

WORSLEY INVESTORS LIMITED

Half Year Report and Condensed Unaudited Consolidated Financial Statements

For the six months ended 30 September 2024

WORSLEY INVESTORS LIMITED

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WORSLEY INVESTORS LIMITED

Performance Summary

	30 September 2024	31 March 2024	% change
Net Asset Value (“NAV”) per share	47.11p	43.45p	8.42%
Share price ¹	29.70p	24.80p	19.76%
Share price discount to NAV	36.96%	42.92%	

	Six month period ended 30 September 2024	Six month period ended 30 September 2023
Earnings per share ²	4.11p	-1.03p

Total return	Six month period ended 30 September 2024	Six month period ended 30 September 2023
NAV Total Return ³	8.42%	-3.03%
Share price Total Return ⁴		
- Worsley Investors Limited	19.76%	-2.14%
- FTSE All Share Index	6.07%	1.42%
- FTSE Real Estate Investment Trust Index	6.21%	-5.28%

Worsley Associates LLP (‘Worsley Associates’) was appointed on 31 May 2019 as Investment Advisor (the “Investment Advisor”) to Worsley Investors Limited (the “Company”). At an EGM held on 28 June 2019, an ordinary resolution was passed to adopt the new Investment Objective and Policy. The Company’s Investment Objective and Policy are set out on pages 23 and 24.

Past performance is not a guide to future performance.

¹ Mid-market share price.

² Earnings per share based on the net profit for the period of £1.234 million (30 September 2023: net loss for the period of £0.450 million) and the weighted average number of Ordinary Shares in issue during the period of 33,740,929 (30 September 2023: 33,740,929).

³ NAV Total Return is a measure showing how the NAV per share has performed over a period of time, taking into account both capital returns and any dividends paid to shareholders.

⁴ A measure showing how the share price has performed over a period of time, taking into account both capital returns and any dividends paid to shareholders.

Source: Worsley Associates LLP and FactSet/Morningstar.

WORSLEY INVESTORS LIMITED

Chairman's Statement

We had a good half year to 30 September 2024. The Company generated a positive NAV total return of +8.42% over the six months which outpaced a favourable market background as represented by FTSE All Share and FTSE Real Estate indices which generated +6.06% and +6.21% respectively. Our share price performed even better, rising by 19.8% as our share price discount narrowed from 42.92% to 36.96%. A more direct comparator for smaller company investment is the FTSE Small Capitalisation index which returned +11.01%. The return generated on our equity investments was +17.6%.

By any measure, therefore, it was a good half year for our shareholders.

The returns came mostly from our equity portfolio, as one would expect, and the compounding of those returns together with the accumulation of cash from the Curno cinema rental means that the proportion of our NAV represented by the cinema fell from 42.9% to 38.3%.

The one fly in the ointment is that in the latter half of the period, once again, UCI, the cinema operator, signalled a desire to re-cast materially the terms of the cinema lease in their favour, notwithstanding the many concessions and accommodations that we have extended to them over the past five years, including the current terms which they freely entered into as recently as June 2020. Proposals have been made and counter-proposals received. Shareholders would not expect me to give a public running commentary on the development of discussions which continue. Further announcements will be made as required.

The Investment Advisor, Worsley Associates LLP, summarises the market background and outlook together with the developments in respect of our principal investments succinctly in its report on pages 4 to 8 and there is little that I can usefully add here.

Shareholders will be as aware as we are of the significant political developments during the period with elections and changes of government in the UK, US and elsewhere. While the policy stance of a tax-and-spend labour government in the UK is perhaps predictable in its outcomes, the more significant in terms of the global context is the return of a Trump administration in the US and that is more difficult to predict. With uncertainty, however, comes opportunity and that is all the more evident at the small capitalisation end of the market where we operate. Worsley invests in specific companies with their own unique paths to the realisation of shareholder returns and not in broader indices, which are relevant only as measures of the context in which we operate and the headwinds we face or tailwinds behind us.

Our core equity strategy has been compounding for five years now, through some difficult times, and increasingly dominates the outlook for our overall returns. Putting it differently, we are approaching the point where the current share price is almost entirely backed by the core equity strategy with the cinema asset 'in for free'.

Once again and on behalf of the Board, I would like to thank our Investment Advisor, Worsley Associates LLP, for the continued steady progress they have made in developing our portfolio and to thank you, our shareholders, for your ongoing support.

William Scott

Chairman

11 December 2024

WORSLEY INVESTORS LIMITED

Investment Advisor's Report

Investment Advisor

The Investment Advisor, Worsley Associates LLP, is regulated by the FCA and is authorised to provide investment management and advisory services.

In the period under review, the equities portfolio remained close to fully invested, and the Investment Advisor has focussed on its advancement, and oversight of the management of the Curno cinema, the first half trading of which was impacted by the tail end of the six-month gap in 'blockbuster' movie releases caused by the Hollywood Actors Guild and Screenwriters Guild strikes from July to September 2023

Curno Cinema Complex

The Group's Italian multiplex cinema complex, located in Curno, on the outskirts of Bergamo, is let in its entirety to UCI Italia S.p.A. ("UCI").

The cinema lease documentation remains as amended in June 2020.

The key rental terms of the lease, which has a final termination date of 31 December 2042, are:

Base Rent

1 January 2024 to 31 December 2024 - €1,063,436 per annum.

Base rental is indexed annually to 100% of the Italian ISTAT Consumer Index on an upwards-only basis. In the ten months to 31 October the index has increased 1.0%.

Variable Rent

Incremental rent is payable at the rate of €1.50 per ticket sold above a minimum threshold of 350,000 tickets per year up to 450,000 tickets per year, rising in 50,000 ticket stages above this level up to €2.50 per extra ticket.

Tenant Guarantee

The lease benefits from a rental guarantee of an initial €13 million, reducing over 15 years to €4.5 million, given by a U.K. domiciled intermediate holding company for the UCI group's European operations, United Cinemas International Acquisitions Limited, which has latest published shareholders' funds of £272.9 million.

Tenant break option

UCI has the right to terminate the lease on 30 June 2035.

Trading

The cinema was open throughout the half.

Italian *cinema industry* ticket sales were mixed over the six months to September 30 2024, being down approximately 22% from 2023, with a paucity of new releases in April and May, although pent up demand led to a bumper June, following which the new movie slate was not to the Italian market's taste. Highlight titles released during the period were *Despicable Me 4* and *Inside Out 2*.

Curno ticket sales in the half were in line with industry trends, at some 81% of those for 2023 equivalent, which had benefited from a support scheme pursuant to which the Italian Government in effect paid 46% of the ticket price of European movies shown.

Since the beginning of November there has been a very strong improvement in Italian cinema trading, with ticket sales achieving some 109% of *November 2019* levels as several high-profile films, most notably *Gladiator II*, began to be released. The movie slate for the remainder of the financial year is considered to be strong.

The Curno cinema has continued to benefit from substantial increases in total revenue per customer, in particular in respect of ticket prices.

Rentals were current throughout the period.

Valuation

As at 30 September 2024, the Group's independent asset valuer, Knight Frank LLP, fair valued the Curno cinema at €7.3 million (31 March 2024: €7.35 million), and this figure has been adopted in these Financial Statements.

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Investment Advisor's Report (continued)

Curno Cinema Complex (continued)

Valuation (continued)

Since the June 2020 lease amendment, the Board's expectation has been that the valuation of the Curno cinema would increase once the enhanced rental began to be generated by the property from 1 March 2021 onwards. The current rental is some 28% higher than the pre amendment level.

The valuer, as at 30 September 2024, retained from the year end the *net* yield at which it capitalised the net rental stream, in this instance 10.75%. There was a small (0.7%) valuation reduction in the half caused by the lease at year end being six months closer to the earliest date at which it can be terminated.

The valuer's approach remains very cautious, notwithstanding its noting that average interest rates in the European region had decreased considerably since 2023. It remarked that, although the availability and cost of real estate debt finance was expected to improve, widespread geopolitical uncertainty was contributing to low transaction volumes in the European property market.

The serious disruption which arose from the simultaneous Actors Guild and Screenwriters Guild strikes in mid-2023 has now worked itself through the system. Increasingly regularised cinema trading, as indicated by increasingly strong Italian box office takings seen since the beginning of November, is conducive to a return of Italian cinema investor appetite, although this will continue to be constrained until European banks revert to more typical levels of property lending. The Group will retain the Curno cinema until a disposal can be effected at a price which the board believes properly reflects its medium term prospects.

Investment Strategy

The Investment Advisor's strategy entails the taking of holdings in British quoted securities priced at a deep discount to their intrinsic value, as determined by a comprehensive and robust research process. Most of these companies will have smaller to mid-sized equity market capitalisations, which will in general not exceed £600 million. It is intended to secure influential positions in such British quoted securities, with the employment of activism as necessary to drive highly favourable outcomes.

Since the publication of the Annual Report in late June, the U.K. stock market, as measured by the FTSE All-Share Index, has been range bound between the 4375 and 4590 levels. In the aftermath of the US presidential election in early November, the economic policies of the incoming Trump administration have become the largest influence on the British market, replacing prospects for the U.K. economy, with weakness in the Chinese economy remaining a significant factor. Political instability in France also continues to be a concern.

The London market in early July experienced mixed trading as it digested the Labour victory in the U.K. election on 4 July, a hung French parliament, a good U.K. GDP reading, falling US inflation, and weakening Chinese GDP figures. Mid-month trading remained volatile, on first the worldwide CrowdStrike IT outage, and then weak Tesla and Alphabet earnings, offset by news that Joe Biden was dropping out of the US election. The last week saw markets worldwide strengthen well, with strong US Q2 GDP data, flat US PCE inflation and U.K. oil shares and miners climbing on a major Chinese stimulus package, with the FTSE:ASX reaching the high for the period on 31 July.

August commenced with an extreme downward move, with the British market reacting very badly to the Bank of England's decision to cut rates by an initial 0.25% to 5.0%. This was followed by a global slump on the back of a sharp selloff of the Nikkei 225 share index after the Bank of Japan ('BofJ') unexpectedly announced higher interest rates. In consequence, by 5 August the U.K. market had fallen to the period low.

The panic proved short lived, with US regional Federal Reserve Governors promptly making soothing remarks, and the BofJ stating formally that it would not increase rates during periods of market turmoil. A fortnight of generally good economic data, including positive US and U.K. inflation readings and higher Q2 U.K. GDP growth, hopes of a Gazan ceasefire, the positive impact of Chinese stimulus on metal prices, and anticipation that US Fed Chairman Powell in his Jackson Hole speech would foreshadow interest rate cuts, saw the London market finish up almost on level terms for the month.

In early September, the market drifted lower, on weak European statistics and fears of a US recession. However, it then climbed sharply when the US Fed at its September meeting made its first cut of the current cycle, in the event dropping its rate by 0.50%. After some volatility, with worries about the faltering Chinese economy counterbalanced by news that US PCE month on month inflation was only 0.1%, towards month end heightened anxieties regarding the likelihood of an Iranian missile strike on Israel saw the September quarter close with a further setback.

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Investment Advisor's Report (continued)

Investment Strategy (continued)

October opened with a bumpy start after disappointing Chinese news flow, but from the 8th on the British market entered a positive period, on strong U.K. GDP data and the announcement of significant Chinese monetary easing. Then annual U.K. September CPI came in at 1.7%, the lowest for three years, and, after an ECB rate cut, the FTSE:ASX on 17 October tested its peak for the period.

The London market weakened over the rest of October, on further Chinese GDP slowing, and after the release of a nine-month U.K. government borrowing figure which was at the third highest level ever. This was exacerbated by concerns regarding the U.K. Budget, being released on 30 October, and the US election on 5 November. Following a short-lived recovery, widespread worries about the prospective Trump administration outweighed the 0.25% cuts, by both the BofE and the US Fed, which followed and by 13 November the U.K. market had fallen sufficiently to retrace the low point for the period.

For most of the remainder of November an international perception of the U.K. as a stable environment in which to invest with numerous significant underpriced listed companies, allied to generally well received Trump political appointments, in particular the putative Treasury secretary, Scott Bessant, resulted in the British market recovering to the previous levels.

The last fortnight has seen the London market continuing to trend higher, with largely positive broker updates and a number of takeover approaches, seeing U.K. share prices continue to rally, although anxieties remain regarding political uncertainty in Europe, France being the main concern.

The BofE and the US Fed have cut their respective interest rates by 0.50% and 0.75% since the peaks of the recent cycle. Market consensus is that both rates will reduce significantly in 2025, although there are widely varying expectations as to the timing and final quantum of these.

In the Company's target universe of British smaller companies, the total return over the six months to 30 September was 11.01%. Share prices in this section of the market, which fell by a broadly similar amount to the overall market in October and November, have since recovered, ending up virtually unchanged over the last two and a half months.

The Company's portfolio has remained quite fully invested during the period. In August we made the first disclosure of a 4% shareholding, now representing some 2.3% of the Group's Net Assets, in **W.H. Ireland Group plc** ('WHI'). WHI is an English financial services company whose shares are traded on AIM. Following the sale in July of the Capital Markets division, WHI's sole continuing operation is its Wealth Management business, which provides financial planning advice and discretionary investment management to its clients. WHI has a market capitalisation of £7.3m and as at 31 March its net cash balance was £4.9m. The Wealth Management operation last disclosed assets under management of £1.2 billion, of which discretionary assets were £880m. Together with assets under advice of more than £300m, these management contracts in their own right would have a conservative value of considerably more than WHI's market value.

The largest portfolio position remains our shareholding of in excess of 4% in **Smiths News plc**, England's major distributor of newspapers and magazines. In early November, Smiths News published its 2024 preliminary results, which were again impressive, with *increased* revenue and operating profit, albeit benefitting from a 53rd trading week in the fiscal year. It was particularly notable that the continuing cost reduction programme delivered savings which *exceeded* the continued impact of cost inflation and the ongoing decline in newspaper and magazine volume. Average net debt for fiscal 2024 was £11.7m, a substantial improvement on the £25.0m in 2023.

Having in May secured a refinancing of its banking facilities without the restrictive covenants which had previously significantly constrained shareholder distributions, and in line with its revised capital allocation policy, the company proposed a special dividend of 2 pence per share, involving a supplementary distribution of some £5 million.

The shares, having been up a little over 23% after the release of interim results in early May, dropped almost 12% in the remainder of the half. Post period end the shares have recovered well, being up circa 10%, most markedly following the release of the prelims.

The **Northamber Plc** shareholding was unchanged in the half year. The share price was flat over the course of the half, but has since fallen by some 22% after the resignation of the chief executive, who had only been appointed some nine months earlier. During the half we stepped up our engagement with management.

The holding in **Daniel Thwaites PLC** was topped up early in the half, prior to the announcement in June of its preliminary results, following which the share price underwent a substantial recovery, and that in **LMS Capital plc** continued to be grown.

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Investment Advisor's Report (continued)

Investment Strategy (continued)

The position in **Amedeo Air Four Plus Limited** has largely been disposed of, and the investment over the three year period of our involvement generated a very respectable *annualised* rate of return of in excess of 60%.

During the half, we also added to another three holdings and one new position was initiated. We also took profits on a further holding. Preliminary (less than 2% of Net Assets) holdings are held in 10 other companies.

Following a good recovery since 31 March, the Company's portfolio as at 9 December 2024 had a total cost of £6.22 million, a combined market value of £9.83 million, and comprised 18 stocks. The surplus on the portfolio was 57.8% of cost, and the *annualised* return on capital invested since the new strategy was adopted remains very satisfactory, at just over 26%.

Results for the six months period

Cash revenue from Curno for the period to 30 September 2024 was €534,400 (£454,000) (30 September 2023: €529,900 (£458,000)). The increase reflected the inflationary rental adjustment, from 1 January 2024, which applied throughout the current half.

Property expenses, mainly local Curno property taxes, of some €87,600 (£75,000) ((30 September 2023: €113,000 (£98,000))), were incurred, which is in line with budget. The decrease in comparison to the corresponding half in 2023 was because that period included anomalous expenses of circa €35,000.

General and administrative expenses of £320,000 (30 September 2023: £282,000) were well above the 2023 run rate, and above original expectations. The main element was a sharp increase in Italian legal expenses as the Group dealt with legal manoeuvres by its cinema tenant. Higher Administration expenses were chiefly because of inflation linked increases, but Group general expenses were considerably higher, and included circa £4,000 in withholding tax incurred when an investee, Town Centre Securities, paid a property income distribution. Registry costs were again elevated, but will normalise over the full year. As foreshadowed in the 2024 Annual Report, increased Net Assets resulted in higher AUM-based fees compared to the corresponding half in 2023.

Transaction charges incurred on equity acquisitions were £7,000 (30 September 2023: £2,000), reflecting higher activity than usual, after a low level in the corresponding half last year.

The Group's ongoing operating costs for the full year will be significantly higher than the 2024 level, principally because of high legal fees, but also a consequence of higher AUM-based costs. Prior to the ultimate sale of Curno there remains little scope for significant reduction in the overall cost base.

The equities portfolio recorded very strong growth in the first quarter before suffering a small reduction in the second (since almost fully recovered), resulting for the half as a whole in a £879,000 net investment mark-to-market gain (30 September 2023: £430,000 reduction). Investment Income for the half, entirely dividends, was £275,000 and net investment gains *realised* added £281,000. In consequence, the total return on capital invested in the portfolio over the half came out at 17.6%.

Taxation is payable on an ongoing basis on Italian income and in Luxembourg. For the half, an Italian operating tax charge of circa £60,000 (30 September 2023: £50,000) was incurred. In addition, irrecoverable VAT in Luxembourg of some £3,000 was paid. The corresponding half in 2023 included a one-off tax credit of £75,000.

In the remainder of the year, the slightly higher contractual Curno rental will be offset by the tax rate at Multiplex returning to more normal levels, but, despite significantly greater General and administrative expenses, *operating* cash flow (that is prior to allowance for equity income and net purchases) is expected to be broadly neutral.

Financial Position

Net Assets at 30 September 2024 were £15.895 million, which compares with the £14.661 million contained in the 31 March 2024 Annual Report. The increase resulted from the profit in the half of £1.387 million, after a €50,000 (£43,000) reduction in the Euro valuation of the Curno property, partially offset by a £153,000 decrease in the pounds sterling fair value of Euro-denominated assets, principally the property.

The Group's liquidity reduced somewhat in the first half, reflecting net portfolio purchases of £273,000, with £497,000 in cash held at 30 September 2024 and no debt. However, given the ample secondary liquidity of the equity portfolio and balanced ongoing cash flows, the Group's financial position continues to be strong.

In due course, the sale of the Curno cinema will provide considerable additional resources for equity investment.

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Investment Advisor's Report (continued)

Financial Position (continued)

Euro

As at 31 September 2024, some 40% of Total Assets were denominated in Euros, of which the Curno property was circa 38% of Total Assets, a material reduction from the 45% as at 31 March 2024. The pound sterling Euro cross rate moved some 2.4% during the period from 1.169 as at 31 March 2024 to 1.198 as at 30 September 2024. This cross rate will remain a potentially significant influence on the level of Group Net Assets until Curno's disposal.

Outlook

After storming ahead in the first five months of this year, before the Government called a surprise general election, U.K. stock market prices have largely tracked sideways, but nonetheless are up some 7.9% in 2024 and remain close to their all-time highs, as the positive impact of the commencement of well anticipated Western Central Bank interest rate cuts has been largely dissipated by economic uncertainty, which intensified as speculation built around the incoming Labour Government's policy changes, the U.K. Budget and the November US presidential election.

This is consistent with the observation in the Annual Report that, although positive factors for U.K. earnings growth continued to build, those had to be weighed against the uncertainties around potential changes of government in the U.K., Europe and the US, heightened geopolitical risk and the carryover effect of the recession at the end of 2023. Indeed, employment related changes announced in the U.K. Budget will be a headwind for smaller U.K. companies until at least the end of the first half of calendar 2025.

The disruption to cinema scheduling caused by the 2023 Hollywood strikes is now behind us, with expectations being for the calendar 2025 movie slate to deliver a marked improvement over 2024, and 2025 US box office receipts forecast to surpass 2024 levels.

Continuing cuts in European Central Bank interest rates are helpful, but, notwithstanding normalisation of cinema trading, until Italian bank lending is more freely available a disposal of our Curno cinema is not in prospect. Nevertheless, the contractual rental terms offer a sizable source of inflation adjusted cash flow for the Group.

We have consistently emphasised that the Worsley investment strategy is broadly insensitive to the near term economic outlook, being focussed on the medium term prospects of individual companies.

The interim profit figures for British companies released in the period came in generally in line with previously diminished expectations, although there were 84 profit warnings in the September quarter, which is well up from 49 in the June quarter. Once more, a multitude of stocks with capitalisations below £150 million saw their prices drop substantially.

In the majority of cases these falls are the consequence of a pronounced deterioration in the outlook for the relevant sector, natural resources and technology most recently being the most prominent. However, a proportion of the prices of well-founded companies unsurprisingly suffer such consequences, and typically some become gravely mispriced and, as such, prospective portfolio contenders.

The Worsley equity portfolio is soundly based and, in spite of continued economic and geopolitical uncertainties, the Company remains well placed to generate very acceptable ongoing returns.

Worsley Associates LLP
10 December 2024

WORSLEY INVESTORS LIMITED

Interim Management Report

A description of the important events which have occurred during the first six months of the financial year and their impact on the performance of the Company as shown in the Financial Statements is given in the Chairman's Statement, the Investment Advisor's Report and the Notes to the Financial Statements and are incorporated here by reference.

Statement of principal risks and uncertainties

The Board is responsible for the Company's system of internal controls and for reviewing its effectiveness. The Board, through its Risk Committee, has carried out a robust assessment of the principal risks and uncertainties facing the Company, using a comprehensive risk matrix as the basis for analysing the Company's system of internal controls while monitoring the investment limits and restrictions set out in the Company's investment objective and policy.

The principal risks assessed by the Board relating to the Company were disclosed in the Annual Financial Report for the year ended 31 March 2024. The principal risks disclosed include investment risk, operational risk, accounting, legal and regulatory risk, financial risks and foreign exchange risk. A detailed explanation of these can be found on page 18 of the Annual Financial Report. The Board and Investment Advisor do not consider these risks to have materially changed during the six months ended 30 September 2024 and they are not expected to change in the remainder of the financial year.

Going concern

The Directors, at the time of approving the Financial Statements, have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months. The lease income generates sufficient cash flows to pay on-going expenses. The Directors have considered the cash position and performance of the current capital invested of the Group and concluded that it is appropriate to adopt the going concern basis in the preparation of these Financial Statements.

Going concern is assessed over the period until 12 months from the approval of these Consolidated Financial Statements. Owing to the fact that the Group currently has no borrowing, has a significant cash holding and that the Company's equity investments predominantly comprise readily realisable securities, the Board considers there to be no material uncertainty.

Interim Report is Unaudited

This Interim Report has not been audited, nor reviewed by auditors pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information.

Responsibility Statement

We confirm to the best of our knowledge that:

- the Condensed Unaudited Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'; as required by Disclosure Guidance & Transparency Rule ("DTR") 4.2.4R of the UK's Financial Conduct Agency ("FCA"); and
- the Interim Management report includes a fair review of the information required by:
 - (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events which have occurred during the first six months of the financial year and their impact on the condensed set of Financial Statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions which have taken place in the first six months of the current financial year and which have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last Annual Report which could do so.

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

On behalf of the Board

W. Scott
Chairman
11 December 2024

WORSLEY INVESTORS LIMITED
Condensed Unaudited Consolidated Statement of Comprehensive Income
For the six months ended 30 September 2024

		For the six month period to 30 September 2024 (Unaudited) £000s	For the six month period to 30 September 2023 (Unaudited) £000s
	Notes		
Gross property income	3 & 6	424	394
Property operating expenses	3 & 6	(75)	(98)
Net property income		349	296
Net gain/(loss) on investments at fair value through profit or loss	7	1,435	(188)
Unrealised valuation loss on investment property		(43)	(260)
Lease incentive movement	3	28	64
General and administrative expenses	4	(320)	(282)
Operating profit/(loss)		1,449	(370)
Profit/(loss) before tax		1,449	(370)
Income tax expense		(62)	(53)
Deferred tax credit		-	75
Profit/(loss) for the period		1,387	(348)
Other comprehensive income			
Foreign exchange translation loss		(153)	(102)
Total items which are or may be reclassified to profit or loss		1,234	(450)
Total comprehensive income/(loss) for the period		1,234	(450)
Basic and diluted earnings/(loss) per ordinary share (pence)	5	4.11	(1.03)

The accompanying notes on pages 14 to 21 form an integral part of these Financial Statements

WORSLEY INVESTORS LIMITED

Condensed Unaudited Consolidated Statement of Changes in Equity

For the six months ended 30 September 2024

	Revenue reserve (Unaudited) £000s	Distributable reserve (Unaudited) £000s	Foreign currency reserve (Unaudited) £000s	Total equity (Unaudited) £000s
Balance at 1 April 2024	(44,416)	47,263	11,814	14,661
Profit for the period	1,387	-	-	1,387
Other comprehensive loss	-	-	(153)	(153)
Balance at 30 September 2024	(43,029)	47,263	11,661	15,895

For the six months ended 30 September 2023

	Revenue reserve (Unaudited) £000s	Distributable reserve (Unaudited) £000s	Foreign currency reserve (Unaudited) £000s	Total equity (Unaudited) £000s
Balance at 1 April 2023	(44,446)	47,263	12,002	14,819
Loss for the period	(348)	-	-	(348)
Other comprehensive loss	-	-	(102)	(102)
Balance at 30 September 2023	(44,794)	47,263	11,900	14,369

The accompanying notes on pages 14 to 21 form an integral part of these Financial Statements

WORSLEY INVESTORS LIMITED

Condensed Unaudited Consolidated Statement of Financial Position

As at 30 September 2024

		30 September 2024 (Unaudited) £000s	31 March 2024 (Audited) £000s
	Notes		
Non-current assets			
Investment property	6	5,511	5,661
Lease incentive	6	502	570
Total non-current assets		6,013	6,231
Current assets			
Cash and cash equivalents		497	657
Investments held at fair value through profit or loss	7	9,442	8,009
Lease incentive	6	82	56
Trade and other receivables	8	30	32
Tax receivable		89	103
Total current assets		10,140	8,857
Total assets		16,153	15,088
Non-current liabilities			
Deferred tax payable		-	-
Total non-current liabilities		-	-
Current liabilities			
Trade and other payables	9	168	268
Tax payable		90	159
Total current liabilities		258	427
Total liabilities		258	427
Total net assets		15,895	14,661
Equity			
Revenue reserve		(43,029)	(44,418)
Distributable reserve		47,263	47,263
Foreign currency reserve		11,661	11,816
Total equity		15,895	14,661
Number of ordinary shares		33,740,929	33,740,929
Net asset value per ordinary share (pence)	11	47.11	43.45

The Financial Statements on pages 10 to 21 were approved by the Board of Directors and authorised for issue on 11 December 2024. They were signed on its behalf by:

W. Scott
Chairman

The accompanying notes on pages 14 to 21 form an integral part of these Financial Statements

WORSLEY INVESTORS LIMITED
Condensed Unaudited Consolidated Statement of Cash Flows
For the sixth months ended 30 September 2024

		For the six month period to 30 September 2024 (Unaudited) £000s	For the six month period to 30 September 2023 (Unaudited) £000s
	Notes		
Operating activities			
Profit/(loss) before tax		1,449	(370)
Adjustments for:			
Net (gain)/loss on investments held at fair value through profit or loss	7	(1,435)	188
Investment income		275	229
Unrealised valuation loss on investment property		43	196
Decrease in trade and other receivables		2	97
Decrease in trade and other payables		(100)	(25)
Purchase of investments held at fair value through profit or loss	7	(866)	(352)
Sale of investments held at fair value through profit or loss	7	593	24
Net cash from operations		(39)	(13)
Tax paid		(117)	(125)
Net cash outflow from operating activities		(156)	(138)
Effects of exchange rate fluctuations		(4)	(3)
Decrease in cash and cash equivalents		(160)	(141)
Cash and cash equivalents at start of the period		657	541
Cash and cash equivalents at the period end		497	400

The accompanying notes on pages 14 to 21 form an integral part of these Financial Statements

WORSLEY INVESTORS LIMITED

Notes to the Condensed Unaudited Consolidated Financial Statements

For the six months ended 30 September 2024

1. Operations

Worsley Investors Limited (the "Company") is a limited liability, closed-ended investment company incorporated in Guernsey. The Company historically invested in commercial property in Europe which was held through subsidiaries. The Company's current investment objective is to provide Shareholders with an attractive level of absolute long-term return, principally through the capital appreciation and subsequent exit of undervalued securities. The existing real estate asset of the Company will be realised in an orderly manner, that is with a view to optimising the disposal value of such asset.

The Condensed Unaudited Consolidated Financial Statements (the "Financial Statements") of the Company for the period ended 30 September 2024 comprise the Financial Statements of the Company and its Subsidiaries (together referred to as the "Group").

Worsley Associates LLP was appointed on 31 May 2019 as Investment Advisor to the Company.

Please refer to the Investment Policy on page 23 and 24. The Company's registered office is shown on page 25.

2. Significant accounting policies

Basis of preparation

These Financial Statements have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' as required by DTR 4.2.4R, the Listing Rules of the London Stock Exchange and applicable legal and regulatory requirements. They do not include all the information and disclosures required in Annual Financial Statements and should be read in conjunction with the Company's last Annual Report and Audited Consolidated Financial Statements for the year ended 31 March 2024.

The same accounting policies and methods of computation are followed in the Interim Financial Report as compared with the most recent Annual Financial Statements for the year ended 31 March 2024.

Going concern

The Directors, at the time of approving the Financial Statements, have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months.

The Group maintains a significant cash balance and an extensive portfolio of securities, and the property lease generates sufficient cash flows to pay on-going expenses and other obligations. The Directors have considered the cash position and performance of the current capital invested by the Group, the potential impact on markets and supply chains of geo-political risks, as well as continuing macro-economic factors and inflation, and concluded that it is appropriate to adopt the going concern basis in the preparation of these Financial Statements.

Going concern is assessed over a minimum period of 12 months from the approval of these Financial Statements. Owing to the fact that the Group currently has no borrowing, retains a significant cash balance and that the Company's equity investments comprise predominantly readily realisable securities, the Board considers there to be no material uncertainty.

3. Gross property income

Gross property income for the period ended 30 September 2024 amounted to £0.424 million (30 September 2024: £0.394 million). The Group leases out its investment property under an operating lease which is structured in accordance with local practices in Italy. The Group's lease agreement in place as at 30 September 2024 was unchanged from that disclosed in the Company's Audited Annual Financial Statements for the year ended 31 March 2024.

Property income

	30 September 2024 £000s (Unaudited)	30 September 2023 £000s (Unaudited)
Property income received (net of lease incentives)	452	458
Straight-lining of lease incentives	(28)	(64)
Property income	424	394

WORSLEY INVESTORS LIMITED
Notes to the Condensed Unaudited Consolidated Financial Statements
For the six months ended 30 September 2024, continued

3. Gross property income, continued

Expense from services to tenants, other property operating and administrative expenses

	30 September 2024 £000s (Unaudited)	30 September 2023 £000s (Unaudited)
Property expenses arising from investment property which generates income	75	98
Total property operating expenses	75	98

There were no property expenses arising from investment property which did not generate income.

4. General and administrative expenses

	30 September 2024 £000s (Unaudited)	30 September 2023 £000s (Unaudited)
Administration fees	63	54
General expenses	59	48
Audit fees	26	27
Legal and professional fees	29	10
Directors' fees (note 13)	23	25
Insurance costs	11	13
Corporate broker fees	13	12
Investment Advisor fees (note 13)	96	93
Total	320	282

5. Basic and diluted earnings per ordinary share (pence)

The basic and diluted earnings per share for the Group is based on the net profit for the period of £1.234 million (30 September 2023: net loss of £0.158 million) and the weighted average number of Ordinary Shares in issue during the period of 33,740,929 (30 September 2023: 33,740,929). There are no instruments in issue which could potentially dilute earnings or loss per Ordinary Share.

6. Investment property

	6 months ended 30 September 2024 (Unaudited) £000s	Year ended 31 March 2024 (Audited) £000s
Valuation of investment property before lease incentive adjustment at beginning of period/year	6,287	6,770
Fair value adjustment	(43)	(303)
Foreign exchange translation	(149)	(180)
Independent external valuation	6,095	6,287
Adjusted for: Lease incentive*	(584)	(626)
Fair value of investment property at the end of the period/year	5,511	5,661

* The Lease incentive is separately classified as a partly current and partly non-current asset within the Consolidated Statement of Financial Position and to avoid double counting is hence deducted from the independent property valuation to arrive at fair value for accounting purposes.

WORSLEY INVESTORS LIMITED

Notes to the Condensed Unaudited Consolidated Financial Statements

For the six months ended 30 September 2024, continued

6. Investment property, continued

The property is carried at fair value. The lease incentive granted to the tenant is amortised over the term of the lease. In accordance with IFRS, the external independent valuation is reduced by the carrying amount of the lease incentive as at the valuation date.

Quarterly valuations are carried out at 31 March, 30 June, 30 September and 31 December by Knight Frank LLP, external independent valuers. The valuation of the investment property is recorded in Euros and converted into Pounds Sterling at the end of each reporting period. The rates used were as follows:

	30 September 2024 (Unaudited)	31 March 2024 (Audited)
Euro / GBP	1.1977	1.1691

The resultant fair value of investment property is analysed below by valuation method, according to the levels of the fair value hierarchy. The different levels have been defined as follows:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 which are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The investment property (Curno) is classified as Level 3.

The significant assumptions made relating to its independent valuation are set out below:

Significant assumptions	30 September 2024 (Unaudited)	31 March 2024 (Audited)
Gross estimated rental value per square metre p.a.	113.85€	113.85€
Equivalent yield	10.75%	10.75%

The external valuer has carried out its valuation using the comparative and investment methods. The external valuer has made the assessment on the basis of a collation and analysis of appropriate comparable investment and rental transactions. The market analysis has been undertaken using market knowledge, enquiries of other agents, searches of property databases, as appropriate and any information provided to them. The external valuer has adhered to the RICS Valuation – Professional Standards.

An increase/decrease in ERV (Estimated Rental Value) will increase/decrease valuations, while an increase/decrease to yield decreases/increases valuations. The information below sets out the sensitivity of the independent property valuation to changes in Fair Value.

If market rental increases by 10% then property value increases by 3.40%, being €248,200 (31 March 2024: 3.22%, being €236,670).

If market rental decreases by 10% then property value decreases by 3.40% being €248,200 (31 March 2024: 3.22%, being €236,670).

If yield increases by 1% then property value decreases by 8.35%, being €609,550 (31 March 2024: if yield increased by 0.5% then property value decreased by 3.73%, being €273,940).

If yield decreases by 1% then property value increases by 6.93%, being €505,890 (31 March 2024: if yield decreased by 0.5% then property value increased by 4.09%, being €300,676).

Property assets are inherently difficult to value owing to the individual nature of each property. As a result, valuations are subject to uncertainty. There is no assurance that estimates resulting from the valuation process will reflect the actual sales price even where a sale occurs shortly after the valuation date. Rental income and the market value for properties are generally affected by overall conditions in the local economy, such as growth in Gross Domestic Product (“GDP”), employment trends, inflation and changes in interest rates. Changes in GDP may also impact employment levels, which in turn may impact the demand for premises. Furthermore, movements in interest rates may affect the cost of financing for real estate companies.

WORSLEY INVESTORS LIMITED
Notes to the Condensed Unaudited Consolidated Financial Statements
For the six months ended 30 September 2024, continued

6. Investment property, continued

Both rental income and property values may be affected by other factors specific to the real estate market, such as competition from other property owners, the perceptions of prospective tenants of the attractiveness, convenience and safety of properties, the inability to collect rents because of the bankruptcy or the insolvency of tenants, the periodic need to renovate, repair and release space and the costs thereof, the costs of maintenance and insurance, and increased operating costs. The Investment Advisor addresses market risk through a selective investment process, credit evaluations of tenants, ongoing monitoring of tenants and through effective management of the property.

7. Investments at fair value through profit or loss ("FVTPL")

	6 months ended 30 September 2024 £000s (Unaudited)	Year ended 31 March 2024 £000s (Audited)
Opening book cost	5,588	4,908
Total unrealised gains at beginning of period	2,421	2,931
Fair value of investments at FVTPL at beginning of period	8,009	7,839
Purchases	866	793
Sales	(593)	(214)
Realised gains	281	101
Unrealised gains/(losses)	879	(510)
Total investments at FVTPL	9,442	8,009
Closing book cost	6,143	5,588
Total unrealised gains at end of period	3,299	2,421
Total investments at FVTPL	9,442	8,009
	30 September 2024 £000s (Unaudited)	30 September 2023 £000s (Unaudited)
Realised gains	281	13
Unrealised gains/(losses)	879	(430)
Total gains/(losses) on investments at FVTPL	1,160	(417)
Investment income	275	229
Total gains/(losses) on financial assets at FVTPL	1,435	(188)

The fair value of investments at FVTPL are analysed below by valuation method, according to the levels of the fair value hierarchy. The different levels have been defined as follows:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 which are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: inputs for the asset or liability which are not based on observable market data (unobservable inputs).

WORSLEY INVESTORS LIMITED
Notes to the Condensed Unaudited Consolidated Financial Statements
For the six months ended 30 September 2024, continued

7. Investments at fair value through profit or loss (“FVTPL”), continued

The following table analyses within the fair value hierarchy the Company’s financial assets at fair value through profit or loss:

30 September 2024	Level 1 £000s	Level 2 £000s	Level 3 £000s	Total £000s
Fair value through profit or loss				
- Investments	6,426	3,016	-	9,442

As at 30 September 2024, within the Company’s financial assets classified as Level 2, securities totalling £1,895,446 are traded on the London Stock Exchange or AIM, with securities of £1,120,500 being traded on the Aquis Exchange. The Level 2 securities are valued at the traded price as at the period end and no adjustment has been deemed necessary to these prices. However, although these are traded, they are not regularly traded in significant volumes and hence have been classified as level 2.

31 March 2024	Level 1 £000s	Level 2 £000s	Level 3 £000s	Total £000s
Fair value through profit or loss				
- Investments	5,705	2,304	-	8,009

As at 31 March 2024, within the Company’s financial assets classified as Level 2, securities totalling £1,265,077 were traded on the London Stock Exchange or AIM Market and securities of £1,039,375 were traded on the Aquis Exchange. The Level 2 securities were valued at the traded price as at the year end and no adjustment were deemed necessary to these prices. However, although these were traded, they were not regularly traded in significant volumes and hence were classified as level 2.

The valuation and classification of the investments are reviewed on a regular basis. The Board determines whether or not transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input which is significant to the fair value measurement as a whole) at the end of each reporting period.

8. Trade and other receivables

	30 September 2024 £000s (Unaudited)	31 March 2024 £000s (Audited)
Prepayments	30	32
Total	30	32

The carrying values of trade and other receivables are considered to be approximately equal to their fair value.

9. Trade and other payables

	30 September 2024 £000s (Unaudited)	31 March 2024 £000s (Audited)
Investment Advisor’s fee (note 13)	23	19
Administration fees	9	44
Audit fee	28	46
Directors’ fees payable (note 13)	-	2
Other	108	157
Total	168	268

Trade and other payables are non-interest bearing and are normally settled on 30-day terms. The carrying values of trade and other payables are considered to be approximately equal to their fair value.

WORSLEY INVESTORS LIMITED
Notes to the Condensed Unaudited Consolidated Financial Statements
For the six months ended 30 September 2024, continued

10. Share capital

	6 months ended 30 September 2024 Number of shares (Unaudited)	Year ended 31 March 2024 Number of shares (Audited)
Shares of no par value issued and fully paid		
Balance at the start of the period/year	33,740,929	33,740,929
Balance at the end of the period/year	33,740,929	33,740,929

No shares were issued by the Company during the period (31 March 2024: none).

11. Net assets

	6 months ended 30 September 2024 £000s (Unaudited)	Year ended 31 March 2024 £000s (Audited)
Balance at the start of the period/year	14,661	14,819
Profit/(loss) for the period/year and other comprehensive income/(loss)	1,234	(158)
Balance at the end of the period/year	15,895	14,661

Net asset value per ordinary share

The Net Asset Value per Ordinary Share at 30 September 2024 is based on the net assets attributable to the ordinary shareholders of £15.895 million (31 March 2024: £14.369 million) and on 33,740,929 (31 March 2024: 33,740,929) ordinary shares in issue at the Consolidated Statement of Financial Position date.

12. Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's Audited Annual Financial Statements for the year ended 31 March 2024.

13. Related party transactions

The Directors are responsible for the determination of the Company's investment objective and policy and have overall responsibility for the Group's activities including the review of investment activity and performance.

Mr Nixon, a Director of the Company, is also Founding Partner and a Designated Member of Worsley Associates LLP ("Worsley"). The total charge to the Consolidated Income Statement during the period in respect of Investment Advisor fees to Worsley was £96,235 (30 September 2023: £92,722) of which £22,641 (31 March 2024: £15,657) remained payable at the period end.

Upon appointment of Worsley as Investment Advisor (31 May 2019), Mr Nixon waived his future Director's fee for so long as he is a member of the Investment Advisor.

The Directors who served on the Board during the period, together with their beneficial interests at 30 September 2024 and at 31 March 2024, were as follows:

	30 September 2024		31 March 2024	
	Ordinary shares	% of shareholdings	Ordinary shares	% of shareholdings
Blake Nixon	10,083,126	29.88%	10,083,126	29.88%
William Scott	933,311	2.77%	933,311	2.77%
Robert Burke	-	-	-	-

WORSLEY INVESTORS LIMITED

Notes to the Condensed Unaudited Consolidated Financial Statements

For the six months ended 30 September 2024, continued

13. Related party transactions, continued

The aggregate remuneration and benefits in kind of the Directors and directors of its subsidiaries in respect of the Company's period ended 30 September 2024 amounted to £22,965 (30 September 2023: £24,690) in respect of the Group of which £17,500 (30 September 2023: £17,500) was in respect of the Company. No amounts were payable at the period end (31 March 2024: no amounts payable).

All the above transactions were undertaken at arm's length.

14. Capital commitments and contingent liability

As at 30 September 2024 the Company has no capital commitments (31 March 2024: no commitments).

15. Segmental analysis

As at 30 September 2024, the Group has two segments (31 March 2024: two).

The following summary describes the operations in each of the Group's reportable segments for the current period:

Property Group	Management of the Group's property asset.
Parent Company	Parent Company, which holds listed equity investments

Information regarding the results of each reportable segment is shown below. Performance is measured based on segment profit/(loss) for the period, as included in the internal management reports that are reviewed by the Board, which is the Chief Operating Decision Maker ("CODM"). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

The accounting policies of the reportable segments are the same as the Group's accounting policies.

(a) Group's reportable segments

30 September 2024	Continuing Operations		Total £000
	Property Group £000	Parent Company £000	
External revenue			
Gross property income	424	-	424
Property operating expenses	(75)	-	(75)
Net gain on investments at fair value through profit or loss	-	1,435	1,435
Unrealised valuation loss on investment property	(43)	-	(43)
Lease incentive movement	28	-	28
Total segment revenue	334	1,435	1,769
Expenses			
General and administrative expenses	(88)	(232)	(320)
Total operating expenses	(88)	(232)	(320)
Profit before tax	246	1,203	1,449
Income tax charge	(62)	-	(62)
Tax credit	-	-	-
Profit after tax	184	1,203	1,387
Profit for the period	184	1,203	1,387
Total assets	6,434	9,719	16,153
Total liabilities	(195)	(63)	(258)

WORSLEY INVESTORS LIMITED
Notes to the Condensed Unaudited Consolidated Financial Statements
For the six months ended 30 September 2024, continued

15. Segmental analysis, continued

30 September 2023	Continuing Operations		Total £000
	Property Group £000	Parent Company £000	
External revenue			
Gross property income	394	-	394
Property operating expenses	(98)	-	(98)
Net loss on investments at fair value through profit or loss	-	(188)	(188)
Unrealised valuation loss on investment property	(260)	-	(260)
Lease incentive movement	64	-	64
Total segment revenue	100	(188)	(88)
Expenses			
General and administrative expenses	(72)	(210)	(282)
Total operating expenses	(72)	(210)	(282)
Profit/(loss) before tax	28	(398)	(370)
Income tax charge	(53)	-	(53)
Tax credit	75	-	75
Profit/(loss) after tax	50	(398)	(348)
Profit/(loss) for the period	50	(398)	(348)
Total assets	6,525	8,092	14,617
Total liabilities	(153)	(95)	(248)

(b) Geographical information

The Company is domiciled in Guernsey. The Group has subsidiaries incorporated in Europe.

The Group's revenue from external customers from continuing operations and information about its segment non-current assets by geographical location (of the country of incorporation of the entity earning revenue or holding the asset) are detailed below:

	Revenue from External Customers For the six months ended 30 September 2024 £000	Non-Current Assets 30 September 2024 £000
Europe	424	6,095
	424	6,095
	Revenue from External Customers For the six months ended 30 September 2023 £000	Non-Current Assets 30 September 2023 £000
Europe	394	6,413
	394	6,413

16. Subsequent events

There were no post period end events which require disclosure in these Financial Statements.

WORSLEY INVESTORS LIMITED

Portfolio statement (unaudited) as at 30 September 2024

	Currency	Fair value £'000	% of Group Net Assets
Property			
UCI Curno	EUR	6,095	38.35%
Less: lease incentive	EUR	(584)	3.67%
Total		5,511	34.67%
Securities			
Smiths News Plc	GBP	5,895	37.09%
Daniel Thwaites PLC	GBP	693	4.36%
Northamber Plc	GBP	583	3.67%
Shepherd Neame Limited	GBP	428	2.69%
W.H. Ireland Group plc	GBP	370	2.33%
LMS Capital plc	GBP	339	2.13%
Town Centre Securities Plc	GBP	334	2.10%
J. Smart & Co (Contractors) PLC	GBP	186	1.17%
		8,828	55.54%
Total disclosed securities			
Other securities (none greater than 2% of Net Assets)	GBP	614	3.86%
Total securities		9,442	59.40%
Total investments		14,953	94.07%

WORSLEY INVESTORS LIMITED

Investment Policy

Investment Objective and Policy Change

Investment Objective

The Company's investment objective is to provide shareholders with an attractive level of absolute long-term return, principally through the capital appreciation and subsequent exit of undervalued securities. The existing real estate asset of the Company will be realised in an orderly manner, that is with a view to optimising the disposal value of such asset.

Investment Policy

The Company aims to meet its objectives through investment primarily, although not exclusively, in a diversified portfolio of securities and related instruments of companies listed or admitted to trading on a stock market in the British Isles (defined as (i) the United Kingdom of Great Britain and Northern Ireland; (ii) the Republic of Ireland; (iii) the Bailiwicks of Guernsey and Jersey; and (iv) the Isle of Man). The majority of such companies will also be domiciled in the British Isles. Most of these companies will have smaller to mid-sized equity market capitalisations (the definition of which may vary from market to market, but will in general not exceed £600 million). It is intended to secure influential positions in such British quoted securities with the deployment of activism as required to achieve the desired results.

The Company, Property Trust Luxembourg 2 SARL and Multiplex 1 SRL ("the Group") may make investments in listed and unlisted equity and equity-related securities such as convertible bonds, options and warrants. The Group may also use derivatives, which may be exchange traded or over-the-counter.

The Group may also invest in cash or other instruments including but not limited to: short, medium or long term bank deposits in Pound sterling and other currencies, certificates of deposit and the full range of money market instruments; fixed and floating rate debt securities issued by any corporate entity, national government, government agency, central bank, supranational entity or mutual society; futures and forward contracts in relation to any other security or instrument in which the Group may invest; put and call options (however, the Group will not write uncovered call options); covered short sales of securities and other contracts which have the effect of giving the Group exposure to a covered short position in a security; and securities on a when-issued basis or a forward commitment basis.

The Group pursues a policy of diversifying its risk. Save for the Curno Asset until such time as it is realised, the Group intends to adhere to the following investment restrictions:

- not more than 30 per cent. of the Gross Asset Value at the time of investment will be invested in the securities of a single issuer (such restriction does not, however, apply to investment of cash held for working capital purposes and pending investment or distribution in near cash equivalent instruments including securities issued or guaranteed by a government, government agency or instrumentality of any EU or OECD Member State or by any supranational authority of which one or more EU or OECD Member States are members);
- the value of the four largest investments at the time of investment will not constitute more than 75 per cent of Gross Asset Value;
- the value of the Group's exposure to securities not listed or admitted to trading on any stock market will not exceed in aggregate 35 per cent. of the Net Asset Value;
- the Group may make further direct investments in real estate but only to the extent such investments will preserve and/or enhance the disposal value of its existing real estate asset. Such investments are not expected to be material in relation to the portfolio as a whole but in any event will be less than 25 per cent. of the Gross Asset Value at the time of investment. This shall not preclude Property Trust Luxembourg 2 SARL and Multiplex 1 SRL (the "Subsidiaries") from making such investments for operational purposes;
- the Company will not invest directly in physical commodities, but this shall not preclude its Subsidiaries from making such investments for operational purposes;

WORSLEY INVESTORS LIMITED

Investment Policy, continued

Investment Policy, continued

- investment in the securities, units and/or interests of other collective investment vehicles will be permitted up to 40 per cent. of the Gross Asset Value, including collective investment schemes managed or advised by the Investment Advisor or any company within the Group; and
- the Company must not invest more than 10 per cent. of its Gross Asset Value in other listed investment companies or listed investment trusts, save where such investment companies or investment trusts have stated investment policies to invest no more than 15 per cent. of their gross assets in other listed investment companies or listed investment trusts.

The percentage limits above apply to an investment at the time it is made. Where, owing to appreciation or depreciation, changes in exchange rates or by reason of the receipt of rights, bonuses, benefits in the nature of capital or by reason of any other action affecting every holder of that investment, any limit is breached by more than 10 per cent., the Investment Advisor will, unless otherwise directed by the Board, ensure that corrective action is taken as soon as practicable.

Borrowing and Leverage

The Group may engage in borrowing (including stock borrowing), use of financial derivative instruments or other forms of leverage provided that the aggregate principal amount of all borrowings shall at no point exceed 50 per cent. of Net Asset Value. Where the Group borrows, it may, in order to secure such borrowing, provide collateral or security over its assets, or pledge or charge such assets.

WORSLEY INVESTORS LIMITED

Corporate Information

Directors (All non-executive)

W. Scott (Chairman)
R. H. Burke
B. A. Nixon

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