Group has one bank facility falling due for repayment in December 2026 and one in June 2027, both within the going concern period. These facilities have been extended by twelve months each, with expiries now in December 2027 and June 2028 respectively. The Group is looking to renew the NatWest facility for a further three-year term (with the option for two further one year extensions) extending its expiry date to December 2029 at a minimum. The amount outstanding under this facility is currently £10.0m with a property portfolio valued at £23.2m secured against it. If the facility is not renewed, the Group will utilise existing headroom within its remaining facilities, of which £14.9m is available to draw, to repay the outstanding amount.

One other bank facility falls due for repayment in June 2028, which is outside of the Going Concern period, but within the viability period.

As at the date of this report, the Group has drawn in aggregate, under all three RCFs, total borrowings of £32.75m.

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 2026 was £15.0m (2025: £24.6m). Overall, the properties secured under the Group's debt facilities would need to fall 20.1% 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 £14.9m and 20.0% respectively.

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 217% on the Lloyds facility up to 395% on the Handelsbanken 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 2027. 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, a downside case and then a more extreme downside case to show what 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 £9.2m, which compares to a minimum of £9.7m under the downside scenario (which counters reduced revenue by restricting capital and ongoing expenditure). The significant downside case applied a total discount of 6% to rental income receipts and a 15% discount to budgeted car park income levels. The cash headroom in the Group did not go negative in the period to June 2029 and none of the other financial covenants were 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. This breach is forecast to occur in Q4 of FY27 and last until Q2 of FY28 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 and hotel businesses are trading ahead of expectation, and this is expected to continue.

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 2027. 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 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 has been as part of a longer-term three-year strategic planning exercise and three-year budgeting process.

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 2029.
- A range of levels of car parking income affecting profitability up to the end of June 2029.
- A range of levels of hotel net income affecting profitability up to the end of June 2029.
- 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 Q4 of FY27 and Q2 of FY28 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 75% 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 have also considered the actions they 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 being:

- The Group has £1.9m 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 have a reasonable expectation 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.



Town Centre House, Leeds

STRATEGIC REPORT

Financial Review

The financial performance of the Company during the year ended 30 June 2026 shows underlying EPRA earnings after tax of £2.9m (compared to £1.8m in FY25). 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 FCA
Group Finance Director



The statutory loss for the year was £1.4m, compared to a loss of £3.4m in the previous year.

EPRA earnings* were a profit of £2.9m in the year, an increase of 64% compared to a profit of £1.8m in the prior year.

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 consistent with the dividends declared in the previous year.

Net borrowings have increased from £110.4m to £120.8m in the year. Net borrowings represent total financial borrowings of £152.2m less cash balances of £0.9m, less lease liabilities of £30.5m.

Statutory loss

On a statutory basis the reported loss for the year was £1.4m.

The statutory loss reflects the EPRA earnings* of £2.9m less £3.6m of non-cash valuation and impairment movements, less the loss on disposal of £0.3m on investment properties and investments sold in the year, plus a gain on the repurchase of debenture stock of £0.2m less £0.6m of deferred taxation on valuation movements in the year.

Gross revenue

Gross revenue was up £1.5m or 4.6% year-on-year, with key drivers being:

- Gross property revenue during the year was £0.1m ahead of the previous period with one investment property acquisition in the year.
- CitiPark revenues have continued to grow in the year, with gross revenue across the portfolio increasing by 10.2% from £14.0m to £15.4m. Growth in both casual daily takings and enforcement income underpinned this performance.
- Income from the ibis Styles hotel was consistent with last year at £3.3m.

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

Income statement

The statutory loss for the year ended 30 June 2026 was £1.4m.

£'000	FY26	FY25	YOY
Gross revenue	**34,201**	32,692	4.6%
Property expenses	**(18,305)**	(17,826)	2.7%
Net revenue	**15,896**	14,866	6.9%
Other income/JV profit	**2,187**	2,994	(27.0%)
Revaluations/impairments/profit on disposals	**(3,809)**	(4,008)	–
Administrative expenses	**(7,138)**	(7,512)	(5.0%)
Operating profit	**7,136**	6,340	12.6%
Net finance costs	**(7,481)**	(7,405)	1.0%
Taxation	**(1,015)**	(2,381)	–
Statutory earnings	**(1,360)**	(3,446)	(60.5%)
EPRA – Property adjustments	**3,809**	4,008	(5.0%)
EPRA – Other adjustments	**(159)**	0	–
EPRA – Tax adjustments	**633**	1,216	(47.9%)
EPRA earnings	**2,923**	1,778	64.4%

Segmental	FY26	FY25	YOY
Property			
Net revenue	**9,228**	8,777	5.1%
Operating profit	**4,282**	3,773	13.5%
CitiPark			
Net revenue	**6,237**	5,534	12.7%
Operating profit	**2,522**	2,056	22.7%
ibis Styles Hotel			
Net revenue	**431**	555	(22.3%)
Operating profit	**431**	555	(22.3%)
Investments			
Other income and operating profit	**(99)**	(44)	125.0%

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

Property expenses

Property expenses have increased by 2.7% year-on-year with increases to both hotel and car park property costs – respectively £0.1m and £0.7m (in particular increases to business rates) offset by savings to direct costs in the property business of £0.4m resulting from the reduced void rate.

Other/JV income

Total Other/JV income was down 27% or £0.8m year-on-year, with reduced dilapidation and surrender premia received during the year compared to the prior year.

Administrative expenses

Administrative costs were £0.4m or 5.0% lower year-on-year. This reduction was not specifically in relation to any one cost heading, but more an amalgamation of savings to staff costs, computer repairs and maintenance and legal fees.

Finance costs

Finance costs were 1.0% or £0.1m higher year-on-year as a result of the increase in the Company's bank borrowings which were primarily used to fund the investments made by the Company in the year.

Taxation

Taxation was significantly down year-on-year following the release of an adjustment in relation to prior periods (both current and deferred tax) of £0.5m made in the year ended 30 June 2026.

STRATEGIC REPORT

Financial Review continued

Balance sheet

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

£m	FY26	FY25	vs FY25
Freehold and right-to-use investment properties	**168.9**	160.5	5.2%
Development properties	**21.0**	22.6	(7.1%)
Car park-related assets, goodwill and investments	**53.8**	54.9	(2.0%)
Hotel operations	**9.5**	10.2	(6.9%)
	253.2	248.2	2.0%
Joint ventures	**6.6**	5.6	17.9%
Listed investments	**3.1**	2.6	19.2%
Unlisted investments	**4.0**	0.7	471.4%
Deferred tax	**0.0**	0.9	(100%)
Other non-current assets	**1.5**	1.6	(6.3%)
Total non-current assets	**268.4**	259.6	3.4%
Borrowings	**(151.3)**	(139.9)	8.1%
Other assets/(liabilities)	**(8.3)**	(7.4)	12.2%
Statutory NAV	**108.8**	112.3	(3.1%)
Statutory NAV per share	**258p**	266p	(3.1%)
EPRA net tangible assets (NTA)	**107.5**	109.9	(2.2%)
EPRA NTA per share	**255p**	261p	(2.2%)

Non-current assets

Our total non-current assets (including investments in JVs) of £268.4m (2025: £259.6m) have increased by £8.8m during the year. This movement is made up of the following:

- Capital expenditure of £12.7m (Investment Property addition: £5.6m, Other Investment Property additions: £2.9m, US Investment: £3.7m and Fixed Asset additions: £0.5m)
- Disposals of £(0.4m)
- Depreciation charge of £(2.2m)
- Revaluation uplift/reversal of impairments totalling £(3.7m)
- IFRS 16 lease reassessments following rent reviews of £2.6m
- Operating profits generated and retained in JV entities and other movements including deferred taxation movement £(0.2m)

Borrowings

During the year our borrowings have increased by £11.4m, from £139.9m as at 30 June 2025 to £151.3m at the year-end. This increase was primarily due to the two investments made by the Company in the year, but also included increases to lease liabilities following rent reviews concluded within the year.

We have recently extended our existing Lloyds revolving credit facility by one year; it is now due to expire in June 2028. It is our intention in January 2028 to begin the process of renewing this facility for a new three-year term, subject to bank consent.

We have renewed our Handelsbanken revolving credit facility by a further three years during the year; it is now due to expire in June 2029. Our NatWest credit facility expires in December 2027. We are in the process of renewing this facility, subject to bank consent.

Loan-to-value has been increased to 55.5%, up from 53.1% a year ago, primarily due to the additional investments made by the Company in the year, but also taking into account the decrease in property values. 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	FY26	FY25	FY26 p per share	FY25 p per share
IFRS reported NAV	**108.8**	112.3	**258**	266
Purchasers costs[1]	**18.6**	18.0		
EPRA net reinstatement value	**127.4**	130.3	**302**	309
Remove purchasers costs	**(18.6)**	(18.0)		
Remove goodwill and intangible assets[2]	**(1.3)**	(2.4)		
EPRA net tangible assets	**107.5**	109.9	**255**	261
Fair value of fixed interest rate debt[3]	**11.9**	15.4		
EPRA net disposal value	**119.4**	125.3	**283**	297

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

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 we have seen recoveries in all segments, with the consolidated EPRA profit of the Group increasing from £1.8m to £2.9m. As mentioned previously, 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 per share.

Future balance sheet

As identified in the Risk Report, we have highlighted the continued pressure on retail and office investment properties and development sites 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 2026 was £15.0m (2025: £24.6m), 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 20.1% 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 (11.6)% (2025: 3.3%) was calculated as the total of dividends paid during the financial year of 5.0p (2025: 2.5p) and the movement in the share price between 30 June 2025 (135.5p) and 30 June 2026 (115.0p), assuming reinvestment of dividends. This compares with the FTSE All Share REIT Index at 7.3% (2025: 1.3%) 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	(11.6%)	(4.4%)	(3.1%)
FTSE All Share REIT Index	7.3%	1.8%	(0.7%)

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 6.0% (2025: 6.2%).

Stewart MacNeill
Group Finance Director

This Strategic Report and the information referred to herein was approved on behalf of the Board on 14 October 2026.

Edward Ziff OBE DL
Chairman & Chief Executive
14 October 2026

CORPORATE GOVERNANCE

Introduction from the Chairman



123 Albion Street, Leeds



The Board has taken steps to implement the 2024 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 2024 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 Non-Executive Directors who are not part of the Concert Party and 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 have historically low levels of borrowing and 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 it 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 that all Directors have reviewed and concluded that given the size of the Company, two Directors outside of the Executive Team and the 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
14 October 2026

Our Section 172 statement demonstrates how Directors have discharged their duties to the Company's stakeholders. This statement can be found on pages 28 and 29.

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 1993, 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 trustee of Judaism UK, 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 take advantage of 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 a business and 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.

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 39 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 Non-Executive Director of Galliard Homes Limited, a London housebuilder, Non-Executive Chairman 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 and 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
- (N) Nomination Committee
- (R) Remuneration Committee
- (S) Sustainability and Climate Change Committee
- (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, two of whom are not connected to the Concert Party 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 external 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.

Paul Huberman | FCA CTA

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

Prior to the introduction of the 2024 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 six 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 (six meetings in the year) and CitiPark Board (eight meetings in the year), and a separate Sustainability and Climate Change Committee, which comprises 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 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 86

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 7)	
Edward Ziff	7
Ben Ziff	7
Stewart MacNeill	7
Craig Burrow	7
Michael Ziff	7
Ian Marcus	7
Paul Huberman	7

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



Carver's Warehouse, Manchester

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 2024 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 Non-Executive Director to consider the governance of the Company including the division of responsibilities for the Chairman and 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 & 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.

UK CORPORATE GOVERNANCE CODE	PROVISION	MITIGATION EXPLANATION OF DEPARTURE FROM THE CODE
PROVISIONS 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 is 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.
PROVISIONS 12, 24 AND 32	Senior Non-Executive Director to be independent. Audit Committee to comprise independent Non-Executive Directors. Remuneration Committee to comprise independent Non-Executive Directors.	The two Non-Executive Directors that form both the Remuneration Committee and Audit Committee, and alternate on a yearly basis the role of Senior Non-Executive Director, 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 external commercial experience to the business, both from a property and a finance point of view.

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 2026 Financial Statements. More details can be found in the Risk Report on page 56 and the Directors' Report on page 86.

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 2029. 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 Non-Executive 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
14 October 2026

CORPORATE GOVERNANCE

Nomination Committee Report

Dear Shareholder, I am pleased to continue to act as Chairman of the Nomination Committee (the '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 the Non-Executive Directors to ensure this remains in the best interests of the Company and its stakeholders. This exercise by the Non-Executive Directors also incorporates a review of the combined role of Chairman & Chief Executive Officer. Further information can be found on page 70.

All Directors are put forward for re-election at each Annual General Meeting. Biographies of the Board members can be found on pages 64 and 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. Of the Company's 155 members of staff, 27% are female, with the remainder male. This percentage is higher in the Company's head office and within the Hotel division where the female percentage is 50% and 63% respectively. 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 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 2026 and at the date of this report is as follows:

	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in executive management	Percentage of executive management
Gender identity					
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

14 October 2026

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 2026."

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 2024 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 two 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.
- Following Grant Thornton UK LLP's (hereafter 'Grant Thornton') appointment as external auditor after the November 2025 AGM, reviewing their plan for the 2026 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 Grant Thornton 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 progress against the IT infrastructure and security action plan.
- Considering management's approach to the Viability Statement in the 2026 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.

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 Grant Thornton with respect to key areas of management judgement and reporting. Using Grant Thornton'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 valuers CBRE and Colliers, and the Chair and other members of the Committee attended the valuation review meetings with management, Grant Thornton, CBRE and Colliers.
- Right-of-use Car Parks and Car Park-related Goodwill – the Committee reviewed the Group's weighted average cost of capital and suitable discount rates, which where then applied in calculating any impairments of these assets.
- Treatment of 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.
- 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.


Burlington House, Manchester

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 56, 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 2026 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 low level of variable rate borrowing drawn by the Company.

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 Directors, 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

Grant Thornton were appointed as the Company's auditors following a formal tender process in 2025.

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 2026 audit was the first audit by Elizabeth Collins.

Grant Thornton 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. Grant Thornton presented detailed reports of their findings to the Committee before the 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 Azets. However, there may be certain circumstances where, due to Grant Thornton'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. Grant Thornton 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	231
Audit of Company subsidiaries pursuant to legislation	35
Total audit services	**266**
Other non-audit services	6
Total auditor's remuneration	**272**

The Committee ensures it is able to assess the quality of Grant Thornton'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 Grant Thornton; and thirdly, Grant Thornton 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, CBRE and Colliers.

In the year ended 30 June 2026 the Committee has not asked the auditors to look at any specific areas not already covered by the audit plan.

Auditor reappointment

The Committee reviewed the effectiveness of the external audit process and the performance of the auditor and for the reasons stated above, believe that Grant Thornton remain independent and recommend that Grant Thornton be reappointed 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. During 2026 there were no reviews following a number of personnel changes within the external accountancy firm. These reviews will be restarted in 2027. The activities 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
14 October 2026


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 three sections:

- This Annual Statement for the year ended 30 June 2026, which summarises remuneration outcomes and how the Remuneration Policy will operate for the year ending 30 June 2027.
- The Remuneration Policy Report. The current Directors' Remuneration Policy ('Policy') was approved by shareholders at the Company's AGM in 2022 and the Company is seeking approval of a new Directors' Remuneration Policy ('New Policy') at the forthcoming AGM.
- The Annual Report on Remuneration which explains how the Remuneration Policy was implemented in the year ended 30 June 2026, and how the Remuneration Policy will be implemented for the year ended 30 June 2027.

Although there are no changes to the Remuneration Policy, the Committee intends to seek shareholder approval at the 2026 AGM.

Pay and performance during 2026

In determining the bonus award levels for the year ended 30 June 2026 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 2026

The financial performance assessment considered the following achievements:

- The EPRA profit for the year of £2.9m (FY25: £1.8m).
- EPRA Net Tangible Assets per share at the year-end of 255p (FY25: 261p).

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

- The buyback for cancellation of £5.3m of the Company's debenture stock.
- The one-year extension of the Company's Lloyds revolving credit facility which was due to expire in June 2027, which now expires in June 2028.
- The renewal of the Company's Handelsbanken revolving credit facility which was due to expire in June 2026, which now expires in June 2029.
- Repositioning and repurposing a number of our investment properties including the phased refurbishment of Town Centre House in Leeds and the emergence of Vicar Lane, Leeds as a premium restaurant destination following the opening of Dishoom and the proposed letting to Sticks'n'Sushi.
- Diversification via the Company's first investment into the United States.

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 2026; this award was debated and agreed in a meeting of the Committee in September 2026 and is not included in the results of the Company for the year ended 30 June 2026.

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 did not approve any exceptional bonuses.

Other activities

We 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 Annual Reports 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. This was then reapproved at the 2022 AGM.
- 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.



Urban Exchange, Manchester

CORPORATE GOVERNANCE

Directors' Remuneration Report continued

Implementation of the Remuneration Policy in 2026

- 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 2026 meeting of the Remuneration Committee. These bonuses will be paid during the year ending 30 June 2027.
- There were no exceptional bonuses paid during the year.
- 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 2025.

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.

Remuneration Policy Report

The Remuneration Committee implements the Group's Remuneration 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 and does not provide for a retirement age. Ben Ziff, Stewart MacNeill and Craig Burrow have service contracts with one year's, six months' and six months' notice respectively. These three contracts provide for retirement at 65. 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 Director 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

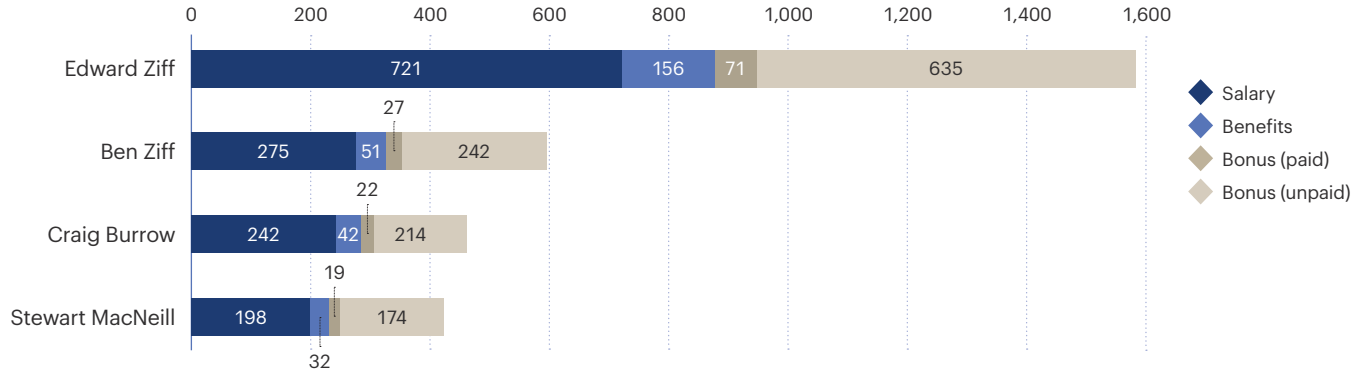
The Non-Executive Directors do not have service contracts. They are appointed for an initial three-year period and are now up for re-election on an annual basis. The Non-Executive Directors are not entitled to participate in bonus or share-based payment schemes and do not receive any other benefits.

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 2026 (£'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 2026 and 30 June 2025.

		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	**2026**	**721**	**154**	**–**	**71**	**2**	**948**	**875**	**73**
	2025	705	221	–	146	2	1,074	926	148
Executive Directors									
C B A Ziff	**2026**	**275**	**13**	**36**	**27**	**2**	**353**	**324**	**29**
	2025	267	9	35	177	2	490	311	179
C Burrow	**2026**	**242**	**9**	**31**	**22**	**2**	**307**	**282**	**24**
	2025	235	4	31	22	2	294	270	24
S MacNeill	**2026**	**198**	**4**	**26**	**19**	**2**	**249**	**228**	**21**
	2025	192	2	25	42	2	263	219	44
	2026	**1,437**	**180**	**93**	**139**	**8**	**1,857**	**1,710**	**147**
	2025	1,399	236	90	387	8	2,120	1,725	395
Non-Executive Directors									
M A Ziff	**2026**	**59**	**–**	**–**	**–**	**–**	**59**	**59**	**–**
	2025	57	–	–	–	–	57	57	–
P Huberman	**2026**	**64**	**–**	**–**	**–**	**–**	**64**	**64**	**–**
	2025	62	–	–	–	–	62	62	–
I Marcus	**2026**	**64**	**–**	**–**	**–**	**–**	**64**	**64**	**–**
	2025	62	–	–	–	–	62	62	–
	2026	**187**	**–**	**–**	**–**	**–**	**187**	**187**	**–**
	2025	181	–	–	–	–	181	181	–
	2026	**1,623**	**180**	**93**	**139**	**8**	**2,044**	**1,896**	**147**
	2025	1,580	236	90	387	8	2,301	1,906	395

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 2025

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

During the year ended 30 June 2026, all Executive Directors received a bonus equalling 10% of base salary relating to the performance of the Company in the year ended 30 June 2025. The decision to award these bonuses was deferred until after the year-end, once the draft results of the Company were better known.

There were no exceptional bonuses paid in the year ended 30 June 2026.

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 2026 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, paid between June 2026 and November 2026. 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 2026. For illustration, based on the share price as at 30 June 2026, this would equate to each Director receiving 1,565 partnership shares and 1,565 matching shares. In November 2025 Edward Ziff, Ben Ziff, Stewart MacNeill and Craig Burrow received 1,406 partnership shares and 1,406 matching shares in respect of the 2025 Share Incentive Plan.

The total number of partnership and matching SIP shares beneficially held at 30 June 2026 is shown below:

Executive	Holding of partnership and matching SIP Shares (30 June 2026)
Edward Ziff	13,474
Ben Ziff	13,474
Stewart MacNeill	10,876
Craig Burrow	13,474

Directors' Shareholdings (audited)

The table below sets out the shares held by the Directors as at 30 June 2026:

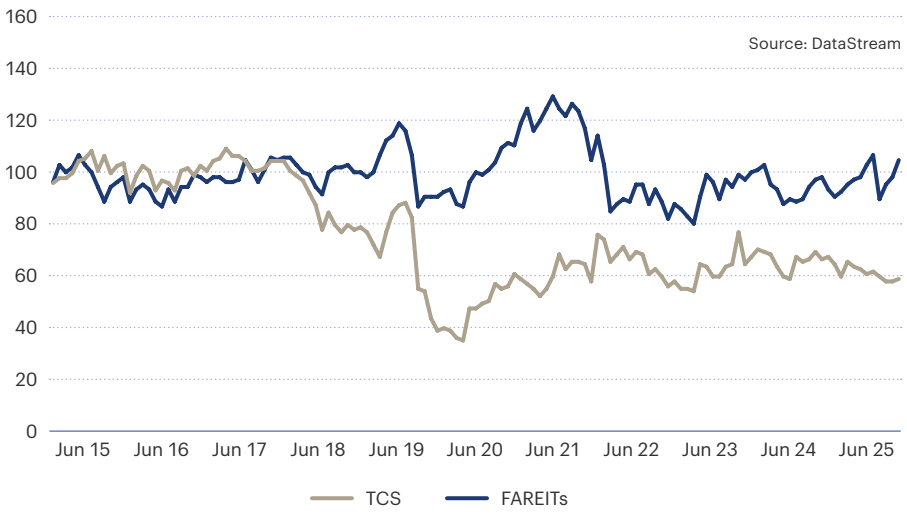
	Beneficial	Non-beneficial
Edward Ziff	5,502,464	10,853,427
Ben Ziff	783,638	–
Stewart MacNeill	10,876	–
Craig Burrow	23,825	–
Michael Ziff	2,299,821	7,443,445

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 2026, TCS Trustees Limited held 121,375 Ordinary Shares (2025: 57,863) 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 2026. 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.



Over the long term, TCS has underperformed FTSE All Share REIT companies. On a 20-year basis, TCS TSR was -3.1% versus the FTSE All Share REIT at -0.7%.

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)
2025/26	**948**	**10%**
2024/25	1,074	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%

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 from 2021 to 2022, from 2022 to 2023, from 2023 to 2024, from 2024 to 2025 and from 2025 to 2026.

Salary change	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025	2025 to 2026
Edward Ziff	7.3%	3.7%	4.5%	12.1%	2.3%
Ben Ziff	8.0%	4.0%	3.7%	3.0%	3.2%
Stewart MacNeill	0.0%	3.3%	10.4%	5.3%	3.0%
Craig Burrow	n/a	n/a	4.0%	3.1%	2.8%
Michael Ziff	4.8%	7.5%	5.1%	2.7%	3.0%
Ian Marcus	4.8%	7.5%	5.0%	3.0%	3.0%
Paul Huberman	4.8%	7.5%	5.0%	3.0%	3.0%
Average employee[1]	**5.4%**	**8.6%**	**(9.8%)**	**11.8%**	**4.1%**

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

Taxable benefits change	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025	2025 to 2026
Edward Ziff	(2.3%)	23.6%	253.5%	17.6%	(30.3%)
Ben Ziff	100.0%	69.9%	10.8%	19.6%	44.4%
Stewart MacNeill	0.0%	7.6%	55.1%	48.4%	100.0%
Craig Burrow	n/a	n/a	196.5%	42.1%	125.0%
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%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

Bonus change	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025	2025 to 2026
Edward Ziff	n/a	(24.9%)	20.0%	(44.7%)	(51.7%)
Ben Ziff	n/a	303.7%	(17.5%)	(51.3%)	(84.8%)
Stewart MacNeill	n/a	37.5%	11.6%	(30.2%)	(53.9%)
Craig Burrow	n/a	n/a	219.5%	(43.0%)	2.3%
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	**n/a**	**n/a**	**(44.1%)**	**(45.5%)**	**50.9%**

CORPORATE GOVERNANCE

Directors' Remuneration Report continued

Relative importance of spend on pay

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

	2025 (£'000)	2026 (£'000)	% change
Staff remuneration costs	7,608	**7,189**	(5.5%)
Dividends to Shareholders	1,054	**2,108**	100.0%

External appointments

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

Implementation of the Remuneration Policy for 2027

The following table outlines how TCS intends to implement the Remuneration Policy in the year ending 30 June 2027.

Component	Implementation for 2027
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 2026, 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 2026.

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 2026:

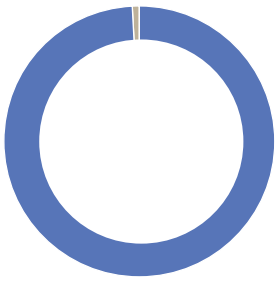
- Ian Marcus
- Paul Huberman

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 2026, 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 2027.
- Approving the salaries for 2026 (cost-of-living increases for three of the Executive Directors).
- Setting the bonus targets for 2027.
- 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 2025 AGM

Annual Report on Remuneration



This report was approved by the Board on 14 October 2026 and signed on its behalf by

Ian Marcus

Chairman of the Remuneration Committee

14 October 2026

Directors' Report

The Directors present their report for the year ended 30 June 2026.

The Corporate Governance Statement on pages 62 to 84 form 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 is listed within the equity shares (commercial companies) category of the London Stock Exchange (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 12 June 2026. The Directors now propose a payment of a final dividend of 2.5p per share, all 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 7 January 2027 to Ordinary Shareholders on the register at the close of business on 19 December 2026. The ex-dividend date will be 18 December 2026.

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 and Colliers as at 30 June 2026, 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 arising from financial instruments are considered to be trade debtors, lease liabilities and borrowings, which are set out in further detail on pages 122 to 124.

Share capital

There were no changes in the Company's issued share capital during the year. At 30 June 2026, 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 2026.

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 (2025: 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 and 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 80.

CORPORATE GOVERNANCE

Directors' Report continued

Beneficial and non-beneficial interests of the Directors in the shares of the Company as at 30 June 2026 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. In accordance with the UK Corporate Governance Code, all Directors will retire at the Company's AGM on 24 November 2026 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 35.

Emission reporting

The Group's Greenhouse Gas Emissions Statement is included within the Strategic Report on pages 38 and 39.

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.

2026 Annual General Meeting

A Notice of Meeting can be found on pages 141 to 148 explaining the business to be considered at the AGM on 24 November 2026 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

The auditors, Grant Thornton UK LLP, have indicated their willingness to continue in office, and a resolution that they be reappointed 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

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.

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 56.4% of the Company's voting rights.

The Board confirms that, since the entry into the relationship agreement and until 13 October 2026, 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 13 October 2026, being the last practicable date, 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 Concert Party	23,756,882	56.35%
New Fortress Finance Holdings Limited	4,085,380	9.69%

Post-balance sheet events

There have been no post-balance sheet events since 30 June 2026.

By order of the Board

Edward Ziff OBE DL
Chairman & Chief Executive
14 October 2026

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 2026 was approved by the Board on 14 October 2026.

For and on behalf of the Board

Edward Ziff OBE DL
Chairman & Chief Executive
14 October 2026

FINANCIAL STATEMENTS

Independent Auditor's Report

to the members of Town Centre Securities Plc

Opinion

Our opinion on the financial statements is unmodified

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 2026, which comprise Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement, Notes to the Consolidated Financial Statements, Company Balance Sheet, Company Statement of Changes in Equity and Notes to the Company Financial Statements, including a summary of significant accounting policies. 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 UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2026 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the parent company to cease to continue as a going concern.

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included obtaining management's going concern assessment covering the period to 31 October 2027 and performing the following procedures:

- Obtained management's going concern assessment and going concern cash flow model, comprising base case and downside scenario forecasts for a period of at least 12 months following the expected signing of the financial statements, along with supporting evidence for all key trading, working capital and cash flow assumptions;
- Obtained management's reverse stress test scenario, reflecting a severe yet plausible change in key assumptions such as decline in revenue, and corroborated that identified mitigating factors are controllable and achievable;
- Performed arithmetical accuracy procedures on the going concern model, including verifying the inputs used and consistency of figures across the model;
- Assessed the robustness of forecasts, including management's ability to accurately forecast, by comparing historic forecasts to actuals in the context of our understanding of the group's operations;
- Considered whether management appropriately incorporated the impact of wider economic challenges such as inflation, increases in NI and minimum wage, corroborating evidence provided by management to quantify these impacts;
- Assessed forecast compliance with financial covenants related to the Group's borrowings, including an assessment of their sensitivity to changes in key assumptions;
- Considered and inquired whether management and those charged with governance are aware of events or conditions beyond the period of management's assessment that may cast significant doubt on the group's ability to continue as a going concern; and
- Assessed the disclosures made within the financial statements for consistency with management's assessment of going concern and whether they are in line with the requirements of the accounting standards.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the parent company's business model including effects arising from macro-economic uncertainties such as the recent inflationary environment, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and parent company's financial resources or ability to continue operations over the going concern period.

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.

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

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. Our approach to the audit

Grant Thornton



Overview of our audit approach

Overall materiality:

Group: £2,672,000, which represents 1% of the group's total assets at planning.

Parent company: £8,901,000, which represents 2% of the parent company's total assets. Parent company component materiality has been capped at an amount less than group materiality for group audit purposes.

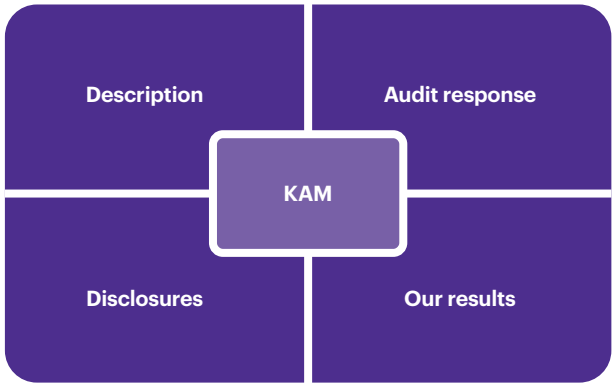
A key audit matter in the group and parent company financial statements was identified as the carrying value of investment properties.

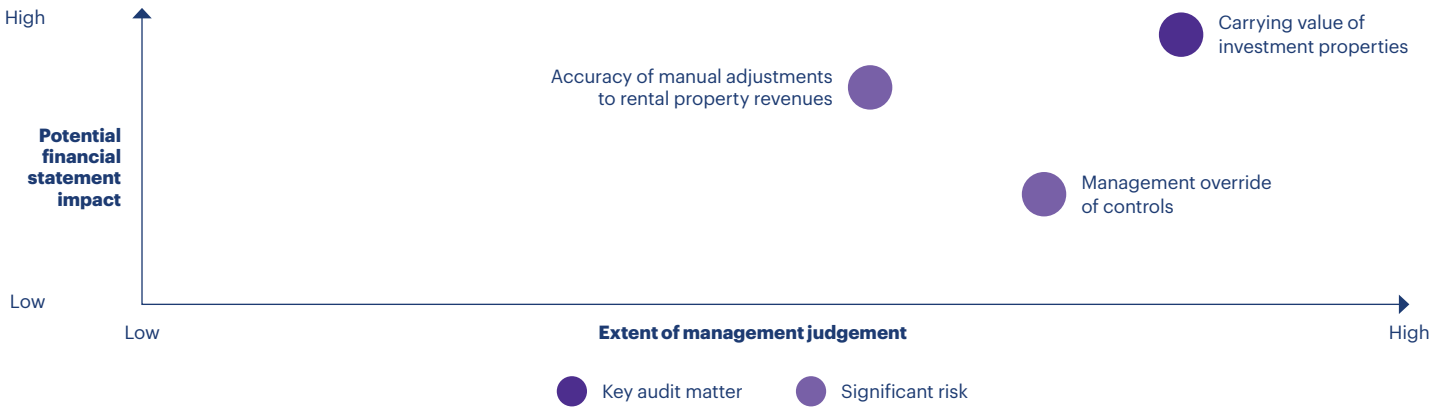
We performed audit procedures on the entire financial information (full-scope audit) of three components, and audits of one or more account balances, classes of transactions or disclosures of the component (specified procedures) for three components. We performed analytical procedures at group level (analytical procedures) on the remaining components of the group.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that 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.

In the graph below, we have presented the key audit matters and significant risks relevant to the audit. This is not a complete list of all risks identified by our audit.





FINANCIAL STATEMENTS

Independent Auditor's Report continued

to the members of Town Centre Securities Plc

Key Audit Matter	How our scope addressed the matter
Carrying value for investment properties We identified the carrying value of investment properties as one of the most significant assessed risks of material misstatement due to fraud or error. The valuation of the group's property portfolio was identified as a significant risk given the valuation is inherently subjective due to, among other factors, the individual nature of each property, its location and the expected future income streams for that particular property. We have pinpointed our significant risk to the judgmental assumptions used by the valuer that could be subject to error or to undue influence by management, namely yields, ability of tenants to settle their rent obligations, any rent-free periods or concessions and estimated market rent.	In responding to the key audit matter, we performed the following audit procedures: • Performed a walkthrough and obtained an understanding of the processes and relevant controls in place in relation to the valuation process of investment properties; • Obtained the valuation reports prepared by management's experts - CBRE and Colliers for each of the properties to confirm that the valuation approach for each property is appropriate and consistent with the prior year; • Met with the asset managers to understand their views on economic trends, performance of assets, leasing events and any difficulties which may have occurred since the prior year to corroborate the reasoning behind movements in the valuations per the expert's report; • Met with management's experts, with support from our internal valuation expert, to gain a further understanding of assumptions adopted by management's experts; • Visited a sample of the group's assets to further our understanding of the nature of the assets and to support appropriate challenge; • Challenged key valuation assumptions using our internal property valuation experts, including the basis of valuation, yield rate, rental and lease assumptions and tenant covenant strength to support the year end valuations at fair value. This was also performed on assets held under directors' valuation; • Evaluated the appropriateness of the work of the management expert and concluded on the expert's objectivity, competency, and capability in accordance with ISA 620; and • Reviewed disclosures to ensure in line with the requirements of IAS 40 and IFRS 13.
Relevant disclosures in the Annual Report • Financial statements: Note 12 (A) Investment properties, (B) Freehold and leasehold properties – car park activities and (C) Freehold properties – hotel operations.	**Our results** Based on our audit work, we did not identify any material misstatements in the carrying value of investment properties.

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

Materiality was determined as follows:

Materiality measure	Group	Parent company
Materiality for financial statements as a whole	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	£2,672,000 (2025: £2,700,000) which represents 1% of total assets at planning. The range of component materiality used across the group was £1,469,000 to £2,538,400.	£8,901,000 (2025: £850,000), which represents 2% of total assets.
Significant judgements made by auditor in determining the materiality	In determining materiality, we made the following significant judgements: • The group's total assets is considered the most appropriate benchmark because it is a key measure of performance for users of the financial statements. Materiality for the current year is higher than the level that was determined for the year ended 30 June 2025 due to an increase in total assets.	In determining materiality, we made the following significant judgements: • The company's total assets is considered the most appropriate benchmark because it is a key measure of performance for users of the financial statements. Materiality for the current year is higher than the level that was determined for the year ended 30 June 2025 due to a change in the underlying benchmark percentage from 1% to 2% of total assets as well as the removal of exclusion of investment and intercompany balances.

Materiality measure	Group	Parent company
Performance materiality used to drive the extent of our testing	We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.	
Performance materiality threshold	£1,870,400 (2025: £1,900,000), which is 70% (2025: 70%) of financial statement materiality. The range of component performance materialities used across the group was £1,028,720 to £1,776,880.	£6,230,700 (2025: £600,000), which is 70% (2025: 70%) of financial statement materiality.
Significant judgements made by auditor in determining the performance materiality	In determining performance materiality, we made the following significant judgements: • The strength of the control environment based on our assessment of the design and implementation of controls in the current year planning procedures; • The level of misstatements identified in previous audits; and • Whether significant issues were noted in the prior year, through the predecessor auditor review, that have not been addressed or are expected to reoccur. In determining component performance materiality, we made the following significant judgements: • Extent of disaggregation of financial information across components, including the relative risk and size of a component to the group. For each component in scope for our group audit, we allocated a performance materiality that is less than our overall group performance materiality.	In determining performance materiality, we made the following significant judgements: • The strength of the control environment based on our assessment of the design and implementation of controls in the current year planning procedures; • The level of misstatements identified in previous audits; and • Whether significant issues were noted in the prior year, through the predecessor auditor review, that have not been addressed or are expected to reoccur.
Specific materiality	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.	
Specific materiality	We determined a lower level of specific materiality for the following areas: • Revenue • Property expenses • Administrative expenses; and • Other income. As a result, we determined specific materiality at the group level for these items to be £320,000 (2025: £220,000). This is based on 1% of revenue (2025: 8% of profit before tax adjusted for fair value movements). As a result, we determined specific materiality at the parent level for these items to be £210,000 (2025: £215,000). This is based on 1% of revenue (2025: 8% of profit before tax adjusted for fair value movements). We further applied a performance materiality level of 70% (2025: 70%) of specific materiality to ensure that the risk of errors exceeding specific materiality was appropriately mitigated and based on the same rationale as above. We also determined a lower level of specific materiality for the following areas: Directors' and key management remuneration	
Communication of misstatements to the audit committee	We determine a threshold for reporting unadjusted differences to the audit committee.	
Threshold for communication	£133,600 (2025: £135,000), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£445,050 (2025: £135,000), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

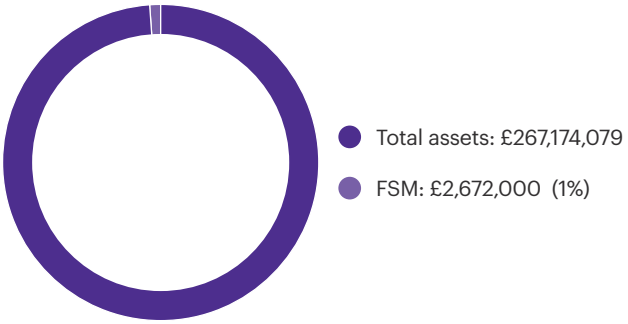
FINANCIAL STATEMENTS

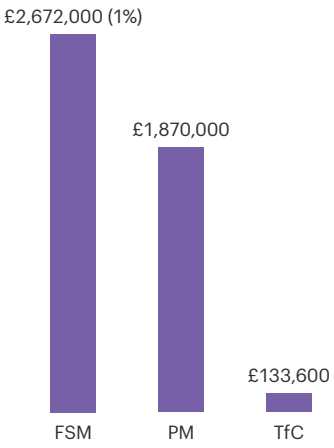
Independent Auditor's Report continued

to the members of Town Centre Securities Plc

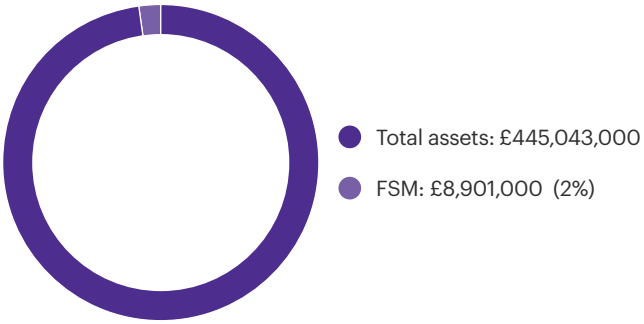
The graph below illustrates how performance materiality interacts with our overall materiality and the threshold for communication to the audit committee.

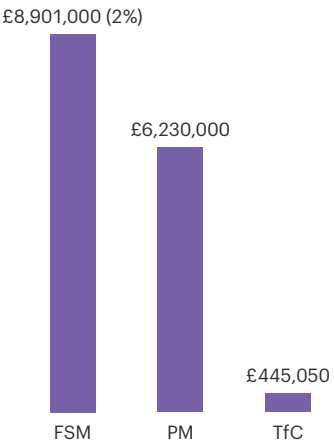
Overall materiality – Group





Overall materiality – Parent company





FSM: Financial statement materiality, PM: Performance materiality, TfC: Threshold for communication to the **audit committee**.

An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the group's and parent company's business and in particular matters related to:

Understanding the group, its components, their environments, and its system of internal control including common controls

The engagement team obtained an understanding of the group and its environment, including the controls and the assessed risks of material misstatement. We performed an evaluation of the internal control environment, including the company's IT systems and controls.

Identifying components at which to perform audit procedures

We have determined the components at which to perform further audit procedures, by considering the following:

- components in scope for further audit procedures due to individually including a risk of material misstatement to the group financial statements due to the component's nature or circumstances
- components in scope for further audit procedures due to the nature and size of assets, liabilities and transactions at the component (being of financial significance to one or more scoped items that it is required to be in scope)
- components in scope for further audit procedures to obtain sufficient appropriate audit evidence for significant classes of transactions, account balances and disclosures, or for unpredictability

Work to be performed on financial information of parent company and other components (including how it addressed the key audit matters)

In order to address the audit risks identified during our planning procedures, the group engagement team determined that the following audit procedures were necessary:

- full-scope audits on the financial statements of three components, being Town Centre Securities Plc (parent company), TCS Holdings Limited and Town Centre Car Parks Limited;
- specific scope procedures were performed on four components, Baysentry Solutions Limited, Merrion Hotel Limited, Merrion House LLP and BLG (Burlington House) Limited. This was in order to obtain sufficient appropriate audit evidence in respect of the financial statement line items considered to be of financial significance; and
- analytical review on the remaining components.

Performance of our audit

In total, coverage over total assets amounts to 87%, revenue amounts to 84% and profit before tax amounts to 73%.

Further audit procedures performed on components subject to specific scope and specified procedures may not have included testing of all significant account balances of such components, but further audit procedures were performed on specific accounts within that component that we, the group auditor, considered had the potential for the greatest impact on the group financial statements either due to risk, size or coverage.

The components within the scope of further audit procedures accounted for the following percentages of the group's results, including the key audit matters identified:

Audit approach	No. of components	% coverage total assets	% coverage revenue	% coverage PBT (absolute PBT)
Full-scope audit	3	70	66	66
Specific scope procedures	4	17	18	7
Full-scope and specific scope procedures coverage	**7**	**87**	**84**	**73**
Analytical procedures	17	13	16	27
Total	**24**	**100**	**100**	**100**

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the parent company 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

Our opinions on other matters prescribed by the Companies Act 2006 are unmodified

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and the 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.

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.

Corporate governance statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

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:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified as 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 as set out on page 56;
- the director's 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;
- the directors' statement on fair, balanced and understandable as set out on page 71;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks as set out on page 71;
- the section of the annual report that describes the review of the effectiveness of risk management and internal control systems as set out on page 71; and
- the section describing the work of the audit committee as set out on page 74.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement 87, 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 parent company 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 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the parent company financial statements

Our objectives are to obtain reasonable assurance about whether the parent company 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 parent company financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and determined that the following laws and regulations were most significant: International Financial Reporting Standards, IFRIC Interpretations, Companies Act 2006, Listing Rules and the UK Corporate Governance Code;
- Additionally, we conducted enquiries regarding known or suspected fraud with management, the board of directors, the finance team and the Audit Committee and assessed the group's policies and procedures for compliance with laws, detection of fraud risks, and the establishment of internal controls;
- We obtained an understanding of how the group is complying with those legal and regulatory frameworks by making enquiries of management, those responsible for legal and compliance procedures and the company secretary. Our findings were corroborated by review of the board minutes and papers provided to the Audit Committee;
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
  - Obtaining an understanding of how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - Challenging assumptions and judgements made by management in its significant accounting estimates;
  - Identifying and testing journal entries with a focus on journals indicating large or unusual transactions or account combinations based on our understanding of the business, including material journal entries impacting the profit and loss accounts as well as journal entries posted by key management personnel;
  - Applying audit data analytics techniques across the costs of goods sold population to match revenue recorded to cost of goods sold and investigating and corroborating any unexpected exceptions;
  - Assessing matters reported through the company's whistleblowing programme and the results of management's investigation of such matters; and
  - Identifying and assessing the design and implementation of controls management has in place to prevent and detect fraud.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit; and
- The engagement partner assessed the appropriateness of the collective competence and capabilities of the engagement team, by considering the engagement team's understanding of, and practical experience with, audit engagements of a similar nature and complexity. We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the parent company financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

FINANCIAL STATEMENTS

Independent Auditor's Report continued

to the members of Town Centre Securities Plc

Other matters which we are required to address

We were appointed by the audit committee on 25 November 2025 to audit the financial statements for the year ending 30 June 2026. Our total uninterrupted period of engagement is 1 year, covering the year ended 30 June 2026 only.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

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

Elizabeth Collins BSc (Hons) ACA

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

14 October 2026

Consolidated Income Statement

for the year ended 30 June 2026

	Notes	2026 £'000	2025 £'000
Gross revenue (excluding service charge income)	3	**31,139**	29,757
Service charge income	3	**3,062**	2,935
Gross revenue	3	**34,201**	32,692
Service charge expenses	3	**(4,319)**	(4,310)
Property expenses	3	**(13,986)**	(13,516)
Net revenue		**15,896**	14,866
Administrative expenses	4	**(7,138)**	(7,512)
Other income	7	**1,102**	1,937
Valuation movement on investment properties	12	**(1,504)**	(2,214)
Impairment of car parking assets	12	**(1,074)**	(2,697)
Impairment of goodwill	13	**(979)**	(772)
Loss on disposal of investments		**(145)**	(87)
Loss on disposal of investment properties		**(132)**	–
Profit on disposal of freehold and leasehold properties	12(B)	**–**	1,762
Share of post-tax profits from joint ventures	14	**1,110**	1,057
Operating profit		**7,136**	6,340
Finance costs	8	**(7,481)**	(7,423)
Finance income	8	**–**	18
Loss before taxation		**(345)**	(1,065)
Taxation	9	**(1,015)**	(2,381)
Loss for the year attributable to owners of the Parent		**(1,360)**	(3,446)
Earnings per share			
Basic and diluted	11	**(3.2p)**	(8.2p)
EPRA (non-GAAP measure)	11	**6.9p**	4.2p
Dividends per share			
Paid during the year	10	**5.0p**	2.5p
Proposed	10	**2.5p**	2.5p

Consolidated Statement of Comprehensive Income

for the year ended 30 June 2026

		2026 £'000	2025 £'000
Loss for the year		**(1,360)**	(3,446)
Items that will not be subsequently reclassified to profit or loss			
Revaluation losses on car parking assets	12	**(154)**	(656)
Revaluation (losses)/gains on hotel assets	12	**(458)**	542
Revaluation gains/(losses) on other investments	15	**489**	(706)
Deferred tax on freehold car park valuation losses		**50**	178
Total other comprehensive loss		**(73)**	(642)
Total comprehensive loss for the year		**(1,433)**	(4,088)

All profit and total comprehensive income for the year is attributable to owners of the Parent. The Notes on pages 101 to 129 are an integral part of these Consolidated Financial Statements.

FINANCIAL STATEMENTS

Consolidated Balance Sheet

as at 30 June 2026

	Notes	2026 £'000	2025 £'000
Non-current assets			
Property rental			
Investment properties	12	**189,896**	183,092
Investments in joint ventures	14	**6,573**	5,636
		196,469	188,728
Car park activities			
Freehold and leasehold properties	12	**52,557**	52,470
Goodwill and intangible assets	13	**1,289**	2,430
		53,846	54,900
Hotel operations			
Freehold properties	12	**9,500**	10,200
		9,500	10,200
Fixtures, equipment and motor vehicles	12	**1,501**	1,613
Investments	15	**7,132**	3,259
Deferred tax assets	19	**–**	939
Total non-current assets		**268,448**	259,639
Current assets			
Trade and other receivables	16	**4,815**	3,802
Cash and cash equivalents		**16,214**	17,990
Total current assets		**21,029**	21,792
Total assets		**289,477**	281,431
Current liabilities			
Trade and other payables	17	**(13,215)**	(11,229)
Bank overdrafts		**(15,303)**	(18,375)
Borrowings and lease liabilities	18	**(29,041)**	(12,620)
Total current liabilities		**(57,559)**	(42,224)
Non-current liabilities			
Borrowings and lease liabilities	18	**(123,150)**	(126,905)
Deferred tax liabilities	19	**(7)**	–
Total non-current liabilities		**(123,157)**	(126,905)
Total liabilities		**(180,716)**	(169,129)
Net assets		**108,761**	112,302
Equity attributable to the owners of the Parent			
Called up share capital	24	**10,540**	10,540
Share premium account		**200**	200
Capital redemption reserve		**3,309**	3,309
Revaluation reserve		**3,686**	4,248
Retained earnings		**91,026**	94,005
Total equity		**108,761**	112,302
Net asset value per share	22	**258p**	266p

Company number: 00623364

The financial statements on pages 97 to 129 were approved by the Board of Directors on 14 October 2026 and signed on its behalf by

E M Ziff

Chairman and Chief Executive

Consolidated Statement of Changes in Equity

for the year ended 30 June 2026

	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 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 loss	–	–	–	64	(706)	(642)
Total comprehensive 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
Comprehensive income for the year						
Loss for the year	–	–	–	–	**(1,360)**	**(1,360)**
Other comprehensive (loss)/income	–	–	–	**(562)**	**489**	**(73)**
Total comprehensive loss for the year	–	–	–	**(562)**	**(871)**	**(1,433)**
Contributions by and distributions to owners						
Final dividend relating to the year ended 30 June 2025	–	–	–	–	**(1,054)**	**(1,054)**
Interim dividend relating to the year ended 30 June 2026	–	–	–	–	**(1,054)**	**(1,054)**
Balance at 30 June 2026	**10,540**	**200**	**3,309**	**3,686**	**91,026**	**108,761**

FINANCIAL STATEMENTS

Consolidated Cash Flow Statement

for the year ended 30 June 2026

	Notes	2026 £'000	2026 £'000	2025 £'000	2025 £'000
Cash flows from operating activities					
Cash generated from operations	25	**12,681**		9,471	
Interest received	8	**–**		18	
Interest paid	8	**(6,419)**		(6,186)	
Corporation tax paid	9	**(19)**		(59)	
Net cash generated from operating activities			**6,243**		3,244
Cash flows from investing activities					
Purchase and construction of investment properties	12	**(5,571)**		–	
Refurbishment of investment, freehold and leasehold properties	12	**(2,918)**		(4,183)	
Purchases of fixtures, equipment and motor vehicles	12(D)	**(462)**		(645)	
Proceeds from sale of investments	15	**48**		3,095	
Proceeds from sale of fixtures, equipment and motor vehicles	12(D)	**–**		131	
Distributions received from joint ventures	14	**173**		173	
Purchase of investments		**(3,769)**		–	
Purchase of subsidiary, net of cash acquired	13	**–**		(496)	
Net cash used in investing activities			**(12,499)**		(1,925)
Cash flows from financing activities					
Proceeds from non-current borrowings	18	**17,000**		–	
Repayment of non-current borrowings	18	**(5,401)**		(100)	
Arrangement fees paid	18	**(231)**		(163)	
Principal element of lease payments	18	**(1,707)**		(1,780)	
Dividends paid to Shareholders	10	**(2,108)**		(1,054)	
Net cash generated from/(used in) financing activities			**7,553**		(3,097)
Net increase/(decrease) in cash and cash equivalents			**1,297**		(1,778)
Cash and cash equivalents at beginning of the year			**(386)**		1,392
Cash and cash equivalents at end of the year			**911**		(386)
Cash and cash equivalents at the year end are comprised of the following:					
Cash balances			**16,214**		17,989
Overdrawn balances			**(15,303)**		(18,375)
			911		(386)

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 2026 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 and function 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

Some accounting pronouncements which have become effective from 1 July 2025 and have therefore been adopted do not have a significant impact on the Group's financial results or position.

New and revised accounting standards not yet effective

At the date of authorisation of these consolidated financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB or IFRIC. None of these Standards or amendments to existing Standards have been adopted early by the Group and no Interpretations have been issued that are applicable and need to be taken into consideration by the Group at either reporting date.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 'Presentation of Financial Statements'. Although IFRS 18 includes many of the requirements of IAS 1, it introduces new requirements to better structure financial statements and to provide more detailed and useful information to investors, including:

- two new subtotals defined in the statement of profit or loss, namely (1) operating profit and (2) profit or loss before financing and income taxes
- the classification of all income and expenses within the statement of profit or loss in one of five categories
- a new requirement to disclose performance measures defined by management, and
- an improvement in the principles related to the aggregation and disaggregation of information in the financial statements and accompanying notes.

Some of the disclosure requirements previously contained in IAS 1 have been transferred to IAS 8 without any material changes. This applies in particular to disclosures on accounting policies and sources of estimation uncertainty. As a result of these changes, IAS 8 will be renamed 'Basis of Preparation of Financial Statements'.

The publication of IFRS 18 also results in consequential amendments to other IFRS Accounting Standards, including IAS 7.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

1. Accounting policies continued

IFRS 18 is effective for annual periods beginning on or after 1 January 2027, with earlier application permitted. IFRS 18 will be applied retrospectively with specific transitional provisions.

The Group is currently working to identify all of the impacts that IFRS 18 will have on the primary financial statements and notes to the financial statements.

Other new Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's consolidated financial statements.

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 a £77.1m 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 December 2026 and June 2029. Each of the debt facilities is ring-fenced within security sub-pools of assets charged to the respective lender.

At the year end the Group has one bank facility falling due for repayment in December 2026 and one in June 2027, both within the going concern period. These facilities have been extended by twelve months each, with expiries now in December 2027 and June 2028 respectively. The Group is looking to renew this facility for a further three-year term (with the option for two further one year extensions) extending its expiry date to December 2029 at a minimum. The amount outstanding under this facility is currently £10.0m with a property portfolio valued at £23.2m secured against it. If the facility is not renewed, the Group will utilise existing headroom within its remaining facilities, of which £14.9m is available to draw, to repay the outstanding amount.

One other bank facility falls due for repayment in June 2028, which is outside of the Going Concern period, but within the viability period.

As at the date of this report, the Group has drawn in aggregate, under all three RCFs, total borrowings of £32.75m.

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 2026 was £15.0m (2025: £24.6m). Overall, the properties secured under the Group's debt facilities would need to fall 20.1% 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 £14.9m and 20.0% respectively.

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 217% on the Lloyds facility up to 395% on the Handelsbanken 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 2027. 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 cashflows 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 £9.2m, which compares to a minimum of £9.7m under the downside scenario (which counters reduced revenue by restricting capital and ongoing expenditure). The significant downside case applied a total discount of 6% to rental income receipts and a 15% discount to budgeted car park income levels. The cash headroom in the Group did not go negative in the period to June 2029 and none of the other financial covenants were 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. This breach is forecast to occur in Q4 of FY27 and last until Q2 of FY28 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 and hotel businesses are trading ahead of expectation, and this is expected to continue.

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 2027. 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 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 in the Risk Report.

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 it 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 additional 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

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The Group operates in four business segments comprising property rental, car park operations, hotel operations and in 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.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

1. Accounting policies continued

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 take 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.

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 group acts as 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 as 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 exceed 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.

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

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, twelve 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.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

1. Accounting policies continued

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.

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 twelve months after the balance sheet date. Covenants that the group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the group is required to comply with after the reporting period do not affect the classification at the reporting 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 2026 (and 30 June 2025 respectively) has meant that the cash and overdraft balances have been presented on a gross basis.

Leased (Right-of-use) assets (where 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 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 re-assesses 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 renegotiated 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 re-measured 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 (group acts as 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 head lease 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. Net off is only performed in the instances where there are assets and liabilities within the same entity or geographical location. The tax rates used to determine deferred tax are those enacted or substantively enacted at the balance sheet date that are expected to apply when the deferred tax asset or liability are realised.

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

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

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

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

Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of the incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

- Turnover rents are based on underlying turnover and are recognised in the period to which the turnover relates.
- Rent reviews are recognised in the period to which they relate, provided they have been agreed or are otherwise on agreement.
- 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 income is recognised at point of sale of the space. 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) Enforcement income

Revenue from parking charge notices (PCNs) are recognised in issue, based on the expected value of receipts, having regard to historical collection rates and ageing. The company bases its estimate of expected receipts on historical results, taking into account the historical collection rates, refund rates, the number of PCNs issued and the historic payment values. These factors are reviewed and updated periodically.

(d) Hotel income

The Group's performance obligation is to provide accommodation to guests. Revenue includes rooms revenue and food and beverage, which are recognised when the rooms are occupied and food and beverage are sold. Guest deposits received in advance of hotel stays are recorded as deferred revenue in the Group statement of financial position. They are recognised as revenue along with any balancing payment from the guest when the associated stay occurs. The Group is acting as principal and travel agency commissions are recognised in cost of sales.

(e) Interest income

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

(f) 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.

(g) 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 and cumulative revaluation movement on investments, 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

Management closely monitor the risk of tenants being unable to satisfy their lease obligations and recognise provision for receivable impairment as appropriate, in line with the Group's rental income policy. Whether an amount is considered to be recoverable 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 (£16,214,000 at 30 June 2026 and £17,990,000 at 30 June 2025) – 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 (£2,138,000 at 30 June 2026 and £1,671,000 at 30 June 2025) – 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 2026, 74.7% (2025: 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.

(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.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

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. 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. During the year the Group invested $5.0m in MWH 1 LLC, a US real estate limited liability company managed by MWH 1 Manager LLC (the "Managing Member"). At the year end the Group held 82% of the company's member interests, which gives rise to a rebuttable presumption of significant influence under IAS 28. Management has concluded that the Group does not have significant influence over MWH 1 LLC and has therefore not accounted for it as an associate. In reaching this judgement, management considered the Group's contractual rights. These are limited to consent rights over specified extraordinary matters, including large acquisitions and disposals, borrowings above defined thresholds and transactions that would change control of the company, together with a for-cause right to remove the Managing Member and a priority distribution entitlement. Management considers these to be protective rights that safeguard the Group's capital rather than rights that allow it to participate in financial and operating policy decisions. The Managing Member retains sole discretion over day-to-day management, the leasing and operation of properties, and the timing and amount of distributions. The Group has no representation on a governing body, no involvement in the appointment of management, no interchange of managerial personnel and no right to provide essential technical information. The investment is therefore accounted for as a financial asset under IFRS 9. This is a significant judgement because the presumption of significant influence has been rebutted. Had the Group concluded that it had significant influence, the investment would have been accounted for using the equity method, and the Group would have recognised its share of the results and net assets of MWH 1 LLC.

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 and liabilities

	2026 £'000	2025 £'000
Assets		
Property rental	**198,498**	193,698
Car park activities	**57,140**	56,284
Hotel operations	**10,493**	10,200
Investments	**7,132**	3,259
Unallocated	**16,214**	17,990
Total assets	**289,477**	281,431
Liabilities		
Property rental	**(10,225)**	(8,740)
Car park activities	**(32,838)**	(31,277)
Hotel operations	**(684)**	(704)
Investments	**–**	–
Unallocated	**(136,969)**	(128,408)
Total liabilities	**(180,716)**	(169,129)
Net assets	**108,761**	112,302

Unallocated assets primarily represent cash held in various bank accounts that are pooled across the group and aren't allocated to a specific segment. These have been reclassified from the Property Rental segment in the 2025 figures.

(B) Segmental results

	2026					2025				
	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)	**12,397**	**15,398**	**3,344**	**–**	**31,139**	12,442	13,978	3,337	–	29,757
Service charge income	**3,062**	**–**	**–**	**–**	**3,062**	2,935	–	–	–	2,935
Gross revenue	**15,459**	**15,398**	**3,344**	**–**	**34,201**	15,377	13,978	3,337	–	32,692
Service charge expenses	**(4,319)**	**–**	**–**	**–**	**(4,319)**	(4,310)	–	–	–	(4,310)
Property expenses	**(1,912)**	**(9,161)**	**(2,913)**	**–**	**(13,986)**	(2,290)	(8,444)	(2,782)	–	(13,516)
Net revenue	**9,228**	**6,237**	**431**	**–**	**15,896**	8,777	5,534	555	–	14,866
Administrative expenses	**(5,469)**	**(1,669)**	**–**	**–**	**(7,138)**	(5,711)	(1,801)	–	–	(7,512)
Other income	**1,049**	**7**	**–**	**46**	**1,102**	1,864	30		43	1,937
Share of post-tax profits from joint ventures	**1,085**	**–**	**–**	**–**	**1,085**	1,057	–	–	–	1,057
Operating profit before valuation movements	**5,893**	**4,575**	**431**	**46**	**10,945**	5,987	3,763	555	43	10,348
Valuation movement on investment properties	**(1,504)**	**–**	**–**	**–**	**(1,504)**	(2,214)	–	–	–	(2,214)
Impairment of car parking assets	**–**	**(1,074)**	**–**	**–**	**(1,074)**	–	(2,697)	–	–	(2,697)
Impairment of goodwill	**–**	**(979)**	**–**	**–**	**(979)**	–	(772)	–	–	(772)
Loss on disposal of investments	**–**	**–**	**–**	**(145)**	**(145)**	–	–	–	(87)	(87)
Loss on disposal of investment properties	**(132)**	**–**	**–**	**–**	**(132)**	–	–	–	–	–
Profit on disposal of freehold and leasehold properties	**–**	**–**	**–**	**–**	**–**	–	1,762	–	–	1,762
Valuation movement on joint venture properties	**25**	**–**	**–**	**–**	**25**	–	–	–	–	–
Operating profit/(loss)	**4,282**	**2,522**	**431**	**(99)**	**7,136**	3,773	2,056	555	(44)	6,340
Finance costs					**(7,481)**					(7,423)
Finance income					**–**					18
Loss before taxation					**(345)**					(1,065)
Taxation					**(1,015)**					(2,381)
Loss for the year					**(1,360)**					(3,446)

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

There are no individual customers that account for more than 10% of revenue.

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 2026, arising from car park operations, was £1,520,000. After allowing for an allocation of administrative expenses, the operating profit at these sites was £1,065,000.

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.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

4. Administrative expenses

	2026 £'000	2025 £'000
Employee benefits	**4,278**	4,427
Depreciation	**194**	172
Charitable donations	**66**	86
Other	**2,600**	2,827
	7,138	7,512

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:

	2026 £'000	2025 £'000
Audit services:		
– Fees payable to the Group auditors' for the audit of the Consolidated and Company Financial Statements	**231**	295
– Audit of the Company's subsidiaries pursuant to legislation	**35**	10
Total audit services	**266**	305
Non-audit services:		
– Other non-audit services	**6**	5
Total non-audit services	**6**	5
Total remuneration of the Company's auditors	**272**	310

6. Employee benefits

	2026 £'000	2025 £'000
Wages and salaries (including Directors' emoluments)	**6,636**	6,593
Social security costs	**863**	743
Other pension costs	**269**	271
	7,768	7,608

Disclosures required by the Companies Act 2006 on Directors' remuneration, including salaries, share options, pension contributions and pension entitlement are included on pages 81 and 82 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 (2025: 155). This represents 48 head office and 107 operational staff (2025: 46 head office and 109 operational staff).

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

Other income	2026 £'000	2025 £'000
Commission received	**123**	196
Dividends received	**46**	43
Service charge management fees	**303**	280
Development management fees	**122**	227
Dilapidations receipts and income relating to surrender premiums	**408**	1,019
Profit on sale of fixed assets	**–**	55
Other	**100**	117
	1,102	1,937

8. Finance costs and finance income

	2026 £'000	2025 £'000
Interest payable on debenture loan stock	**4,347**	4,430
Gain on repurchase of debenture stock	**(159)**	–
Interest payable on bank borrowings	**2,072**	1,756
Amortisation of arrangement fees	**295**	274
Interest expense on lease liabilities	**926**	963
Total finance costs	**7,481**	7,423
Interest receivable on loans to joint ventures	**–**	(5)
Other interest receivable	**–**	(12)
Total finance income	**–**	(18)
Net finance costs	**7,481**	7,405

9. Taxation

	2026 £'000	2025 £'000
Current		
Current year	**–**	–
Adjustments in respect of prior years	**19**	59
	19	59
Deferred tax		
Utilisation of trading losses	**871**	967
Origination and reversal of timing differences	**633**	1,355
Adjustments in respect of prior periods	**(508)**	–
	996	2,322
	1,015	2,381

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

9. Taxation continued

Taxation for the year is higher (2025: higher) than the standard rate of corporation tax in the United Kingdom of 25% (2025: 25%). The differences are explained below:

	2026 £'000	2025 £'000
Loss before taxation	**(345)**	(1,065)
Loss on ordinary activities multiplied by rate of corporation tax in the United Kingdom of 25% (2025: 25%)	**(86)**	(266)
Effects of:		
– Valuation movements on which deferred tax is not recognised	**1,590**	2,344
– Expenses not deductible for tax purposes	**–**	244
– Adjustments in respect of prior years	**(489)**	59
Total taxation charge	**1,015**	2,381

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

	2026 £'000	2025 £'000
2025 interim paid: 2.5p per share	**–**	1,054
2025 final paid: 2.5p per share	**1,054**	–
2026 interim paid: 2.5p per share	**1,054**	–
	2,108	1,054

An interim dividend in respect of the year ended 30 June 2026 of 2.5p per Ordinary Share was paid to Shareholders on 12 June 2026.

A final dividend in respect of the year ended 30 June 2026 of 2.5p per Ordinary Share is proposed. This dividend, based on the shares in issue at 13 October 2026, amounts to £1.054m which has not been reflected in these accounts and will be paid on 7 January 2027 to shareholders on the register on 18 December 2026.

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 (2025: 42,162,679).

	2026		2025	
	Earnings £'000	Earnings per share p	Earnings £'000	Earnings per share p
Loss for the year and earnings per share	**(1,360)**	**(3.2)**	(3,446)	(8.2)
Valuation movement on investment properties	**1,504**	**3.6**	2,214	5.3
Impairment of car parking assets	**1,074**	**2.5**	2,697	6.4
Impairment of goodwill	**979**	**2.3**	772	1.8
Valuation movement on properties held in joint ventures	**(25)**	**–**	–	–
Loss on disposal of investment properties	**132**	**0.3**	–	–
Profit on disposal of freehold and leasehold properties	**–**	**–**	(1,762)	(4.2)
Loss on disposal of investments	**145**	**0.3**	87	0.2
Gain on repurchase of debenture stock	**(159)**	**(0.4)**	–	–
Deferred tax on the above	**633**	**1.5**	1,216	2.9
EPRA earnings and EPRA earnings per share	**2,923**	**6.9**	1,778	4.2

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

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

12. Non-current assets

(A) Investment properties

	Freehold £'000	Right-of-use asset £'000	Development £'000	Total £'000
Valuation at 30 June 2024	151,410	5,116	24,451	180,977
Other capital expenditure	2,405	17	1,760	4,182
Disposals	–	–	–	–
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
Additions at cost	**5,571**	**–**	**–**	**5,571**
Other capital expenditure	**1,793**	**–**	**1,125**	**2,918**
Movement in tenant lease incentives	**(181)**	**–**	**–**	**(181)**
Valuation movement	**1,687**	**(485)**	**(2,706)**	**(1,504)**
Valuation at 30 June 2026	**164,360**	**4,561**	**20,975**	**189,896**

At 30 June 2026, investment property valued at £185,160,000 (2025: £178,095,000) was held as security against the Group's borrowings.

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 £'000	Total £'000
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
Depreciation	**(267)**	**(1,067)**	**(1,334)**
Valuation movement recognised in Other Comprehensive Income	**(154)**	**–**	**(154)**
Other movements – lease reassessments	**–**	**2,649**	**2,649**
Impairment	**(769)**	**(305)**	**(1,074)**
Valuation at 30 June 2026	**23,360**	**29,197**	**52,557**

The lease assessments movement of £2,649,000 (2025: £1,464,000) represents the impact of rent reviews on leasehold assets.

The historical cost of freehold properties and Right-of-use assets relating to car park activities is £30,153,000 (2025: £30,153,000).

At 30 June 2026, freehold properties and Right-of-use assets relating to car park activities valued at £32,763,000 (2025: £33,424,000) were held as security against the Group's borrowings.

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Notes to the Consolidated Financial Statements continued

12. Non-current assets continued

(C) Freehold properties – hotel operations

	Freehold £'000
Valuation at 30 June 2024	9,900
Depreciation	(242)
Valuation movement recognised in Other Comprehensive Income	542
Valuation at 30 June 2025	10,200
Depreciation	**(242)**
Valuation movement recognised in Other Comprehensive Income	**(458)**
Valuation at 30 June 2026	**9,500**

At 30 June 2026, freehold property relating to hotel operations valued at £9,500,000 (2025: £10,200,000) 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 and Colliers. The remainder of the portfolio has been valued by the Directors.

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

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.

There is one residential investment property that is valued at £1.75m based on an assumption of vacant possession. This property is currently subject to an Assured Short-term Tenancy agreement.

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 2026 are set out by category in the table below.

	Passing rent £'000	ERV £'000	Value £'000	Initial yield %	Reversionary yield %
Retail and Leisure	807	1,851	24,940	3.1%	7.0%
Merrion Centre (excluding offices)	4,157	4,147	48,479	8.1%	8.1%
Offices	3,290	4,932	44,541	7.0%	10.5%
Hotels	900	900	9,500	9.0%	9.0%
Out of town retail	543	1,513	15,800	3.3%	9.1%
Residential	1,647	1,853	32,350	4.8%	5.4%
	11,344	**15,196**	**175,610**	**6.1%**	**8.2%**
Development properties			20,975		
Car parks			24,855		
IFRS 16 – Right-of-use assets held within car park activities			29,197		
IFRS 16 – Right-of-use assets held within investment property			1,316		
			251,953		

Car parks above include £1.495m 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 2025 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 property			22,556		
Car parks			26,030		
IFRS 16 – Right-of-use assets held within car park activities			27,920		
IFRS 16 – Right-of-use assets held within investment property			1,316		
			245,762		

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 £175.6m 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 5.1% – £210.0m, Valuation at 7.1% – £150.9m.

Valuation in the Consolidated Balance Sheet at a reversionary yield of 7.2% – £200.1m, Valuation at 9.2% – £156.5m.

Investment properties (development properties)

The key unobservable inputs in the valuation of one of the Group's development properties of £15.2m 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 – £16.0m, 5% decrease in the per acre or per unit value – £14.4m.

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 £23.4m in applying a different yield/discount rate (valuation based on a 8.1% net initial yield) and a different assumed rental value/net income (valuation based on £1.9m) would be as follows:

Valuation in the Consolidated Balance Sheet based on a 1% decrease in the yield/discount rate – £26.7m, 1% increase in the yield/discount rate – £20.8m.

Valuation in the Consolidated Balance Sheet based on a 5% increase in the assumed rental value/net income – £24.6m, 5% decrease in the assumed rental value/net income – £22.2m.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

12. Non-current assets continued

Right-of-use car park activities

The effect on the total valuation of the Group's Right-of-use car park properties of £29.2m 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		
	£m	0%	1%	2%
Discount rate	11%	28.0	31.2	35.0
	12%	26.4	29.2	32.4
	13%	25.0	27.5	30.3

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	128,405	5,560	–	133,965
Externally valued by Colliers	58,250	17,800	9,500	85,550
Investment properties valued by the Directors	1,925	–	–	1,925
Properties held at valuation	188,580	23,360	9,500	221,440
IFRS 16 Right-of-use assets held at depreciated cost	1,316	29,197	–	30,513
	189,896	52,557	9,500	251,953

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 IFRS13 as one or more inputs to the valuation are partly based on unobservable market data. In arriving at their valuation for each property (as in prior years) both the independent external valuers and the Directors have used the actual rent passing and have also formed an opinion as to the two significant unobservable inputs being the market rental for that property and the yield (i.e. the discount rate) which a potential purchaser would apply in arriving at the market value. Both these inputs are arrived at using market comparables for the type, location and condition of the property.

(D) Fixtures, equipment and motor vehicles

	Cost £'000	Depreciation £'000
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
At 1 July 2025	**6,605**	**4,992**
Additions	**462**	**–**
Depreciation	**–**	**574**
At 30 June 2026	**7,067**	**5,566**
Net book value at 30 June 2026		**1,501**

13. Goodwill and intangible assets

	2026 £'000	2025 £'000
Goodwill		
At the start of the year	**2,096**	2,868
Impairment	**(979)**	(772)
At the end of the year	**1,117**	2,096
Intangible assets		
At the start of the year	**334**	24
Additions	**–**	496
Amortisation	**(162)**	(186)
At the end of the year	**172**	334
Total goodwill and intangible assets	**1,289**	2,430

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.

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 life of the asset. The key assumptions used in preparing these cash flow forecasts are an underlying revenue growth rate of 1% (2025: 1%) and a discount rate of 12% (2025: 12%). 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 cashflow 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.

Goodwill amounting to £1,117,000 at 30 June 2026 (30 June 2025: £1,684,000) 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 cashflows 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

	2026 £'000	2025 £'000
At the start of the year	**5,636**	4,752
Valuation movement on investment properties	**25**	–
Share of post-tax profits from joint ventures before valuation movements	**1,085**	1,057
Distributions	**(173)**	(173)
At the end of the year	**6,573**	5,636

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.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

14. Investments in joint ventures continued

The assets and liabilities of Merrion House LLP for the current and previous year are as stated below:

	2026 £'000	2025 £'000
Non-current assets	**55,100**	55,050
Cash and cash equivalents	**708**	274
Receivables and prepayments	**2**	1,028
Trade and other payables	**(640)**	(1,217)
Current financial liabilities	**(1,990)**	(1,839)
Non-current financial liabilities	**(40,034)**	(42,024)
Net assets	**13,146**	11,272

The profits of Merrion House LLP for the current and previous year are as stated below:

	2026 £'000	2025 £'000
Revenue	**3,674**	3,674
Expenses	**(16)**	(10)
Finance costs	**(1,489)**	(1,551)
Valuation movement on investment properties	**50**	–
Net profit	**2,219**	2,113

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

	2026 £'000	2025 £'000
Non-Current Assets		
Listed investments	**3,088**	2,599
Non-Listed investments	**4,044**	660
	7,132	3,259

Listed investments

	2026 £'000	2025 £'000
At start of the year	**2,599**	3,305
Increase/(decrease) in value of investments	**489**	(706)
At the end of the year	**3,088**	2,599

Listed investments relate to an equity shareholding in a company listed on the London Stock Exchange. This is stated at market value in the table above and has a historic cost of £875,000 (2025: £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 IFRS13 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

	2026 £'000	2025 £'000
At the start of the year	**660**	660
Additions	**3,769**	–
Disposals	**(385)**	–
At the end of the year	**4,044**	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.

16. Trade and other receivables

	2026 £'000	2025 £'000
Trade receivables	**2,463**	2,081
Less: provision for impairment of receivables	**(325)**	(410)
	2,138	1,671
Other receivables and prepayments	**2,677**	2,131
	4,815	3,802

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 2026, 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
2026	**2,138**	**2,138**	**–**	**–**	**–**
2025	1,671	1,671	–	–	–

Movements in the Group provision for impairment of trade receivables are as follows:

	2026 £'000	2025 £'000
At the start of the year	**410**	249
Provision for receivables impairment	**230**	508
Receivables written off as uncollectible	**(315)**	(339)
Unused amounts reversed	**–**	(8)
At the end of the year	**325**	410

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Notes to the Consolidated Financial Statements continued

16. Trade and other receivables continued

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
2026	**325**	**–**	**–**	**325**
2025	410	–	–	410

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

	2026 £'000	2025 £'000
Trade payables	**2,810**	1,442
Social security and other taxes	**556**	511
Deferred income	**3,062**	3,028
Accruals	**2,167**	2,443
Other payables	**4,620**	3,805
	13,215	11,229

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.

	2026 £'000	2025 £'000
Current		
Bank borrowings – revolving credit facilities	**28,119**	11,098
Lease liabilities	**922**	1,522
	29,041	12,620
Non-current		
Bank borrowings – revolving credit facilities	**2,396**	2,424
Bank borrowings – single asset facility	**14,086**	14,164
Lease liabilities	**29,610**	27,970
5.375% First mortgage debenture stock	**77,058**	82,347
	123,150	126,905
Total borrowings	**152,191**	139,525

The movement in financial liabilities during the year can be summarised as follows:

	2026 £'000	2025 £'000
At the start of the year	**139,525**	142,713
Cash items		
Borrowings repaid (incl cancellation of debenture stock)	**(5,401)**	(100)
Borrowings drawn down	**17,000**	–
Principal element of lease payments	**(1,707)**	(1,780)
Arrangement fees paid	**(231)**	(163)
Total cash items	**9,661**	(2,043)
Non-cash items		
Amortisation of arrangement fees relating to banking facilities	**258**	274
Movement in leases	**2,747**	(1,419)
Total non-cash items	**3,005**	(1,145)
At the end of the year	**152,191**	139,525

The debenture, bank loans and overdrafts are secured by fixed charges on properties and restricted cash, valued at £228,085,000 (2025: £221,795,000) owned by the Company and its subsidiary undertakings.

The gross cash and overdraft balances on the individual accounts are summarised as follows:

	2026 £'000	2025 £'000
Cash balances	**16,214**	17,989
Overdrawn balances	**(15,303)**	(18,375)
Cash and cash equivalents	**911**	(386)

Included within cash balances are restricted cash balances of £803,000 at 30 June 2026 (2025: £784,000).

The Group's remaining contractual non-discounted cashflows for financial liabilities (including trade payables, but excluding overdrafts) are set out below:

	2026					
	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	**9,597**	**29,671**	**4,145**	**417**	**1,973**	**45,803**
One to two years	**–**	**151**	**4,145**	**417**	**1,984**	**6,697**
Two to three years	**–**	**2,651**	**4,145**	**14,008**	**1,994**	**22,798**
Three to four years	**–**	**–**	**4,145**	**–**	**2,004**	**6,149**
Four to five years	**–**	**–**	**4,145**	**–**	**2,015**	**6,160**
Five to ten years	**–**	**–**	**78,775**	**–**	**10,245**	**89,020**
Ten to fifteen years	**–**	**–**	**–**	**–**	**9,105**	**9,105**
In more than fifteen years	**–**	**–**	**–**	**–**	**27,706**	**27,706**
	9,597	**32,473**	**99,500**	**14,842**	**57,026**	**213,438**

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Notes to the Consolidated Financial Statements continued

18. Borrowings and lease liabilities continued

	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	7,690	12,101	4,430	417	1,802	26,440
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
	7,690	14,640	110,768	15,259	56,558	204,915

The 2025 figures for the Trade and other payables set out in the table above have been restated to include Accruals and Other Payables.

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 2026 and 30 June 2025. 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:

	2026 £'000	2025 £'000
Expiring in one year or less	**26,750**	14,500
Expiring in more than one year	**12,500**	41,750
	39,250	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

	2026 £'000	2025 £'000
Assets		
Carried forward losses	**355**	718
IFRS 16 lease liabilities	**7,633**	7,373
	7,988	8,091
Liabilities		
IFRS 16 right-of-use assets	**5,452**	5,223
Investment property and freehold car park revaluation gains	**2,543**	1,929
	7,995	7,152
Net deferred tax (liability)/asset	**(7)**	939

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 £1,367,000 (2025: £1,328,000).

In addition the Group has uncrystallised capital losses of £37,737,000 (2025: £32,246,000) on investment property and car park valuation losses that have not been recognised.

The total net deferred tax balance as at 30 June 2026 comprises the charge to the Consolidated Income Statement of £996,000 (2025: £2,381,000) less the reduction in deferred tax liabilities arising in the year on revaluation movements recognised in the Consolidated Statement of Comprehensive Income of £50,000 (30 June 2025: £178,000).

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 principle 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.

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 2026			As at 30 June 2025		
	Nominal value £'000	Weighted average rate %	Weighted average period Years	Nominal value £'000	Weighted average rate %	Weighted average period Years
Debenture stock	**77,117**	**5.375**	**5**	82,417	5.375	6
Bank floating rate liabilities	**30,750**	**5.7**	**1**	13,750	6.19	1
Bank fixed rate liabilities	**13,800**	**3.02**	**3**	13,800	3.02	4
Bank overdrafts	**15,303**	**5.8**	**1**	18,375	6.3	0.5
Lease liabilities	**30,532**	**3.7**	**36**	29,492	3.7	38
	167,502			157,834		

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 2026 of £234,000 (2025: £298,000).

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 £242,000 (2025: £138,000).

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

20. Financial instruments continued

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 hold some assets denominated in US Dollars but these represent only a small proportion of total assets so there is limited exposure to fluctuations in exchange rates. The Directors do not consider this risk to be significant.

Interest rates

The interest rates (effective interest rate ('EIR') or incremental borrowing rate ('IBR')) applicable at the Consolidated Balance Sheet date were as follows:

		2026	2025
Bank overdrafts	EIR	**5.8%**	6.3%
Bank borrowings	EIR	**5.7%**	6.19%
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

	2026		2025	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Debenture stock	**77,058**	**66,488**	82,347	68,669
Non-current bank borrowings – revolving credit facilities	**2,396**	**2,396**	2,424	2,424
Non-current bank borrowings – single asset facility	**14,086**	**12,795**	14,164	12,476

The above debenture stock has been valued as at 30 June 2026 (and 30 June 2025 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 IFRS13 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 2026 the Group has a long leasehold interest in six (30 June 2025: six) properties that are accounted for under IFRS16.

Future lease payments are as due follows:

	2026			2025		
	Minimum lease payments £'000	Interest £'000	Present value £'000	Minimum lease payments £'000	Interest £'000	Present value £'000
Within one year	**1,973**	**1,047**	**926**	1,802	1,018	784
One to two years	**1,984**	**1,015**	**969**	1,812	990	822
Two to three years	**1,994**	**980**	**1,014**	1,822	961	861
Three to four years	**2,004**	**944**	**1,060**	1,832	930	902
Four to five years	**2,015**	**906**	**1,109**	1,842	897	945
Five to ten years	**10,245**	**3,904**	**6,341**	9,374	3,950	5,424
Ten to fifteen years	**9,105**	**2,734**	**6,371**	9,491	2,898	6,593
In more than fifteen years	**27,706**	**14,964**	**12,742**	28,583	15,422	13,161
	57,026	**26,494**	**30,532**	56,558	27,066	29,492

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.

	2026 £'000	2025 £'000
Net assets at 30 June	**108,761**	112,302
Shares in issue (000)	**42,163**	42,163
Basic and diluted net asset value per share	**258p**	266p

23. Commitments

Capital commitments

The Group has commitments of £nil (2025: £nil) in respect of capital expenditure contracted for at the balance sheet date but not yet incurred, in respect of investment and development properties.

Lease commitments

The minimum total future lease payments receivable from tenants are set out in the table below.

Minimum total future lease payments receivable:	2026 £'000	2025 £'000
Within one year	**9,282**	8,808
One to two years	**8,644**	7,777
Two to three years	**7,612**	7,140
Three to four years	**6,772**	6,203
Four to five years	**6,249**	5,442
Five to ten years	**19,761**	18,991
Ten to fifteen years	**6,763**	8,294
In more than fifteen years	**966**	1,051

The Group has a wide range of leases in place with tenants across a broad range of properties, sectors, tenures and rental values.

FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements continued

24. Called up share capital

Authorised

The authorised share capital of the company as at 30 June 2026 is 164,879,000 (2025: 164,879,000) Ordinary Shares of 25p each. The nominal value of authorised share capital at that date is £41,219,750 (2025: £41,219,750).

Issued and fully paid up

	Number of shares 000	Nominal value £'000
At 30 June 2025 and 30 June 2026	**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

	2026 £'000	2025 £'000
Loss before tax	**(345)**	(1,065)
Adjustments for:		
Depreciation	**2,150**	2,095
Amortisation	**162**	186
Profit on disposal of fixed assets	**(9)**	(55)
Loss on disposal of investment properties	**132**	–
Profit on disposal of freehold and leasehold properties	**–**	(1,762)
Loss on disposal of investments	**145**	87
Finance costs	**7,481**	7,423
Finance income	**–**	(18)
Share of post tax profits from joint ventures	**(1,110)**	(1,057)
Valuation movement on investment properties	**1,504**	2,214
Movement in tenant lease incentives	**181**	(147)
Impairment of car parking assets	**1,074**	2,697
Impairment of goodwill	**979**	772
(Increase)/decrease in receivables	**(820)**	193
Increase/(decrease) in payables	**1,157**	(2,092)
Cash generated from operations	**12,681**	9,471

26. Related party transactions

Transactions with Directors

Related party transactions that have taken place during the year primarily relate to the remuneration of the Executive Directors and other members of the 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 81.

	2026 £'000	2025 £'000
Short-term employee benefits – excluding exceptional bonuses	**1,972**	1,956
Short-term employee benefits – exceptional bonuses	**–**	249
Post-employment benefits	**101**	97
Sale of Motor Vehicle to Executive Director	**–**	78
Dividends paid to the Ziff Concert Party	**1,193**	599
	3,266	2,979

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

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.

Other Related Party transactions

During the year ended 30 June 2026, profit distributions of £173,000 (2025: £173,000) have been received from Merrion House LLP.

FINANCIAL STATEMENTS

Company Balance Sheet

as at 30 June 2026

	Notes	2026 £'000	2025 £'000
Fixed assets			
Investment properties	4	**88,840**	80,981
Fixtures, equipment and motor vehicles	4	**362**	431
Investments	5	**234,535**	234,431
		323,737	315,843
Current assets			
Trade and other receivables	6	**122,542**	119,902
Cash		**62**	13
		122,604	119,915
Creditors: amounts falling due within one year			
Financial liabilities – borrowings	8	**(43,422)**	(29,473)
Trade and other payables	7	**(231,399)**	(231,913)
		(274,821)	(261,386)
Net current liabilities		**(152,217)**	(141,471)
Total assets less current liabilities		**171,520**	174,372
Creditors: amounts falling due after more than one year			
Financial liabilities – borrowings	8	**(79,454)**	(84,771)
Net assets		**90,970**	89,601
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**	56,578
Retained earnings		**21,439**	18,974
Total Shareholders' funds		**92,066**	89,601

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 profit shown in the financial statements of the Parent Company was £4,573,000 (2025: loss of £841,000).

The Company Financial Statements on pages 130 to 140 were approved by the Board of Directors on 14 October 2026 and signed on its behalf by

E M Ziff
Chairman and Chief Executive

Company Statement of Changes in Equity

for the year ended 30 June 2026

	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 2024	10,540	200	3,309	57,524	19,923	91,496
Comprehensive income for the year						
Loss for the year	–	–	–	–	(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
Comprehensive income for the year						
Profit for the year	–	–	–	–	**4,573**	**4,573**
Total comprehensive income for the year	–	–	–	–	**4,573**	**4,573**
Contributions by and distributions to owners						
Final dividend relating to the year ended 30 June 2025	–	–	–	–	**(1,054)**	**(1,054)**
Interim dividend relating to the year ended 30 June 2026	–	–	–	–	**(1,054)**	**(1,054)**
Balance at 30 June 2026	**10,540**	**200**	**3,309**	**56,578**	**21,439**	**92,066**

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 2026 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 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 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 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 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 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

	2026 £'000	2025 £'000
Wages and salaries (including Directors' emoluments)	**3,687**	3,806
Social security costs	**502**	472
Other pension costs	**191**	198
	4,380	4,476

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 £2,044,000 (2025: £2,301,000).

The average monthly number of staff employed by the Company during the year was 48 (2025: 46). 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 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 2026 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 2025	54,356	4,120	22,505	80,981
Additions	5,638	–	1,125	6,763
Valuation movement	4,635	(485)	(2,830)	1,320
Movement in tenant lease incentives	(224)	–	–	(224)
Valuation at 30 June 2026	64,405	3,635	20,800	88,840

The above freehold and long leasehold properties have been independently externally valued as at 30 June 2026 and 30 June 2025 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 bi-annually and are performed consistently across the Group's whole portfolio of properties. At each reporting date appropriately qualified employees verify all significant inputs and review computational outputs. The external valuers submit and present summary reports to the Property Director and the Board on the outcome of each valuation round.

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

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

Fixtures, equipment and motor vehicles	Cost £'000	Accumulated depreciation £'000
Balance at 30 June 2025	2,461	2,030
Additions	66	–
Depreciation	–	135
Balance at 30 June 2026	2,527	2,165
Net book value at 30 June 2026		362
Net book value at 30 June 2025		431
Total tangible assets		
At 30 June 2026		88,106
At 30 June 2025		81,412

5. Fixed asset investments

	2026 £'000	2025 £'000
Shares in Subsidiary Companies		
At 1 July	**231,172**	233,562
Impairment	**–**	(2,390)
At 30 June	**231,172**	231,172
Listed investments		
At 1 July	**2,599**	3,305
Revaluation	**489**	(706)
At 30 June	**3,088**	2,599
Other investments		
At 1 July	**660**	3,750
Additions	**–**	–
Loan interest	**–**	5
Disposals	**(385)**	(3,095)
At 30 June	**275**	660
Total fixed asset investments	**234,535**	234,431

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 a historic cost of £875,000 (2025: £875,000).

6. Trade and other receivables

	2026 £'000	2025 £'000
Trade receivables	**886**	234
Less: provision for impairment of debtors	**(253)**	(135)
	633	99
Amounts owed by Subsidiary Companies	**119,795**	118,377
Other debtors and prepayments	**2,113**	1,426
	122,542	119,902

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 in 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 2026 was £140,000 (2025: £10,000).

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. The Directors have assessed these balances for impairment as at 30 June 2026 and consider these balances to be fully recoverable.

FINANCIAL STATEMENTS

Notes to the Company Financial Statements continued

7. Trade and other payables

	2026 £'000	2025 £'000
Trade payables	**102**	209
Taxation and social security	**332**	222
Amounts owed to Subsidiary Companies	**227,816**	228,195
Other payables and accruals	**3,149**	3,287
	231,399	231,913

Amounts owed to Subsidiary Companies are unsecured, interest free and repayable on demand.

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.

	2026 £'000	2025 £'000
Non-current		
Bank borrowings	**2,396**	2,434
5.375% First mortgage debenture stock	**77,058**	82,347
	79,454	84,771
Current		
Bank borrowings and overdrafts	**43,422**	29,473
Total borrowings	**122,876**	114,244

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 £202,235,000 (2025: £221,795,000), 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:

	2026 £'000	2025 £'000
Expiring in one year or less	**26,750**	14,500
Expiring in more than one year	**12,500**	41,750
	39,250	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 £16,214,000 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 2026			As at 30 June 2025		
	Nominal value £'000	Weighted average rate %	Weighted average period Years	Nominal value £'000	Weighted average rate %	Weighted average period Years
Debenture stock	**77,117**	**5.375**	**5**	82,417	5.375	6
Bank overdraft	**15,303**	**5.8**	**1**	18,375	6.3	0.5
Bank floating rate liabilities	**30,750**	**5.7**	**1**	13,750	6.19	1
	123,170			114,542		

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 2026 of £234,000 (2025: £298,000).

Floating rate financial liabilities bear interest at rates for term loans based on SONIA plus an average margin of 1.9% 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:

	2026	2025
Bank overdraft facility	**5.8%**	6.3%
Bank borrowings	**5.7%**	6.19%
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

	2026		2025	
	Book value £'000	Fair value £'000	Book value £'000	Fair value £'000
Debenture stock	**77,058**	**66,488**	82,347	68,669
Long-term bank borrowings	**30,515**	**30,515**	13,522	13,522

FINANCIAL STATEMENTS

Notes to the Company Financial Statements continued

9. Called up share capital

Authorised

164,879,000 (2025: 164,879,000) Ordinary Shares of 25p each.

Issued and fully paid up

	Number of shares 000	Nominal value £'000
At 30 June 2025 and 30 June 2026	**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 2026, 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
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

	Company number	Activity
Held directly continued		
TCS (Rochdale JV) Limited	7712764	Dormant
TCS (Rochdale Management) Limited	7712123	Dormant
Citiplay Limited	4847697	Dormant
TCS Eastgate Limited	6554827	Dormant
CitiPadel 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
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

* The Subsidiary Companies marked with an asterisk above are exempt from preparing audited statutory accounts under section 479a of the Companies Act 2006.

FINANCIAL STATEMENTS

Notes to the Company Financial Statements continued

10. Subsidiary companies continued

The Company also has a subsidiary incorporated in the United States of America. The activity of this subsidiary is property investment. The address of this subsidiary is as follows:

- TCS US Investments Corp, 1521 Concord Pike, Suite 201, Wilmington, Delaware, USA

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 incorporated in the UK are as follows:

KBT Cornwall Limited
20–22 Wenlock Road
London
N1 7GU

Bay Sentry Solutions Limited
20 Wenlock Road
London
N1 7GU

All other Subsidiary Companies and joint ventures
Town Centre House
The Merrion Centre
Leeds
LS2 8LY

Notice of Annual General Meeting

Notice is hereby given that the 2026 Annual General Meeting (the 'Meeting') of Town Centre Securities Plc (the 'Company') will be held at Town Centre House, The Merrion Centre on Tuesday 24 November 2026 at 10:00am.

You will be asked to consider and, if thought fit, pass the Resolutions below. Resolutions 1 to 14 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 15 to 18 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 10:00am on Friday 20 November 2026.

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 2026.

Resolution 2: Directors' Remuneration Report

2. To approve the Directors' Remuneration Report set out on pages 78 to 84 of the Company's 2026 Annual Report for the year ended 30 June 2026 (excluding the Directors' remuneration policy included in the report).

Resolution 3: Directors' Remuneration Policy

3. To approve the Directors' Remuneration Policy, which can be found on page 80.

Resolution 4 to 10: Re-election of Directors

4. To re-elect Michael Ziff as a Non-Executive Director of the Company.
5. To re-elect Ian Marcus as a Non-Executive Director of the Company.
6. To re-elect Paul Huberman as a Non-Executive Director of the Company.
7. To re-elect Edward Ziff as an Executive Director of the Company.
8. To re-elect Benjamin Ziff as an Executive Director of the Company.
9. To re-elect Stewart MacNeill as an Executive Director of the Company.
10. To re- elect Craig Burrow as an Executive Director of the Company.

Resolution 11: Reappointment of auditors

11. To reappoint 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 12: Remuneration of auditors

12. To authorise the Directors to determine the remuneration of the Company's auditors.

SHAREHOLDER INFORMATION

Notice of Annual General Meeting continued

Resolution 13: Authority to make political donations

13. 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 2027. 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 14: Authority to allot Ordinary Shares

14. 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 2027, or 24 February 2028, 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 15: Authority to disapply pre-emption rights

15. That, if resolution 14 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 14, 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 15 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 2027, or 24 February 2028, 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 16: Additional authority to disapply pre-emption rights for purposes of acquisitions or capital investments

16. That, if resolution 14 above is passed, the Board be given the power, in addition to any power granted under resolution 15 above, to allot equity securities (as defined in the Act) for cash under the authority granted under paragraph (a) of resolution 14 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 2027, or 24 February 2028, 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 17: Authority to purchase Company's own shares

17. 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 24 February 2028, 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 18: Notice of General Meetings, other than Annual General Meetings

18. 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
14 October 2026

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 2026 Annual Report and Financial Statements for the year ended 30 June 2026 (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 2026.

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.

Resolution 3: Directors' Remuneration Policy

The Act also requires that a resolution be put to shareholders, at intervals of not more than three years, to approve the Directors' Remuneration Policy, which can be found on page 80 of the Annual Report. This is a binding policy and, after it takes effect, the Directors will not be entitled to remuneration unless that payment is consistent with the approved policy or has been approved by a resolution of the shareholders of the Company. The Company is not proposing to change the existing remuneration policy at the 2026 Annual General Meeting. If Resolution 3 is approved, the policy will take effect from the date of the AGM.

Resolutions 4 to 10: 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 and 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.

SHAREHOLDER INFORMATION

Notice of Annual General Meeting continued

Resolution 11: Reappointment 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 reappointment of Grant Thornton UK LLP as auditors of the Company.

Resolution 12: 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 13: 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 13 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 14: 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 25 November 2025, which expires at the end of the 2026 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 13 October 2026, 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 14 will allow Directors to allot, including the Ordinary Shares referred to in paragraph (a) of Resolution 14, 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 13 October 2026 (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 14 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 2027 or 24 February 2028, whichever is earlier.

Special Resolutions

Resolution 15: Authority to disapply pre-emption rights

At the Annual General Meeting held on 25 November 2025, the Directors were given the authority to issue equity securities of the Company and sell treasury shares in exchange for cash until the 2026 Annual General Meeting. Resolution 15 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 13 October 2026 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 2027 or 24 February 2028, whichever is earlier.

Resolution 16: 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 17 seeks this separate authority. Where the authority granted under resolution 16 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 16 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 2027, or 24 February 2028, whichever is earlier.

Resolution 17: Authority to purchase Company's own shares

Resolution 17 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 2027 or on 24 February 2028, whichever is the earlier, when a resolution to renew the authority will be proposed.

Resolution 18: 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 141 to 148 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 2026, 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 18 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.

SHAREHOLDER INFORMATION

Notice of Annual General Meeting continued

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 20 November 2026 (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 maybe 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 can email MUFG Corporate Markets on shareholderenquiries@cm.mpms.mufg.com or call them on 0371 664 0300 and +44 (0) 371 664 0300 (international). 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 - 17:30, Monday to Friday excluding public holidays in England and Wales. 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 and the notes to the proxy form.

   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;
   - through the Investor Centre app (see notes below);
   - 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 www.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 10.00am on Friday 20 November 2026 (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 10.00am on Friday 20 November 2026 (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/.

Available on the App Store

GET IT ON Google Play

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 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 10:00am on Friday 20 November 2026. 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.
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 10:00am on 20 November 2026 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 6 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).

SHAREHOLDER INFORMATION

Notice of Annual General Meeting continued

14. As at 13 October 2026 (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 13 October 2026 are 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 re-appointment at the meeting are set out on pages 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:

MUFG Corporate Markets (UK) Limited
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 made outside the United Kingdom will be charged at the applicable international rate. Lines are open from 9:00am to 5:30pm, Monday to Friday, excluding public holidays in England and Wales.)

Telephone from outside United Kingdom:
+44 (0) 371 664 0300

Email: shareholderenquiries@cm.mpms.mufg.com

Website: https://uk.investorcentre.mpms.mufg.com/

Dividends

Interim dividend: 2.5p per share paid on 12 June 2026 to Shareholders on the register on 22 May 2026.

Final dividend: 2.5p per share to be paid on 7 January 2027 to Shareholders on the register on 18 December 2026

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
Grant Thornton UK 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
CBRE
Colliers

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
MUFG Corporate Markets (UK) Limited

Trustees to mortgage debenture holders
MUFG Corporate Markets Trustees (UK) Limited
c/o Apex Corporate Trustees (UK) Limited
4th Floor, 140 Aldersgate Street
London
EC1A 4HY

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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