

LONDON & ASSOCIATED PROPERTIES

ANNUAL REPORT 2025

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Financial calendar

Annual General Meeting

18 June 2026

OVERVIEW

LAP at a glance

London & Associated Properties PLC ("LAP" or the "Group") is an unlisted group which invests in and manages UK industrial and retail property. LAP owns £48.0 million of property and seeks to create environments where tenants can thrive.

The Group also holds a substantial investment in Bisichi PLC, which operates coal mines in South Africa and owns UK property and other investments. In accordance with IFRS 10 the results of Bisichi have been consolidated in the Group accounts.

FINANCIAL HIGHLIGHTS

Fully diluted net assets per equity share	IFRS net assets	Properties portfolio valuation*
30.75p	£41.1m	£38.5m
2024: 32.91p	2024: £50.6m	2024: £39.0m
		*Includes investment properties and head leases. Excludes properties under management.

KEY PROJECTS

KEY PROJECTS	HIGHLIGHT
Property • Runcorn Manor Park Industrial Estate • Adlington Court Industrial Estate • Essential community retail • West Ealing development	• Runcorn industrial portfolio strong rental growth • Warrington industrial portfolio strong rental growth • Essential community retail portfolio steady rental growth • Market conditions have made the development unviable as currently designed. Value realisation options being explored
Coal production • In South Africa, Black Wattle produced 1.1m metric tonnes of Run of Mine Coal in 2025 (2024: 1.5 m metric tonnes)	• The API4 price averaged \$89 in 2025 compared to \$106 in 2024 • Total domestic and export sales of coal were 1.3 million metric tonnes (2024: 1.4 million metric tonnes) • These factors have had a negative impact on the results for the year • Climate related risks are being addressed for coal processing operations • Agreement to acquire Goedehoop North mine
Equity investments • Investments valued at £10.4 million (2024: £15.0 million)	• Sale of investments to fund Goedehoop North acquisition • Dividend income of £0.22 million (2024: £0.34 million) • Growth in value of held investments of £1.4 million (2024: £0.07 million) • Portfolio comprised listed equities and listed equity related funds involved or invested in extractive and energy related business activities, including entities involved in the extraction of commodities needed for the clean energy transition

Chairman and Chief Executive's review 2025

I am pleased to present our accounts for the 12 months to 31 December 2025

CONSOLIDATED RESULTS

Total net assets of the Group at the year end were £41.1 million (2024: £50.6 million). Total net assets attributable to shareholders were £26.2 million (2024: £28.1 million). The Group loss after tax was 9.4 million (2024: profit £2.8 million), with losses attributable to shareholders of £1.9million (2024: £0.4 million).

Our consolidated property investment portfolio was valued at £38.5 million at 31 December 2025 compared to £39.0million on a like-for-like basis a year earlier. This reflects a valuation decrease (including head leases) of £0.5 million reflecting ongoing market uncertainty.

Rental income for the Group (excluding sold properties and bad debt charges) remained at £3.5 million (2024: £3.5 million). This result reflects the resilience of our assets; even in the current market conditions we have achieved increased rents on many new lettings.

Rental income resilience can also be seen in our occupancy levels, which were 94.5% at year end (2024: 96.4%). Rent collection levels have similarly remained strong, with an improved 97% of Q1 2026 rents received to date compared to 94% at the corresponding time last year.

We continue to monitor and reduce our cost base following the outsourcing of our property management functions our relocation to smaller offices and our delisting from the London Stock Exchange. LAP's overheads were £0.35 million (17.5%) lower than in 2024.

LAP PROPERTY ACTIVITIES

Industrial

Industrial constitutes 29% (2024: 29%) of our investment property portfolio by value.

At Manor Park, Runcorn, our 100,000 sq ft industrial estate is fully let. Tenant demand remains excellent and we are confident that we can achieve rental growth at future lease events.

At Adlington Court, Warrington, our 25,000 sq ft industrial estate, there is one unit currently vacant and being marketed, with strong occupier and investment interest.

Essential Community Retail

Essential community retail constitutes 71% (2024: 71%) of our investment property portfolio by value.

This part of our portfolio continues to perform well and remains close to fully let. Income from these properties on a like for like basis has remained static in 2025 We continue to monitor each property's performance closely and spend significant energy seeking to minimise residual costs and cash leakage. We did not dispose of any of these assets during the year.

West Ealing

As previously reported, we have received tender pricing for the construction of 56 flats and four retail units held by our joint venture. Despite significant efforts to value engineer the designs with contractors, it became clear in the second half of 2025 that we would not be able to deliver this project with an acceptable margin and risk profile. Ongoing construction inflation, uncertainty over the implementation of new tall building regulations and external factors affecting demand for residential housing in London have all contributed to this decision.

We have agreed with the lender to a consensual land sale of the site. We do not expect the shareholders to recover any of their investment and have valued the land at £3.25 million, below the outstanding loan secured on the property. This diminution in value is reflected in the accounts this year.

DEBT MANAGEMENT

Our £13.6 million 5-year term loan with QIB (UK) PLC, expiring in 2027, is fully compliant and secured against a portfolio of retail and industrial properties. The interest rate on the loan with QIB was at the Bank of England base rate + 3.95% and there is no amortisation. It was agreed with the lender to reduce the margin to 2.95% from May 2025

DELISTING FROM THE LONDON STOCK EXCHANGE

On 19th November 2025, the ordinary shares ("Shares") of London & Associated Properties PLC (LSE: LAS) were delisted from the London Stock Exchange. After careful consideration and for reasons reported previously the Board concluded that the drawbacks of LAP's listing outweighed the benefits such that a delisting was in the best interests of the Company and its shareholders as a whole. The most significant factor was an annual overhead saving of £350,000, which will contribute to LAP's performance from 2026 onwards.

DRAGON RETAIL PROPERTIES

Since 2001, Dragon has owned a property in Clifton, Bristol, let partly to Boots the Chemist and partly to one of Bristol's best-known nightclubs. Dragon's loan of £0.7 million from Santander was renewed to July 2027, in 2024 and is covenant compliant.

BISICHI PLC

For 2025, Bisichi plc, our 41.6% owned subsidiary, made a loss before interest, tax, depreciation and amortisation (EBITDA) of £2.8 million (2024: profit £10.8 million) and an operating loss before depreciation, fair value adjustments and exchange movements (Adjusted EBITDA) of £2.2 million (2024: £10.4 million).

During 2025, Bisichi experienced lower mining production and higher costs at its South African coal mining asset, Black Wattle Colliery, as well as lower coal prices achieved by Sisonke Coal Processing, Bisichi's South African processing operation.

At Black Wattle, Bisichi achieved production of 1.1 million metric tonnes, compared to 1.5 million metric tonnes in 2024. In order to reduce elevated Run of Mine (ROM) coal inventories accumulated in 2024, Bisichi's management made the strategic decision to reduce production during the first half of the year. In the second half, production was further impacted by difficult mining conditions and flooding issues during the final quarter.

At Sisonke Coal Processing, improved coal qualities and processing yields from areas mined during 2025, along with a reduction in ROM inventories, ensured that the impact of lower production from Black Wattle was mitigated. Overall, coal sales decreased slightly to 1.3million metric tonnes, compared to 1.4million metric tonnes in 2024.

The weekly price of Free on Board (FOB) coal from Richards Bay Coal Terminal (API4 price) averaged US\$89, compared to US\$106 in 2024 and US\$120 in 2023. Additionally, the South African Rand strengthened significantly against the US Dollar over the year, negatively impacting achievable prices in local currency. While domestic prices remained largely stable, the decline in seaborne coal prices significantly affected Bisichi's profitability, particularly in the second half of the year.

As announced in December 2025, Bisichi was pleased to report that it agreed to acquire the assets of Thungela Operations Pty Ltd (a subsidiary of Thungela Resources Limited) utilized exclusively in the Goedeheop North Mining Area. The extensive infrastructure acquired provides an exciting opportunity to commercially enhance Bisichi's existing South African operations.

We are pleased to report that the South African Competition Commission has approved the sale of the assets. Completion remains subject to other outstanding conditions, including consents from the Department of Mineral and Petroleum Resources (DMPR). Bisichi, alongside their Black Economic Empowerment (BEE) partners, Vunani Mining Investments (Pty) Ltd, is working diligently to expedite the transaction. Further details on the acquisition and the underlying assets can be found in previous announcements as well as in the Mining and Financial review sections of Bisichi's Annual Report.

Looking ahead to 2026, work has commenced to transition to the southern sections of Bisichi's existing mining area at Black Wattle. This move is intended to stabilise production and capture the benefits of lower mining costs and improved coal quality. Bisichi remain optimistic about the value of Black Wattle's remaining reserves and the synergies possible through the Goedeheop North infrastructure.

The Bisichi Board cancelled the trading of its shares on the Main Market of the London Stock Exchange, effective from the beginning of this year (the "Delisting"). The Goedeheop North acquisition would have constituted a reverse takeover under UK Listing Rules, requiring permanent cancellation of the Company's listing on the Official List. After carefully considering options to list in a higher category or on alternative markets, the Board concluded that the drawbacks of listing elsewhere outweighed the benefits such that the Delisting, was in the best interests of the Company, and its shareholders as a whole. Further details on the delisting can be found in the Financial review section of Bisichi's Annual Report.

Bisichi's total non-current and current listed equity related investments held at fair value through profit and loss were valued at £10.4 million (2024: £15.0 million). Much of the decrease in value, compared to the prior year, can be attributed to the disposal of shares to fund the Goedeheop North acquisition. Overall, Bisichi achieved dividend income of £0.22 million and a gain in value of £1.4 million. These portfolios remain focused on extractive and energy-related businesses, including those essential to the clean energy transition.

In the UK, rental revenue from Bisichi's retail property portfolio remains a stable contributor, aggregating £1.4 million (2024: £1.3 million).

STRATEGIC REPORT Chairman and Chief Executive's review 2025

Due to the significant financial undertakings related to the Goedehoop North acquisition, the directors of Bisichi do not propose a final year-end dividend (2024: 4p). This takes the total dividend per share for the year to 3p (2024: 7p).

Clive Parritt and Robin Priest resigned as Directors on 31 December 2025. I would like to thank them for many years of guidance, expertise, support and friendship and for their offer to continue to advise the business on a consultancy basis following their departure from the Board.

Finally, we would like to thank employees, advisers and stakeholders for their ongoing efforts and support.

A handwritten signature in black ink, appearing to read 'John Heller', with a stylized, wavy line extending from the end.

John Heller,
Chairman and Chief Executive

22 June 2026

STRATEGIC REPORT

Financial and performance review

The financial statements for 2025 have been prepared to reflect the requirements of IFRS 10. This means that the accounts of Bisichi PLC (a London Stock Exchange main market quoted company – BISI) (“Bisichi”), have been consolidated with those of LAP.

Bisichi continues to operate as a fully independent company and currently LAP owns only 41.6% of the issued ordinary share capital. However, because related parties also have shareholdings in Bisichi and there is a wide disposition of other shareholdings, LAP is deemed under IFRS 10, to have effective control of Bisichi for accounting purposes. This treatment means that the income and net assets of Bisichi are disclosed in full and the value attributable to the “non-controlling interest” (58.4%) is shown separately in the equity section as a non-controlling interest. There is no impact on the net assets attributable to LAP shareholders.

Dragon Retail Properties Limited (“Dragon”) and West Ealing Projects Limited (“West Ealing”) are both 50:50 joint ventures with Bisichi and are also consolidated. Another joint venture, Development Physics Limited (“DPL”) was owned 33% each by LAP, Bisichi and a third party. This too is consolidated but was dissolved in Q1 2025, following cessation of its activities.

Shareholders are aware that LAP is a property business with a significant investment in a mining company.

The effect of consolidating the results, assets and liabilities of the property business and the mining company makes the figures complex and less transparent. Property company accounts are already subject to significant volatility as valuations of property assets as well as derivative liabilities can be subject to major movements based on market sentiment. Most of these changes, though, have little or no effect on the cash position and it is, of course, self-evident that cash flow is the most important factor influencing the success of a property business. We explain the factors affecting the property business first, clearly separating these from factors affecting the mining business which we do not manage. Comments about Bisichi (the mining business) are based on information provided by the independent management of that company.

This report comments on the performance of each of the Group’s segments separately.

LONDON & ASSOCIATED PROPERTIES PLC

We own industrial and community essential retail property and additionally are seeking to develop housing for local communities. Our key objective is to ensure that we offer safe and secure environments for people to live and work in and visit.

LAP’s core objectives in 2025 have continued to be:

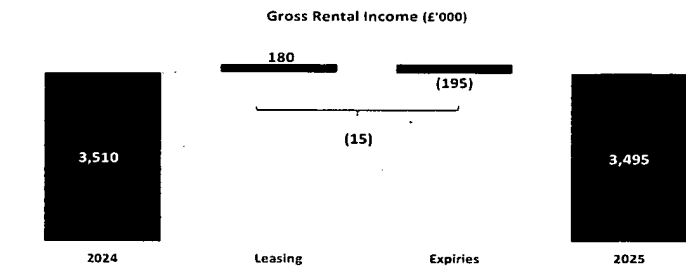
- Provide environments in which tenants can thrive.
- Continually improve our operating cashflow.
- Maintain minimal exposure to the fashion led or shopping centre retail sector.
- Ensure gearing is at an appropriate level.
- Maintain sufficient cash in the business to be able to take advantage of opportunities as they arise.

Rental Income and Occupancy

As at 1 May 2026 Q1 2026 collections were 97% (2025: 94%).

We continue to engage with occupiers to ensure our properties contain a diversified mix of tenants to match customers’ evolving requirements. This is particularly applicable to our essential retail assets, that serve local communities.

After excluding sales and acquisitions over the past two years, like for like gross rental income was down £15,000 (0.4%) as shown below. There were £180,000 of net increases in rents from lease reviews, renewals and new lettings and a net decreases of £195,000 from rent lost due to expiries and subsequent vacant periods. There is one vacant unit in our Warrington industrial portfolio which accounted for a significant proportion of this decrease



STRATEGIC REPORT Financial and performance review

Void levels increased slightly to 6.5% at 31 December 2025 (2024: 3.6%) but remain low across the portfolio. Whilst we have seen some tenant failures this year contributing to the void rate, we have received strong interest in these units with new tenants being brought on board, often at increased rents. Voids are largely created through the natural rotation of tenants when their requirements at lease events have changed, and we do not have suitable accommodation available. We monitor tenants' requirements on a regular basis and aim to understand their intentions in advance of lease events.

Property Investment Activities

There were no property disposals or acquisitions during 2025.

LAP continues to look for investment opportunities, particularly within the industrial sector.

LAP also continues to develop and refurbish all its properties as appropriate to provide environments in which tenants can thrive.

Our joint venture residential development is discussed later in this review.

Funding & Refinancing Activities

No loans were repaid, or new loans or other forms of finance assumed in 2025.

Our 5-year, £13.6m term loan with QIB taken out in 2022 was covenant compliant throughout the year.

Further details can be found in note 17 to the accounts.

The loan relating to our development joint venture is discussed later in this review.

Income Statement

BUSINESS ANALYSIS	2025 £'000	2024 £'000
Rental income	2,219	2,303
Service charge income	331	149
Management income from third party properties	58	34
LAP Revenue	2,608	2,486
Direct property costs	(866)	(1,100)
Impairment of inventory and development costs	(2,096)	(900)
Overheads	(1,647)	(2,000)
Depreciation	(277)	(267)
Operating (loss)/profit	(2,278)	(1,781)
Finance income	29	92
Finance expenses	(1,282)	(1,437)
Result before valuation movements	(3,531)	(3,126)
Other segment items		
Net increase/(decrease) on revaluation of investment properties	(215)	1,525
Gain/(loss) on disposal of subsidiaries	-	50
Profit/(loss) on disposal of fixed assets	20	-
Revaluation and other movements	(195)	1,575
LAP loss for the year before taxation	(3,726)	(1,551)

Note: The figures exclude inter-company transactions.

The above figures for LAP and commentary below exclude the cash items of management fee income from Bisichi and Dragon of £200,000 (2024: £236,000) and dividend income from Bisichi of £311,000 (2024: £311,000).

We have again managed to reduce our overheads this year and expect them to reduce further next year following the delisting of the company. We continue to explore opportunities to further reduce overheads in 2026.

STRATEGIC REPORT Financial and performance review

LAP generated an adjusted EBITDA profit of £0.6 million (2024: loss £0.1 million).

	2025 £'000	2024 £'000
EBITDA		
Operating (loss)/profit	(2,278)	(1,781)
Excluding non-cash items:		
Depreciation & amortisation	277	267
Impairment of Inventory and development costs	2,096	900
EBITDA	95	(614)
Income from subsidiaries:		
Management fees	200	236
Dividend income	311	311
Adjusted EBITDA	606	(67)

LAP generates most of its income from property rentals, property management fees and development activities.

Interest costs in 2025 reduced by £155,000 due to a lower average BoE base rate over the year compared to 2024, together with a negotiated margin decrease for our QIB facility.

Investment property valuation decreases of £0.215 million (2024: increases of £1.525 million) arose from reduced retail property values of £0.215 million (2024: increase £0.3 million) with no valuation changes to our industrial property (2024: increase £1.225 million).

The directors assess that the residential development in Ealing has decreased in value by £5,746,000 to £3,250,000. Ongoing construction inflation, uncertainty over the implementation of new tall building regulations and external factors affecting demand for residential housing in London have all contributed to our opinion of the current value of the project. Despite significant efforts to value engineer the designs with contractors. It became clear in the second half of 2025 that we would not be able to deliver this project with an acceptable margin and risk profile. We have agreed with the lender to a consensual land sale of the site. We do not expect the shareholders to recover any of their investment and have valued the land at £3.25 million, below the outstanding loan secured on the property. LAP and Bisichi's total investment in this development to date is £4.9 million, of which £3.5 million is attributable to equity shareholders of the company.

LAP's losses, as shown above, are the maximum it can incur with the losses being capped at LAPs investment in the Joint Venture. The lender having no recourse to LAP for any losses it may incur.

Producing a profit through ongoing asset management activities to generate further rental income, investing cash currently on deposit at the appropriate time into new property investments combined with generating returns from our existing investments, including Bisichi, remains the key focus of the business for the future.

BALANCE SHEET

	2025 £'000	2024 £'000
Segment assets		
Non-current assets – property	25,654	25,870
Non-current assets – property, plant & equipment	525	832
Trading asset	3,250	8,996
Cash & cash equivalents	1,177	1,856
Current assets – others	3,630	1,319
Total assets excluding investment in joint ventures	34,236	38,873
Segment liabilities		
Borrowings	(18,829)	(18,233)
Current liabilities	(3,181)	(3,142)
Non-current liabilities	(1,525)	(1,692)
Total liabilities	(23,535)	(23,067)
Net assets	10,701	15,806

Note: The figures exclude inter-company transactions between LAP, Bisichi and Dragon.

STRATEGIC REPORT Financial and performance review

Total assets consist mainly of trading and investment properties. The value of property investments has decreased slightly by £215,000 (0.8%) on revaluation. The directors assess that the residential development in Ealing has decreased in value by £5.77 million to £3.25 million, as discussed above.

Property, plant and equipment decreased by £0.3 million in the year mostly due to the depreciation of the office lease.

The trading asset relates to the residential development in West Ealing. This has been written down in value as explained above.

Current assets include accrued income of £2.2 million (2024: £nil) recognising the cap on losses arising from the impairment of the residential development in Ealing held within a non-recourse joint venture vehicle.

Total liabilities, consisting mainly of bank loans, have increased from £23.1 million to £23.5 million largely reflecting unpaid interest accruing to the bank loan for our residential development JV in Ealing.

LAP's only other borrowing is a £13.6 million term loan facility with QIB expiring in August 2027. This loan is secured on core property and has been covenant compliant throughout the year. The value of the investment property against which the loan is secured is £24.125 million.

Cash flow

	2025 £'000	2024 £'000
CASH FLOW FROM OPERATIONS		
Cash inflows/(outflows) from operating activities	498	(1,133)
Cash inflows from investing activities	390	403
Cash outflows from financing activities	(1,567)	(1,213)
Net decrease in cash and cash equivalents	(679)	(1,943)
Cash and cash equivalents at 1 January	1,856	3,799
Cash and cash equivalents at 31 December	1,177	1,856

Note: The figures within the LAP cashflow include inter-company transactions such as management fee income of £200,000 (2024: £236,000) and dividends from Bisichi of £311,000 (2024: £311,000).

Cash outflows from operating activities include expenditure on development properties of £0.01 million (2024: £1.0 million). Excluding this expenditure, adjusted cash outflows from operating expenditure were £nil (2024: outflows £0.1m).

Investing activities include dividend income from Bisichi of £0.3 million (2024: £0.3 million).

Financing activities in 2025 include interest payments on the servicing of debt of £1.4 million (2024: £1.5 million). Interest rate risk is discussed further in note 20.

WEST EALING PROJECTS LIMITED

West Ealing is a 50:50 joint venture between LAP and Bisichi created with the purpose of delivering a primarily residential development in West Ealing, London. The joint venture owns 90% of the property which is under development and on which £9.9 million has been spent to date (2024: £9.9 million). West Ealing is disclosed within LAP in the segmental analysis in note 1 to the financial statements. There is a linked development loan of £5.4 million (2024: £4.9 million), described further in note 17. Planning permission is held for the creation of 56 new residential apartments and 4 ground floor shops on the site.

As discussed above, we are seeking to dispose of the development land to maximise the cash return from the project.

BISICHI PLC

Although the results of Bisichi PLC have been consolidated in these financial statements, LAP has no direct influence over the management of Bisichi. The comments below are based on the published accounts of Bisichi.

The Bisichi group results are stated in full in its published 2025 financial statements which are available at www.bisichi.co.uk.

Bisichi has two core revenue streams – coal mining in South Africa and investment in retail property in the UK.

At Sisonke Coal Processing, improved yields and the reduction of ROM inventories helped limit the impact of lower production from Black Wattle. Overall, coal sales reached 1.3 million metric tonnes (2024: 1.4 million). Transnet, the South African state rail operator and the wider South African coal industry, have continued to collectively implement measures to increase rail capacity. Bisichi's rail exports increased to

STRATEGIC REPORT Financial and performance review

283,000 metric tonnes, compared to 209,000 metric tonnes in 2024. However, these gains were offset by a deteriorating export market. The API4 price averaged US\$89 (2024: US\$106). Furthermore, the strengthening of the South African Rand against the US Dollar reduced Rand denominated revenue. Over the year the Rand to the US Dollar appreciated from R18.88 at the end of 2024 to R16.60 to 1USD at the end of 2025. The lower prices resulted in Bisichi achieving an average Rand price of R836 per tonne of export coal sold from the mine in 2025, compared to R1,086 in 2024. With domestic prices remaining largely stable, Bisichi achieved an average overall Rand price per tonne of coal sold of R722 compared to R747 in 2024.

Bisichi reported a loss before tax of £7.4 million (2024: profit £5.0 million) for the year with a loss after tax for the year of £5.8 million (2024: profit £3.4 million).

Bisichi's UK retail property investment were valued at the year end at £10.710 million (2024: £10.760 million). The property portfolio is actively managed by LAP and generated rental income of £15.3 million in the year (2024: £1.3 million).

Bisichi's non-current investments held at fair value through profit and loss were valued at year end at £10.4 million (2024: £14.3 million). Disposals of £7.0 million (2024: £5.2 million) during the year were offset by additions of £1.7 million (2024: £5.1 million) and gains from investments of £1.4 million (2024: £0.2 million). The investments comprise of £2.5 million (2024: £4.6 million) of investments listed on stock exchanges in the United Kingdom, £6.1 million (2024: £8.3 million) of investments listed on overseas stock exchanges and £1.8 million (2024: £1.5 million) in overseas investment funds.

Bisichi has a structured trade finance facility with Absa Bank Limited for R85 million held by Sisonke Coal Processing (Pty) Limited, a 100% subsidiary of Black Wattle Colliery (Pty) Limited. This facility comprises an R85 million revolving facility to cover the working capital requirements of Bisichi's South African operations. The facility is renewable annually and is secured against inventory, debtors and cash that are held in Bisichi's South African operations.

In December 2024, Bisichi executed a renewed 5-year term facility of £3.6 million with Julian Hodge Bank Limited at an LTV of 50%. The loan is secured against the company's UK retail property portfolio. The amount repayable on the loan at the year-end is £3.9 million. The overall interest cost of the loan is 4.00% above the Bank of England base rate. The loan is secured by way of a first charge over Bisichi's investment properties in the UK which are included in the financial statements at a value of £10.71 million. The loan is repayable in December 2029. No banking covenants were breached by Bisichi during the year.

Bisichi's cash and cash equivalents increased during the year by £1.4 million (2024: decrease £0.8 million). The net balance of cash and cash equivalents (including bank overdrafts) at year end was a positive amount of cash of £0.3 million (2024: net overdraft of £1.1 million).

Bisichi's net assets at 31st December 2025 were £30.0 million (2024: £36.1 million).

Bisichi recognises the need for, and is committed to, diversification of its future business activities. Bisichi is continually looking at alternative mining, commodity and renewable energy related opportunities, as well as new opportunities to add to its existing UK property investment portfolios. In the interim, Bisichi continues to work closely with Vunani Mining, its BEE partner in Black Wattle and Sisonke Coal processing, as it is committed to being a responsible steward of its legacy coal operations taking into account the climate-related risks outlined in Bisichi's climate report in its 2025 report and accounts and the impact these risks may have on all stakeholders.

DRAGON RETAIL PROPERTIES LIMITED

Dragon is a UK property investment company, owned 50:50 by LAP and Bisichi. The company has a Santander bank loan of £0.7 million secured against its investment property, which is covenant compliant, see note 17. The loan was renewed with Santander expires in July 2027, at a margin of 3.5% above the Bank of England base rate.

Dragon incurred management fees of £nil (2024: £72,000) split equally between the two joint venture partners. Dragon has net assets of £1.0 million (2024: £1.3 million). Dragon continues to trade at near break-even, excluding property revaluations.

ACCOUNTING JUDGEMENTS AND GOING CONCERN

The most significant judgements made in preparing these accounts relate to the carrying value of the properties and investments. The Group uses external property valuers to determine the fair value of most of its properties.

Under IFRS10 the Group has included Bisichi PLC in the consolidated accounts, as it is deemed to be under the effective control of LAP and has therefore been treated as a subsidiary. The directors of Bisichi consider their judgements and estimates surrounding the life of the mine and its reserves to have significant effect on the amounts recognised in the financial statements and to be an area where the financial statements are subject to significant estimation uncertainty. The life of mine remaining is currently estimated at 4 years. A provision for future rehabilitation including restoration and decommissioning costs requires estimates and assumptions to be made around the relevant regulatory framework, the timing, extent and costs of the rehabilitation activities and of the risk free rates used to determine the present value of the future cash outflows. The provisions, including the estimates and assumptions contained therein, are reviewed regularly by management. Bisichi annually engages an independent expert to assess the cost of restoration and final decommissioning as part of management's assessment of the provision. Details of the provision for mining rehabilitation can be found in note 19.

The directors exercise their commercial judgement when reviewing the Group's cash flow forecasts and the underlying assumptions on which the forecasts are based. The Group's business activities, together with the factors likely to affect its future development, are set out in the Chairman's Statement and Chief Executive's Review and in this Report. Further disclosure of specific factors affecting going concern are discussed in more detail in the going concern section of the group accounting policies section of the financial statements. In addition, the

STRATEGIC REPORT Financial and performance review

directors consider that Note 20 to the financial statements sets out the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk, liquidity risk and other risks.

STATEMENT REGARDING SECTION 172 OF THE UK COMPANIES ACT

Section 172 of the UK Companies Act requires the Board to report on how the directors have had regard to the matters outlined below in performing their duties. The Board consider the Group's customers, employees, local communities, suppliers and shareholders as key stakeholders of the Group. During the year, the directors consider that they have acted in a way, and have made decisions that would most likely promote the success of the Group for the benefit of its members as a whole as outlined in the matters below:

- The likely consequences of any decision in the long term: see Principal Activity, Strategy & Business Model and Risks and Uncertainties on pages 12 to 13;
- The interests of the Group's employees; ethics and compliance; fostering of the Company's business relationships with suppliers, customers and others; and the impact of the Group's operations on the community and environment: see Corporate Responsibility and Sustainability reports on pages 15 to 22;
- The need to act fairly between members of the Company: see the Corporate Responsibility section on pages 15 to 22;
- The desirability of maintaining a reputation for high standards of business conduct: see the Corporate Governance section on pages 30 to 32.

GOING CONCERN

LAP

In reviewing going concern it is necessary to consider separately the position of LAP Group and Bisichi. Although both are consolidated into group accounts (as required by IFRS 10), they are managed independently and in the unlikely event that Bisichi was unable to continue trading this would not affect the ability of LAP Group to continue operating as a going concern. The same would be true for Bisichi in reverse.

The directors have reviewed the cash flow forecasts of the LAP Group and the underlying assumptions on which they are based, for the 15 months from the date of signing. The LAP Group's business activities, together with the factors likely to affect its future development, are set out in the Chairman and Chief Executive's Statement and Financial Review. In addition, Note 20 to the financial statements sets out the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

Directors assess the longer term prospects of the business over a four year time horizon as covered by the Group's annual rolling four-year strategic financial plan. This is considered to be the optimum balance between our need to plan for the long term, recognising that property investment is a long-term business, and the progressively unreliable nature of forecasting in later years.

Geo-political events in Ukraine and the Middle East are currently having an impact on global energy prices. Although the outcome of the events in these regions is uncertain, the directors at present do not foresee the events having a significant negative effect on the Group's UK and South African operations. The imposition of tariffs by the United States is not expected to have any significant direct effect on our operations.

Bisichi

Detailed budget and cash flow forecasts for Bisichi's operations demonstrate that Bisichi has sufficient resources to meet its liabilities as they fall due for at least the next 12 months and that Bisichi will be able to manage its business risks and have adequate cash resources to continue in operational existence for the foreseeable future. Further details can be found in the Bisichi plc 2025 Financial Statements which are available on their web site: www.bisichi.co.uk.

Overall position

With a quality property portfolio comprising tenants with a mix of short and long leases supported by suitable financial arrangements, the directors believe that the group's property operations (including Bisichi and Dragon) are well placed to address the current business risks successfully. The mining operations too, as a key industry in South Africa, have a positive future. It is also relevant that LAP would be able to continue as a viable business if Bisichi were to face unexpected problems as there are no cross guarantees and LAP is not dependent on the income from Bisichi. A failure of Bisichi would not itself impact on the going concern status of the LAP group but may require LAP to restructure its operations to reduce costs and remove services currently provided to Bisichi.

Having made enquiries and having considered the principal risks facing the Group, including liquidity and solvency risks, and material uncertainties, the directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

TAXATION

The LAP Group tax strategy is to account for tax on an accurate and timely basis. We only structure our affairs based on sound commercial principles and wish to maintain a low tax risk position. We do not engage in aggressive tax planning.

STRATEGIC REPORT Financial and performance review

The LAP Group (excluding Bisichi and Dragon) has unused tax losses and deductions with a potential value of £13.1 million (2024: £11.0 million). As LAP returns to profit, these tax losses and deductions should be utilised.

DIVIDENDS AND FUTURE PROSPECTS

Due to the current economic uncertainties, the LAP Board has agreed that it will not be recommending a dividend for the financial year ending 31 December 2025 (2024: £nil).

Looking forwards to medium term trading, we intend to pursue our previously stated strategies. These include investing in both our essential community retail properties which have inbuilt defensive qualities and industrial property where we have enjoyed success.

We will recycle properties where we feel asset management opportunities are limited and are prepared to enter into negotiations with parties that have approached us to explore disposals or joint ventures to redevelop certain assets within our portfolio. A number of these negotiations are ongoing although we are not yet able to say if any will come to fruition.

Bisichi

In the first half of 2026, the availability of rail for export of coal from Bisichi's South African operations has continued to improve along with pricing for export coal. Bisichi's Management will therefore be focussing on improving production levels in the second half of this year to allow advantage to be taken of the higher seaborne coal prices.

Completion of the Goedeheop North acquisition is subject to the satisfaction of a number of conditions, including consents from the DMPR. Bisichi along with its Black Economic Empowerment (BEE) partners in the acquisition Vunani Mining Investments (Pty) Ltd, are working hard to expedite the completion of the transaction in the coming months. In the interim, Bisichi is working on site on a contractor basis and has already commenced commercial use of the RLT as well as processing and purchasing of material from the MRD for resale.

In the UK, subject to the capital requirements related to Goedeheop North, Bisichi's management is looking forward to expanding upon on its property and equity investment portfolios. This is in line with the Group's overall strategy for balancing the high risk of our mining operations with a dependable cash flow and capital appreciation from our UK property investment operations and equity investments.

Bisichi continues to seek and evaluate opportunities to transition into alternative mining, commodity and renewable energy related opportunities through new commercial arrangements.

Principal activities, strategy & business model

The LAP Group's principal business model is the investment in, and management and development of, industrial and retail property through direct investment and joint ventures.

The principal activity of Bisichi PLC is coal mining and coal processing in South Africa. Further information is available in its 2025 Financial Statements which are available at www.bisichi.co.uk

STRATEGIC PRIORITIES ARE OUR STRATEGY IS

Maximising income	By achieving an appropriate tenant mix and providing vibrant environments with excellent facilities we can increase tenant demand for space and enhance income.
Creating quality property	We look to improve the tenant experience at all our properties by achieving an appropriate tenant mix and a vibrant trading environment through investment activity, enhancement, refurbishment and development.
Capital strength	We operate within a prudent and flexible financial structure. Our gearing policy provides financial stability whilst giving capacity and flexibility to look for further investments.
Maintain the value of investment in Bisichi	By encouraging the Bisichi management to maximise sustainable profits and cash distributions.

Risks and uncertainties

DESCRIPTION OF RISK	DESCRIPTION OF IMPACT	MITIGATION
ASSET MANAGEMENT:		
Tenant failure	Financial loss.	Initial and subsequent assessment of tenant covenant strength combined with an active credit control function.
Leases not renewed	Financial loss.	Lease expiries regularly reviewed. Experienced teams with strong tenant and market knowledge who manage appropriate tenant mix.
Asset liquidity (size and geographical location)	Assets may be illiquid and affect flexing of balance sheet.	Regular reporting of current and projected position to the Board with efficient treasury management.
PEOPLE:		
Retention and recruitment of staff	Unable to retain and attract the best people for the key roles.	Nomination Committee and senior staff review skills gaps and succession planning. Training and development offered.
REPUTATION:		
Business interruption	Loss in revenue. Impact on footfall. Adverse publicity. Potential for criminal/civil proceedings.	Documented Recovery Plan in place. General, cyber and terrorism insurance policies in place and risks monitored by trained security staff. Health and Safety policies in place. CCTV in centres.
FINANCING:		
Fluctuation in property values	Impact on covenants and other loan agreement obligations.	Secure income flows. Regular monitoring of LTV and IC covenants and other obligations. Focus on quality assets.
Reduced availability of borrowing facilities	Insufficient funds to meet existing debts/interest payments and operational payments.	Efficient treasury management. Loan facilities extended where possible. Regular reporting of current and projected position to the Board.
Loss of cash and deposits	Financial loss.	Only use a spread of banks and financial institutions which have a strong credit rating.
Fluctuation of interest rates	Uncertainty of interest rate costs.	Manage derivative contracts to achieve a balance between hedging interest rate exposure and minimising potential cash calls.

Bisichi risks and uncertainties

Bisichi (although it is consolidated into group accounts as required by IFRS 10) is managed independently of LAP. The risks outlined below are an abbreviated summary of the risks reported by the directors of Bisichi to the shareholders of that Company. Full details are available in the published accounts of Bisichi (www.bisichi.co.uk).

These risks, although critical to Bisichi, are of less significance to LAP which only has a minority investment of 41.6% in the company. In the unlikely event that Bisichi was unable to continue trading, it would not affect the ability of LAP to continue operating as a going concern.

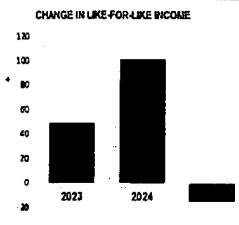
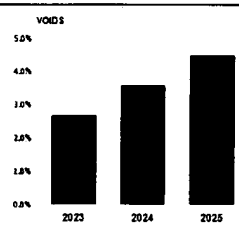
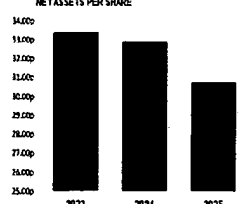
DESCRIPTION OF RISK	DESCRIPTION OF IMPACT	MITIGATION
Coal prices can be impacted materially by market and currency variations and geopolitical factors	Affects sales value and therefore margins.	Bisichi primarily focuses on managing its underlying production and processing costs to mitigate coal price volatility as well as from time to time entering into forward sales contracts with the goal of preserving future revenue streams. Bisichi has not entered into any such contracts in 2024 and 2025. Bisichi assesses on an ongoing basis the impact of volatility in global energy markets, economic volatility and climate change related risks may have on the Group's mining operations and future investment decisions
Mining operations are inherently risky. Mineral reserves, regulations, licensing, power availability, health and safety can all damage operations	Loss of production causing loss of revenue.	Use of independent geology experts, careful attention to regulations, health and safety training, employee dialogue to minimise controllable risks.
Currency risk	Affects realised sales value and therefore margins.	Regular monitoring and review of forward currency situation.
Cashflow variation because of mining risks, commodity price or currency variations	Variations can deliver significant shifts in cash flow.	UK property investments used to offset high risk mining operations.
Socio-economic, political instability & regulatory environment risk	The Bisichi Group is exposed to a wide range of political, economic, regulatory, social and tax environments, particularly in South Africa.	Bisichi's assets and investments are diversified across various countries which reduces its exposure to any particular country. Its Board regularly assesses the political and socio-economic environment and related risks of the countries it operates and invests in.

There has been no change in the risks faced by either LAP or Bisichi.

Key performance indicators

The Group's Key Performance Indicators are selected to ensure clear alignment between its strategy and shareholder interests.

The KPIs are calculated using data from management reporting systems.

Strategic priority	KPI	Performance								
To increase the like-for-like income from each property year on year.	Like-for-like gross rental income as a percentage of the prior year rental.	The like-for-like rental income of the group by property has decreased by £15,000 (0.4%) (2024: increase of £101,000 and 3.0%). This is considered a satisfactory outcome.  <table><caption>CHANGE IN LIKE-FOR-LIKE INCOME</caption><tr><th>Year</th><th>Change</th></tr><tr><td>2023</td><td>50</td></tr><tr><td>2024</td><td>100</td></tr><tr><td>2025</td><td>-10</td></tr></table>	Year	Change	2023	50	2024	100	2025	-10
Year	Change									
2023	50									
2024	100									
2025	-10									
We aim to maximise the total income in our properties by achieving full occupancy.	The estimated rental value ("ERV") of the empty units as a percentage of our total income.	Void levels increased to 5.5% (2024: 3.6%). There continue to be relatively minimal voids across the portfolio which is positive.  <table><caption>VOIDS</caption><tr><th>Year</th><th>Void Level</th></tr><tr><td>2023</td><td>3.0%</td></tr><tr><td>2024</td><td>3.6%</td></tr><tr><td>2025</td><td>5.5%</td></tr></table>	Year	Void Level	2023	3.0%	2024	3.6%	2025	5.5%
Year	Void Level									
2023	3.0%									
2024	3.6%									
2025	5.5%									
The net assets per share is the principal measure used by the group for monitoring its performance and is an indicator of the level of reserves available for distribution by way of dividend.	Movement in the net assets per share.	The net assets per share decreased by 2.16 pence per share (6.6%) to 30.75p (2024: 32.91p). This is considered a disappointing result albeit mostly arising from the write down of the Ealing development property.  <table><caption>NET ASSETS PER SHARE</caption><tr><th>Year</th><th>Net Assets per Share</th></tr><tr><td>2023</td><td>32.91p</td></tr><tr><td>2024</td><td>30.75p</td></tr><tr><td>2025</td><td>28.59p</td></tr></table>	Year	Net Assets per Share	2023	32.91p	2024	30.75p	2025	28.59p
Year	Net Assets per Share									
2023	32.91p									
2024	30.75p									
2025	28.59p									

Corporate responsibility

SUSTAINABLE DEVELOPMENT

Bisichi's Black Wattle continues to strive to conduct business in a safe, environmentally and socially responsible manner. Some highlights of their Health, Safety and Environment performance during 2025:

- Black Wattle Colliery recorded no lost time Injuries during 2025 (2024: 1).
- Two cases of Occupational Diseases were recorded.
- Two claims for the Compensation for Occupational Diseases were submitted.

In South Africa, the Broad-Based Socio-Economic Empowerment Charter for the Mining and Minerals Industry (New Mining Charter) is a regulatory instrument that facilitates sustainable transformation, growth and development of the mining industry. Bisichi is committed to fully complying with the New Mining Charter and providing adequate resources to this area in order to ensure opportunities are expanded for historically disadvantaged South Africans (HDSAs) to enter the mining and minerals industry. In addition, Bisichi continues to adhere to and make progress in terms of their Social and Labour Plan and various BEE initiatives. A fuller explanation of these can be found in Bisichi's 2024 Financial Statements which are available on their web site: www.bisichi.co.uk

CLIMATE CHANGE REPORTING

The Group recognises that climate change represents one of the most significant challenges facing the world today and supports the goals of the Paris Agreement and the UN Framework Convention on Climate Change.

Our aim is to:

- minimize our contribution to greenhouse gas emissions;
- to consider and plan for the physical and transitional risks of climate change on our operations; and
- to work with stakeholders, including local government and communities, to mitigate the impact of climate-related challenges.

In the current year, the Group has aligned climate disclosures in this Strategic Report to the four Task force on Climate-related Financial Disclosure ("TCFD") recommendations as follows:

TCFD Area	TCFD Consideration	LONDON & ASSOCIATED PROPERTIES PLC & BISICHI PLC
Governance	Board's oversight of climate risk and opportunities	The LAP & Bisichi Boards have ultimate responsibility for the monitoring and development of the Groups' approach to climate risk and opportunities. In light of the size of the Group, ESG matters are considered as part of the Group's regular board meetings and at other appropriate points during the year. The Board has developed and implemented a Climate Change Policy and monitor the content, effectiveness and implementation of this Policy on a regular basis. The Group's Climate Change Policy can be found on the Group's website at www.lap.co.uk. Short, medium and long term strategic decisions, including those on capital allocation and portfolio management, are considered by Group management who make recommendations to the Board. Climate related issues and policy are included as significant factors for consideration in the decision making process, both in the management recommendation and in the Board's consideration of the relevant issue. On-going climate related issues are integrated into the Group's business risk management process and reporting thereof to the Board and Audit Committee. The Group has regard to best practice in its area of operations, its health and safety and environmental obligations and seeks to ensure high standards of business conduct in its operations. It will review compliance with the TCFD Recommendations on an ongoing basis, and report on its performance on a yearly basis.
	Management's role in assessing and managing climate-related risks and opportunities	Responsibility for the application of this Policy rests with, but is not limited to, all employees and contractors engaged in relevant activities under the Group's operational control. The Group's managers are responsible for promoting and ensuring compliance with this Policy and any related individual site-level policies and practices. At Bisichi's South African operations, management have commenced engagement with key stakeholders in order to ensure awareness of our climate change policy as well as the potential impact of climate change on our environment and operations. We continue our collaboration with our contractors on GHG Emission Reporting and we are actively looking for opportunities to partner with our stakeholders to drive the uptake of carbon neutral solutions. For material strategic or financial decisions, the Group may consider procuring expert advice from third party consultants on the impact in the short, medium and long term of the decision, and ensure that such information is fully considered as part of the evaluation of the relevant matter.

STRATEGIC REPORT

TCFD Area	TCFD Consideration	LONDON & ASSOCIATED PROPERTIES PLC & BISICHI PLC
Strategy	Climate-related risks and opportunities the Group has identified over the short, medium, and long run	Bisichi considers the current life of mine of its South African operations to fall within a short to medium term horizon. Within this horizon, climate change transition risks may impact their South African coal mining and processing operations. Risks include: • coal price and demand volatility; • availability and cost of financing and third party services such as insurance; • delays or restrictions to regulatory approvals; • early retirement of our coal processing and mining operations; and • Carbon pricing and taxes, that may create additional costs through the value chain. The Group have assessed physical climate risk profiles produced by the World Bank, particularly in relation to the South African operations. Bisichi considers the physical risks of variations in climate over the current life of mine of the South African operations to be mainly limited to an increased risk of seasonal flooding that may impact the operating efficiency, costs and revenues of the mining and processing operations. In a longer term horizon, and in a scenario where the useful life of Bisichi's South African operations is extended, the above short to medium term transitional risks are expected to continue to apply. In addition, in a scenario, such as the International Energy Association's ("IEA") Pathway to Net Zero by 2050 ("NZE 2050"), where climate policies are effectively implemented that support a transformation to net zero emissions by 2050 and limiting the rise of global temperatures to 1.5°C by the end of the century, policies will lead to significant coal demand decline over the longer term. This in turn will impact the carrying value and long term viability of Bisichi's South African coal operations as well as the stakeholders and communities reliant on our operations. Extreme weather events, over the long term in South Africa, such as floods, and droughts, as well as changes in rainfall patterns, temperature, and storm frequency will also affect the operating efficiency, costs and revenues of the mining and processing operations, supply chains and impact the communities living close to the operations. Clean coal research and technology initiatives such as carbon capture may result in opportunities to increase the useful life of Bisichi's South African coal mining and processing operations. In addition, the clean energy transition provides opportunities for Bisichi to diversify its business activities and equity investment portfolio into renewable and extractive industries that will benefit from and are critical to the transition to a clean energy system. The main sources of scope 1 & 2 Green House Gas (GHG) emissions for the Group have been associated with the South African coal mining and processing operations, namely due to fuel combustion and electricity usage. Improvements in the cost competitiveness of lower emission sources of energy provide opportunities to lower overall operating costs at our operations as well as reduce overall GHG Emissions. In the UK we have identified the following material physical and transitional risks related to our UK property portfolio: • Long term physical risk through changes in climate, flood risk and extreme weather; and • Short-term transition risk from emerging regulation related to energy performance ("EPC") and enhanced disclosures
	Impact of climate-related risks and opportunities on businesses, strategy, and financial planning	Bisichi's management have incorporated and regularly review the following strategies and procedures in relation to their South African coal operations: • Review of the impact of climate change and the global transition to clean energy, particularly in relation to the current life of mine of Bisichi's coal operations; • Regular research and analysis of the coal market demand outlook; • Regular research and analysis on the outlook of the South African coal mining industry and climate change regulation including mining regulation, energy procurement and licensing, and carbon taxing; • Regular communication with financial service providers and suppliers on any future changes to availability and cost of services. • Regular research and analysis on the progress of clean coal technology and related regulatory initiatives; and • Regular dialogue and seeking collaboration with governments and local communities and other stakeholders on climate change-related challenges. Bisichi have identified the need to mitigate GHG emission heavy sources of electricity usage at our coal washing plant. Management are currently in the process of evaluating opportunities to reduce these emissions taking into particular consideration the financial viability and long term sustainability of the projects. The below areas have been identified where GHG emissions can be further reduced through:
Strategy		

STRATEGIC REPORT

TCFD Area	TCFD Consideration	LONDON & ASSOCIATED PROPERTIES PLC & BISICHI PLC
Strategy	Resilience of strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	• Minimising land clearance for new project facilities; • Adoption of mitigation strategies for preserving integrity of environment; • Minimising tree felling; • The use of modern, energy and fuel efficient equipment; • The inclusion of the impact of GHG emissions as an evaluation criteria in the selection of mining contractors, suppliers and equipment. Particular consideration will be given to the choice of vehicles used for the mine fleet, employee transportation and the haulage fleet. Where possible energy and fuel efficiency will be a factor in the selection of vehicles as this will not only reduce GHG emissions but also reduce operating costs. In addition to the efficiency of the fleet itself, opportunities will be sought for improving the use of the vehicles. • Scheduling of excavation and haulage activities to optimise activities and avoid double handling, where this is operationally practical; and • The upgrading of energy-intensive machinery over time will be used to improve efficiency and reduce CO2 emissions compared to machinery that has been removed. Further energy efficiency opportunities will also be investigated. Potential water scarcity has increased management focus on opportunities to increase the usage efficiency of our existing water supply and water recycling systems. The introduction of a closed loop filter press system for coal fines in 2019 and additional other work concluded or planned on our water recycling systems at our coal processing facility will result in a lowering of our overall cost of water and the environmental footprint of our operations. Increased risks of flooding have been incorporated at planning stage in new opencast mining areas that have been opened. Transition and physical risks related to climate change are regularly discussed at Bisichi's Board level, particularly those related to the long term viability of Bisichi's South African coal operations and the future allocation of capital. Bisichi regularly considers the need for coal as an energy source both globally and in South Africa over the life of mine of our operations and in its long term planning. Bisichi is committed to responsible stewardship of their legacy South African coal assets taking into account the impact climate change related risks may have on all our local stakeholders. Bisichi recognise the need to collaborate with government, employees and communities, to ensure a just transition for our stakeholders through the transition to a low carbon economy. Bisichi regularly evaluates and continues to seek opportunities to diversify its business activities and equity investment portfolio, particularly into renewable and extractive industries that predominantly mine commodities identified by the IEA as critical in the transition to a clean energy system. Any significant developments will be reported to shareholders in due course. The Board continue to monitor and regularly review adherence by the Group to changes to UK EPC. The Group have incorporated the ongoing impact of EPC regulatory standards into its decision making process. Bisichi's management have incorporated climate scenarios into their strategic operational planning and review process. Bisichi have assessed the resilience of our coal operations compared to the IEA's NZE2050 Scenario, which sets out what additional measures would be required over the next ten years to put the world as a whole on track for net zero emissions by mid-century. The Scenario indicates a significant coal demand decline over the longer term impacting the potential commercial longevity of Bisichi's South African operations. In addition Bisichi have assessed physical climate risk profiles for their South African operations obtained via the World Bank Group's Climate Change Knowledge Portal. The outcomes of scenario testing and physical climate profiling have been incorporated into the long term strategic planning and decision making processes of Bisichi. Over the short to medium term, considering the potential impact of transitional climate risks on Bisichi Group's South African operations, the Group's climate strategy and policy is regularly scrutinised by Bisichi's senior management and Board in regard to any changes in coal demand outlook and climate regulatory policy that may impact our operations over the current life of mine. A recent example being the Just Energy Transition Investment Plan ("JET IP") announced by the South African Government for 2023-2027. The Board encourages senior and local management to assess principal and emerging climate-related risks on a regular basis. Risks identified are to be reported to and discussed at Board level and incorporated into the strategy and planning of the Group. The Group's risk management processes are developed, implemented and reviewed by the Board, who retain ultimate responsibility for them.
Risk management	Processes for identifying and assessing climate related risks.	

STRATEGIC REPORT

TCFD Area	TCFD Consideration	LONDON & ASSOCIATED PROPERTIES PLC & BISICHI PLC
		In addition to the Group's management of its principal risks and uncertainties, climate change impacts are mainly considered from two environmental perspectives, the impact of our South African coal mining and processing operations on the climate and the effect of global climate change on our operations and stakeholders. Heavy sources of GHG emissions have been identified from our annual Greenhouse Gas emissions recording and reporting. The Bisichi Board and Senior management remain in regular communication with local regulatory bodies, climate research providers, coal market analysts, suppliers, and services providers to ensure climate related risks and changes in regulatory policy are identified and assessed on a regular basis. Bisichi's senior and local management in South Africa are encouraged by the Board to identify local climate related risks and changes in regulatory policy that may impact our South African coal operations. Bisichi's management continually engage with governments and local communities and other stakeholders on climate change-related challenges impacting the local area and the South African coal industry at large.
	Processes for managing climate-related risks.	The Board and Senior management co-ordinate the Group's analysis and planning of the effects of climate change on our business. The Board discuss regularly the impact of any risks identified through the organisation, particularly in relation to material matters that may impact the viability of the Group's coal operations. The Bisichi Board regularly review and analyse coal market and outlook research, particularly in relation to targets set out in local climate policy such as JET IP and global climate scenarios such as NZE 2050. The mitigation of GHG emissions and identification of climate related risks has been integrated into our corporate policy, project and procurement evaluation criteria at Bisichi's South African operations to ensure it is consistently applied and managed. The Group continuously monitors and reports key performance indications relating to environmental matters, including the location of CO₂ emissions, their levels and intensity. On an ongoing basis, the Group assesses the impact of carbon pricing, climate regulation and taxation on going concern assumptions, the Group's current and future strategy and operations.
Risk management	Processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management.	New or evolving climate change risks identified by both senior and local management are to be reported to and discussed at Board level and incorporated into the strategy, planning and climate policy of the Group. Where possible, plans to mitigate the effect of climate change on Bisichi's operations and local communities will be integrated into the mines regulatory environmental management and social and labour plans.
Metrics and targets	Metrics used by the Group to assess climate related risks and opportunities in line with its strategy and risk management process	A financial segmentation of the Group's South African coal mining and processing assets that are impacted by the climate related risks and opportunities outlined above can be found in Bisichi's 2025 Financial Statements which are available on their website: www.bisichi.co.uk. Bisichi recognises that its ability to reduce overall carbon emissions is constrained at present by the main segment of its business activities, being coal mining and processing in South Africa. Bisichi has, however, sought to appropriately target its emission reduction strategy to the elements of its operations where a meaningful reduction in greenhouse gas emissions can be effected, and this will be reflected in the targets set by the Group in due course. The Group measures and report our CO₂ emissions across the Group including a breakdown of UK and South African operations. See below for disclosure of emissions during the year.
	Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	The Group is committed to measuring and reporting our scope 1 and 2 greenhouse gas emissions, see below for disclosure of emissions during the year. Scope 3 emissions are not currently measured given the size and life of mine of the Group's South African coal operations and the uncertainty and impracticality in accurately measuring such emissions throughout the value chain. The Group will continue to assess the above approach as part of its continued review of compliance with the TCFD Recommendations and taking into account any material changes in future business activities.
	Targets used by the Group to manage climate-related risks and	Over 99% of the Group's GHG Emissions relate to Bisichi's South African coal operations which has a current life of mine of 6 years.

STRATEGIC REPORT

TCFD Area	TCFD Consideration	LONDON & ASSOCIATED PROPERTIES PLC & BISICHI PLC
	opportunities and performance against targets.	In the short term, the Group's continues to evaluate areas where GHG emissions can be further reduced, particularly scope 2 emissions related to the heavy sources of electricity usage at Bisichi's coal washing plant. Once the Group has identified the scope of further potential reductions, their time, capital cost and practicability of implementation, short term targets for the Group will be reassessed. Over the long term, as part of the Group's business strategy, the Board continues to evaluate opportunities to diversify its business activities. In turn, targets related to GHG emissions will be re-evaluated in line with any future changes in the Group's planned operating activities.

GREENHOUSE GAS REPORTING

As a quoted organisation incorporated in the UK, we have reported on all emission sources required under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, for the period 1 January 2025 to 31 December 2025.

The emissions are detailed in Tables 1, 2, 3 and 4 below.

We have employed the Financial Control definition to outline our carbon footprint boundary, reporting Scope 1 & 2 emissions only for both landlord & tenant-controlled areas of LAP owned shopping centres and facilities.

LAP has landlord-controlled areas in Brewery Street, Shipley and Bridgend, Runcorn, and Little Portland Street. Properties that LAP manage on behalf of others or which are not wholly owned by LAP are excluded from the footprint boundary. An estimate of the emissions associated with the LAP offices on Little Portland Street has been included in this year's calculations, as done so in the previous year.

Emissions for landlord-controlled areas have been calculated based on actual consumption data collected from each site.

Emissions from tenant-controlled areas have been calculated based on floor area and energy consumption benchmarks for general retail services in the UK.

We have used the main requirements of the ISO14064-1 standard and HM Government Environmental Reporting Guidelines (2019) including streamlined energy and carbon reporting guidance. Emission factors were from the UK Government's GHG Conversion Factors for Company Reporting 2025.

As well as reporting Scope 1 and Scope 2 emissions, the regulations require that at least one intensity ratio is reported for the given reporting period. The intensity figure below shows emissions in tCO₂e per thousand pounds revenue. In addition, 20% of total electricity consumption reported is from renewable sources.

Table 1. Landlord & tenant controlled areas

	EMISSIONS SOURCE tCO ₂ e	2025	2024	CHANGE
Scope 1 emissions	Natural gas	4.66	2.00 ¹	133%
Scope 2 emissions	Electricity	1,249.94	1,055 ²	18%
	Total tCO₂e	1,254.60	1,057	19%
	Intensity ratio (tCO ₂ e/£k)	0.40	0.35	14%

Table 2. LAP controlled areas

	Emissions Source tCO ₂ e	2025	2024	CHANGE
Scope 1 emissions	Natural gas	1.12	2.00	-44%
Scope 2 emissions	Electricity	59.63	20.68	188%
	Total tCO₂e	60.75	22.68	168%

Table 3. Tenant controlled areas

	Emissions Source tCO ₂ e	2025	2024	CHANGE
Scope 1 emissions	Natural gas	3.54	0	N/A
Scope 2 emissions	Electricity	1,190.31	1,035	15%

STRATEGIC REPORT

Total tCO2e	1,193.85	1,035	15%
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Table 4. Coal mining carbon footprint

	2025 CO2e Tonnes	2024 CO2e Tonnes
Emissions source:		
Emissions from the combustion of fuel or the operation of any facility including fugitive emissions from refrigerants use	49,621	60,702
Emissions resulting from the purchase of electricity, heat, steam or cooling by the company for its own use (location based)	9,882	8,438
Total gross emissions/tCO2e	59,503	69,140
Intensity:		
Intensity 1 Tonnes of CO2 per pound sterling of revenue	0.00119	0.0013
Intensity 2 Tonnes of CO2 per pound of coal produced	0.0542	0.0462
	kWh	kWh
Energy consumption used to calculate above emissions	7,087,257.76	5,107,804
Of which UK	4,934	5,055

¹ Natural gas emissions for 2024 have been restated to reflect the removal of Orchard Square, Sheffield site on 31 December 2023.

² Electricity emissions for 2024 have been restated to reflect updated CIBSE benchmarks for the reporting period.

STRATEGIC REPORT

Environment

United Kingdom

The Group's principal UK activity is property investment, which involves renting premises to commercial businesses. We seek to provide those tenants with good quality premises from which they can operate in an efficient and environmentally friendly manner. Where possible, improvements, repairs and replacements are made in an environmentally efficient manner and waste re-cycling arrangements are in place at all the Group's locations.

South Africa

Under the terms of the mine's Environmental Management Programme approved by the Department of Mineral Resource and Energy ("DMRE"), Black Wattle undertakes a host of environmental protection activities to ensure that the approved Environmental Management Plan is fully implemented. In addition to these routine activities, Black Wattle regularly carries out environmental monitoring activities on and around the mine, including evaluation of ground water quality, air quality, noise and lighting levels, ground vibrations, air blast monitoring, and assessment of visual impacts. In addition to this Black Wattle also performs quarterly monitoring of all boreholes around the mine to ensure that no contaminated water filters through to the surrounding communities. Black Wattle is fully compliant with the regulatory requirements of the Department of Water Affairs and Forestry and has an approved water use licence. Black Wattle Colliery has substantially improved its water management by erecting and upgrading all its pollution control dams in consultation with the Department of Water Affairs and Forestry.

A performance assessment audit was conducted to verify compliance to our Environmental Management Programme and no significant deviations were found.

EMPLOYEE, SOCIAL, COMMUNITY AND HUMAN RIGHTS

The Group's policy is to attract staff and motivate employees by offering competitive terms of employment. The Group provides equal opportunities to all employees and prospective employees including those who are disabled and operates in compliance with all relevant national legislation.

The Group believes that it is in the interest of shareholders to consider social and human rights issues when conducting business. Various policies and initiatives implemented by the Group that fall within these areas are discussed within this report.

ANTI-SLAVERY AND HUMAN TRAFFICKING

The Group is committed to the prevention of the use of forced labour and has a zero tolerance policy for human trafficking and slavery.

The Group's policies and initiatives in this area can be found within the Group's Anti-slavery and human trafficking statement found on the Group's website at www.lap.co.uk.

EMPLOYMENT AND DIVERSITY

The Board of London & Associated Properties PLC at 31 December 2025 comprised:

	Number of board members	Percentage of the board	Number in Senior management	Percentage of Senior management
Men	3	100%	3	100%
Women	0	0%	0	0%
Not specified/prefer not to say	0	0%	0	0%

	Number of board members	Percentage of the board	Number in Senior management	Percentage of Senior management
White British or other White (including minority white groups)	3	100%	3	100%
Mixed/Multiple Ethnic Groups	0	0%	0	0%
Asian/Asian British	0	0%	0	0%
Black/African/Caribbean/Black British	0	0%	0	0%
Other ethnic group, including Arab	0	0%	0	0%

The above information is based on self-reported data.

The Group is committed to attracting, retaining and developing high-quality employees and to provide a working environment that promotes fairness, respect and equal opportunity. The Board considers that diversity of experience, background and perspective is important to the effective governance of the Company and continues to have regard to these factors in Board and senior management appointments.

STRATEGIC REPORT

BISICHI PLC

In terms of directors, employees and gender representation, at the year end Bisichi had 9 directors (8 male and 2 from a minority ethnic or HDSA Background, 1 female from a minority ethnic or HDSA Background), 4 senior managers (2 male and 2 female all from a minority ethnic or HDSA Background) and 196 other employees (134 male and 112 from a minority ethnic or HDSA Background, 62 female and 59 from a minority ethnic or HDSA Background).

The Group's South African operations are committed to achieving the goals of the South African Employment Equity Act and is pleased to report the following:

- Black Wattle Colliery has exceeded the 10 percent women in management and core mining target.
- Black Wattle Colliery has achieved over 15 percent women in core mining.
- 95 percent of the women at Black Wattle Colliery are HDSA females.

Black Wattle Colliery has successfully submitted their annual Employment Equity Report to the Department of Labour. In terms of staff training some highlights for 2025 were:

- One employee was trained in ABET (Adult Basic Educational Training) on various levels;
- An additional seven disabled HDSA women continued their training on ABET levels one to four;
- Four HDSA persons were enrolled for apprenticeships in 2025 categorised as follows:
 - One HDSA female employee;
 - Two HDSA females from the local community; and
 - One HDSA male from the local community.
- Of these, the two HDSA females and one HDSA male from the local community successfully passed their apprenticeship trade tests, while the HDSA female employee's apprenticeship remains ongoing.
- Three HDSA persons continued their internships in 2025; these are categorised as follows:
 - One HDSA female from the local community continued her internship in the Safety Officer discipline; and
 - Two HDSA males from the local community continued their internships as Trainee Pipe Fitters/Welders.
- With regard to bursaries, one HDSA female continued her bursary studies. In addition, the Company allocated a further four bursaries, categorised as follows:
 - Two HDSA females from the local community; and
 - Two HDSA males from the local community.

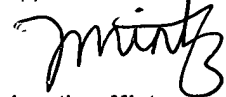
Highlights for Sisonke Coal Processing for 2025 are as follows:

- One employee was trained in ABET (Adult Basic Education and Training) across various levels.

Employment terms and conditions for the employees based at Bisichi's UK office and at their South African mining operations are regulated by and are operated in compliance with all relevant prevailing national and local legislation. Employment terms and conditions provided to mining staff meet or exceed the national average. Bisichi's mining operations and coal washing plant facility are labour intensive and unionised. During the year no labour disputes, strikes or wage negotiations disrupted production or had a significant impact on earnings. Bisichi's relations to date with labour representatives and labour related unions continue to remain strong.

Detailed information relating to the Bisichi Strategic Report is available in its 2025 financial statements.

Approved on behalf of the board of directors.



Jonathan Mintz
Finance Director

22 June 2026

GOVERNANCE

Directors & advisors

EXECUTIVE DIRECTORS

John A Heller LLB MBA
(Chairman and Chief Executive)

Jonathan Mintz FCA
(Finance Director)

NON-EXECUTIVE DIRECTORS

Clive A Parritt FCA CF FIIA #†

Clive Parritt joined the board on 1 January 2006. He is a chartered accountant with over 40 years' experience of providing strategic, financial and commercial advice to businesses of all sizes. Previously he was Group Finance Director of Audiotonix Limited (an international manufacturer of audio mixing consoles), he has chaired and been a director of a number of other public and private companies. Clive Parritt was President of the Institute of Chartered Accountants in England and Wales in 2011-12. He is Chairman of the Audit Committee and as Senior Independent Director he chairs the Nomination and Remuneration Committees.

Clive resigned on 31 December 2025.

Robin Priest MA †

Robin Priest joined the board on 31 July 2013. He is a senior advisor to Alvarez & Marsal LLP ("A&M") and, independently, to lenders and insolvency practitioners to assist in restructuring situations. He has more than 40 years' experience in real estate and structured finance. He was formerly Managing Director of A&M's real estate practice, advising private sector and public sector clients on both operational and financial real estate matters. Prior to joining A&M, Robin was lead partner for Real Estate Corporate Finance in London with Deloitte LLP and before this he founded and ran a property company backed by private equity. The first part of his career was spent in commercial and investment banking.

Robin resigned on 31 December 2025.

Andrew R Heller MA, ACA

Andrew Heller joined the board on 29 March 2023. He is a qualified Chartered Accountant, serves as Chairman & Managing Director of Bisichi PLC and has nearly 30 years' experience in the mining industry.

† Member of the audit, remuneration and nomination committees

Senior independent director

SECRETARY & REGISTERED OFFICE

Jonathan Mintz FCA
2nd Floor, 12 Little Portland Street,
London W1W 8BJ

AUDITOR

Kreston Reeves Audit LLP

PRINCIPAL BANKERS

Santander UK plc
Metro Bank plc
QIB (UK) plc
ABSA Bank (South Africa)
First National Bank (South Africa)

SOLICITORS

Pinsent Masons LLP
Wake Smith Solicitors Limited

STOCKBROKER

Shore Capital Markets Limited

GOVERNANCE

REGISTRARS & TRANSFER OFFICE

MUFG Corporate Markets
Central Square
29 Wellington Street
Leeds
LS1 4DL

UK telephone: 0371 664 0300

International telephone: +44 371 664 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 9.00am to 5.30pm, Monday to Friday, excluding public holidays in England and Wales.

Website: <https://www.mpms.mufg.com/>

Email: shareholderenquiries@cm.mpms.mufg.com

Company registration number
00341829 (England and Wales)

WEBSITE

www.lap.co.uk

E-MAIL

admin@lap.co.uk

Directors' report

The Directors submit their report and the audited financial statements for the year ended 31 December 2025.

Strategic report

A comprehensive review and assessment of the Group's activities during the year as well as its position at the year end and prospects for the forthcoming year are included in the Chairman and Chief Executive's Review and the Strategic Report. These reports can be found on pages 2 to 22 and should be read in conjunction with this report.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year were property investment and development, as well as investment in joint ventures and an associated company. The associated company is Bisichi PLC (Bisichi) in which the Company holds a 41.6% interest. Bisichi delisted from the London Stock Exchange on 2 January 2026 and operates in England and South Africa with subsidiaries which are involved in overseas mining and mining investment. The results, together with the assets and liabilities, of Bisichi are consolidated with those of LAP in accordance with the terms of IFRS 10 even though the Group only has a minority interest – under IFRS 10 the 58.4% majority interest is disclosed as a "non-controlling interest".

BUSINESS REVIEW AND POST BALANCE SHEET EVENTS

A review of the Group's development and performance can be found below and should be read in conjunction with the Strategic Report on pages 5 to 22.

Details of any post balance sheet events are disclosed in Note 28 to the financial statements.

FUTURE DEVELOPMENTS

The Group continues to look for new opportunities to acquire real estate assets where it feels it can increase value by applying its intensive management skills. At the same time, it seeks to reduce its interest payments on its loans as they expire or where opportunities arise to refinance on better terms. We also seek to improve our existing estate through the continued pursuit of asset management initiatives.

At the end of 2025, Bisichi agreed to acquire the assets of Thungela Operations Pty Ltd (a subsidiary of Thungela Resources Limited) utilised exclusively in the Goedehoop North Mining Area. The extensive infrastructure acquired provides an exciting opportunity to enhance the Group's existing South African operations. The South African Competition Commission has approved the sale of the assets. Completion remains subject to other outstanding conditions, including consents from the Department of Mineral and Petroleum Resources (DMPR). Bisichi, alongside their Black Economic Empowerment (BEE) partners, Vunani Mining Investments (Pty) Ltd, is working diligently to expedite the transaction.

PROPERTY ACTIVITIES

The Group is a long-term investor in property. It acquires properties, actively manages those assets to improve rental income, and thus seeks to enhance the value of its properties over time.

In reviewing performance, the principal areas regularly monitored by the Group include:

- **Rental income** – the aim of the Group is to maximise the maintainable income from each property by careful tenant management supported by sympathetic and revenue enhancing development. Income may be affected adversely by the inability of tenants to pay their rent, but careful monitoring of rent collection and tenant quality helps to mitigate this risk. Risk is also minimised by a diversified tenant base, which should limit the impact of the failure of any individual tenant.
- **Developments** – the Group develops customer-focused spaces to generate returns and portfolio income growth above that available from standing investments alone.
- **Cash flow** – allowing for voids, acquisitions, development expenditure, disposals and the impact of operating costs and interest charges, the Group aims to maintain a positive cash flow over time.
- **Financing costs** – the exposure of the Group to interest rate movements is managed partly by the use of swap and cap arrangements, where appropriate (see Note 20 for full details of the contracts in place) and also by using loans with fixed terms and interest rates. These arrangements are designed to ensure that our interest costs are known in advance and are always covered by anticipated rental income.
- **Property valuations** – market sentiment and economic conditions have a direct effect on property valuations, which can vary significantly (upwards or downwards) over time. Bearing in mind the long term nature of the Group's business, valuation changes have little direct effect on

GOVERNANCE

the ongoing activities or the income and expenditure of the Group. Tenants generally have long term leases, so rents are unaffected by short term valuation changes. Borrowings are secured against property values and if those values fall very significantly, this could limit the ability of the Group to develop the business using external borrowings. The risk is minimised by trying to ensure that there is adequate cover to allow for fluctuations in value on a short term basis.

It continues to be the policy of the Group to realise property assets when the valuation of those assets reaches a level at which the directors consider that the long-term rental yield has been reached. The Group also seeks to acquire additional property investments on an opportunistic basis when the potential rental yields offer scope for future growth.

INVESTMENT ACTIVITIES

The investments in joint ventures and Bisichi are for the long term.

LAP manages the UK property assets of Bisichi. However, the principal activity of Bisichi is overseas mining investment (in South Africa). While IFRS 10 requires the consolidation of Bisichi, the investment is held to generate income and capital growth over the longer term. It is managed independently of LAP and should be viewed by shareholders as an investment and not a subsidiary. The other listed investments are held as current assets to provide the liquidity needed to support the property activities while generating income and capital growth.

Investments in property are made through joint ventures when the financing alternatives and spreading of risk make such an approach desirable.

DIVIDEND

In the light of the current uncertain economic environment, the directors are not recommending payment of a final dividend for 2025 (2024: Nil per share).

THE COMPANY'S ORDINARY SHARES HELD IN TREASURY

At 31 December 2025, 216,715 (2024: 216,715) ordinary shares were held in Treasury with a market value of £6,827 (2024: £20,046).

Treasury shares held at 1 January 2025 and 31 December 2025
--

216,715

No shares (2024: nil) were issued to employees in the year in place of cash for dividends associated with shares held within the share incentive plan.

Treasury shares are not included in issued share capital for the purposes of calculating earnings per share or net assets per share and they do not qualify for dividends payable.

PROPERTIES

The freehold and long leasehold investment properties of the Company, its subsidiaries, Dragon and Bisichi were revalued as at 31 December 2025 by independent professional firms of chartered surveyors – Carter Towler Limited, Leeds (100 per cent of the portfolio). The valuations, which are reflected in the financial statements, amount to £36.9 million (2024: £37.4 million).

Taking account of prevailing market conditions, there was a £0.5 million decrease in the valuation of the properties at 31 December 2025 (2024: increase of £1.8 million). The proportion of this revaluation attributable to the Group (net of taxation) is reflected in the consolidated income statement and the consolidated balance sheet.

FINANCIAL INSTRUMENTS

Note 20 to the financial statements sets out the risks in respect of financial instruments. The board reviews and agrees overall treasury policies, delegating appropriate authority for applying these policies to the Chief Executive and Finance Director. Financial instruments are used to manage the financial risks facing the Group and speculative transactions are prohibited. Treasury operations are reported at each board meeting and are subject to weekly internal reporting. Hedging arrangements are used when appropriate by the Company, its subsidiaries and joint ventures in order to limit the effect of higher interest rates upon the Group. Where appropriate, hedging arrangements are covered in the Chairman and Chief Executive's Statement and the Financial Review.

DIRECTORS

J A Heller, J Mintz, C A Parritt, R Priest and A R Heller were directors of the company for the whole of 2025.

GOVERNANCE Directors' report

C A Parritt and R Priest retired as directors of the company on 31 December 2025.

A R Heller is retiring by rotation at the Annual General Meeting in 2026 and offers himself for re-election.

A R Heller has been a non-executive director since 2023. Andrew Heller is the Chairman and Managing Director of Bisichi PLC in which LAP holds a 41.6% stake and has valuable mining expertise which will strengthen the skill base of the Board. His knowledge and experience will bring a vital perspective to an important investment for the Group. The board has considered the appointment of Andrew Heller and recommends his re-election as director.

DIRECTORS' INTERESTS

The interests of the directors in the ordinary shares of the Company, including family and trustee holdings, where appropriate, can be found on page 36 in the Annual Remuneration Report.

Substantial shareholdings

	31 Dec 2025		31 Dec 2024	
	no.	%	no.	%
Heller family	48,080,880	56.35	48,080,880	56.35
Stonehage Fleming Investment Management Ltd	7,513,214	8.81	7,513,214	8.81
James Hyslop	5,136,258	6.02	5,136,258	6.02
Maland Pension Fund	3,000,000	3.52	3,000,000	3.52

The Company does not consider that the Heller family has a controlling share interest irrespective of the number of shares held as no individual party holds a majority and there is no legal obligation for shareholders to act in concert. The directors do not consider that any single party has control.

The Company is not aware of any other holdings exceeding 3 per cent of the issued share capital.

SHARE CAPITAL AND TAKEOVER DIRECTIVE

The Company has one class of share capital, namely ordinary shares. Each ordinary share carries one vote. All the ordinary shares rank *pari passu*. There are no securities issued by the Company which carry special rights with regard to control of the Company.

The identity of all significant direct or indirect holders of securities in the Company and the size and nature of their holdings is shown in "Substantial Shareholdings" above.

The rights of the ordinary shares to which the HMRC approved Share Incentive Plan relates are exercisable by the trustees on behalf of the employees.

There are no restrictions on voting rights or on the transfer of ordinary shares in the Company, save in respect of treasury shares. The rules governing the appointment and replacement of directors, alteration of the articles of association of the Company and the powers of the Company's directors accord with usual English company law provisions. Each director is subject to re-election at least every three years.

The Company is not party to any significant agreements that take effect, alter or terminate upon a change of control of the Company following a takeover bid. The Company is not aware of any agreements between holders of its ordinary shares that may result in restrictions on the transfer of its ordinary shares or on voting rights.

There are no agreements between the Company and its directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors in office at the date of approval of the financial statements have confirmed that, so far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as a director in order to make them aware of any relevant audit information and to establish that it has been communicated to the auditor.

INDEMNITIES AND INSURANCE

The Articles of Association of the company provide for it to indemnify, to the extent permitted by law, directors and officers (excluding the Auditor) of the company, including officers of subsidiaries and associated companies, against liabilities arising from the conduct of the Group's business. The indemnities are qualifying third party indemnity provisions of the Companies Act 2006 and each of these qualifying third party

GOVERNANCE Directors' report

indemnities was in force during the course of the financial year ended 31 December 2025 and as at the date of this Directors' Report. No amount has been paid under any of these indemnities during the year.

The Group maintains Directors and Officers insurance, which is reviewed annually and is considered to be adequate by the Company and its insurance advisers.

DONATIONS

No political donations were made during the year (2024: £Nil).

No donations for charitable purposes were made during the year (2024: £Nil).

CORPORATE RESPONSIBILITY

Environment

The environmental considerations of the group's South African coal mining operations are covered in the Bisichi PLC Strategic Report.

The group's UK activities are principally property investment whereby premises are provided for rent to commercial businesses. The group seeks to provide those tenants with good quality premises from which they can operate in an efficient and environmentally efficient manner and waste re-cycling arrangements are in place at all the company's locations.

Greenhouse gas emissions

Details of the group's greenhouse gas emissions for the year ended 31 December 2025 can be found on pages 19 to 20 of the Strategic Report.

Employment

The group's policy is to attract staff and motivate employees by offering competitive terms of employment. The group provides equal opportunities to all employees and prospective employees including those who are disabled. The Bisichi PLC Strategic Report gives details of the Bisichi group's activities and policies concerning the employment, training, health and safety and community support and social development concerning the Bisichi group's employees in South Africa.

Section 172 statement

This is contained within the Strategic Report on page 10.

GOING CONCERN

The directors have reviewed the cash flow forecasts of the Group and the underlying assumptions on which they are based. The Group's business activities, together with the factors likely to affect its future development, are set out in the Chairman's Statement and Chief Executive's Review and in the Financial and Performance Review. In addition, note 20 to the financial statements sets out the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

With secured banking facilities, sound financial resources, low void rates and long term leases in place the directors believe it remains appropriate to adopt the going concern basis of accounting in preparing the annual financial statements.

The Bisichi directors continue to adopt the going concern basis of accounting in preparing the Bisichi annual financial statements.

CORPORATE GOVERNANCE

The Corporate governance report can be found on pages 30 to 32 of the annual report and accounts.

ANNUAL GENERAL MEETING

The Annual General Meeting will be held at The Henrietta Room, 4th floor, 1 Wimpole Street, London W1G 0AE on Thursday 18 June 2026 at 10.00 a.m. Items 1 to 5 will be proposed as ordinary resolutions. More than 50 per cent. of shareholders' votes cast at the meeting must be in favour for those ordinary resolutions to be passed. The directors consider that all of the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole and accordingly the board unanimously recommends that shareholders vote in favour of all of the resolutions as the directors intend to do in respect of their own beneficial holdings of ordinary shares. Please note that the following paragraphs are only summaries of certain of the resolutions to be proposed at the Annual General Meeting and do not represent the full text of the resolutions. You should therefore read this section in conjunction with the full text of the resolutions contained in the notice of Annual General Meeting which accompanies this Directors' Report.

ORDINARY RESOLUTIONS

Resolution 5 – Authority to allot securities

Paragraph 5.1.1 of Resolution 5 would give the directors the authority to allot shares in the Company and grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal value of £2,844,200. This represents approximately 1/3 (one third) of the ordinary share capital of the Company in issue (excluding treasury shares) as at 21 May 2026 (being the last practicable date prior to the publication of this Directors' Report).

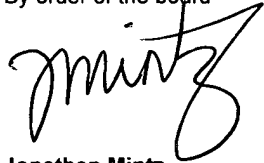
In line with guidance issued by the Institutional Voting Information Service (IVIS), paragraph 5.1.2 of Resolution 5 would give the directors the authority to allot shares in the Company and grant rights to subscribe for or convert any security into shares in the Company up to a further aggregate nominal value of £2,844,200, in connection with an offer by way of a rights issue. This amount represents approximately another 1/3 (one third) of the ordinary share capital of the Company in issue (excluding treasury shares) as at 21 May 2026 (being the last practicable date prior to the publication of this Directors' Report).

The directors' authority will expire on the earlier of 31 August 2027 or the next AGM. The directors do not currently intend to make use of this authority. However, if they do exercise the authority, the directors intend to follow best practice as recommended by the IVIS regarding its use (including as regards the directors standing for re-election in certain cases).

OTHER MATTERS

Kreston Reeves LLP resigned on 6 October 2025 due to a transfer of audit registration, Kreston Reeves Audit LLP were appointed on 6 October 2025. Kreston Reeves Audit LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the board



Jonathan Mintz
Secretary

For and on behalf of London & Associated Properties PLC
2nd Floor, 12 Little Portland Street
London, W1W 8BJ

22 June 2026

Corporate Governance

Following the delisting of the Company's shares, the Company is no longer required to comply with the corporate governance reporting frameworks applicable to quoted companies. The Board nevertheless acknowledges the importance of good corporate governance. The paragraphs below set out how the Company has applied this guidance during the year.

PRINCIPLES OF CORPORATE GOVERNANCE

The board promotes good corporate governance in the areas of risk management and accountability as a positive contribution to business prosperity. The board endeavours to apply corporate governance principles in a sensible and pragmatic fashion having regard to the circumstances of the business. The key objective is to enhance and protect shareholder value.

BOARD STRUCTURE

During the year the board comprised the Chairman and Chief Executive, one other executive director and three non-executive directors. Their details appear on page 23. The board is responsible to shareholders for the proper management of the Group.

The Directors' responsibilities statement in respect of the accounts is set out on page 38. The non-executive directors have a particular responsibility to ensure that the strategies proposed by the executive directors are fully considered. To enable the board to discharge its duties, all directors have full and timely access to all relevant information and there is a procedure for all directors, in furtherance of their duties, to take independent professional advice, if necessary, at the expense of the Group. The Board meets regularly and reviews governance arrangements periodically to ensure they remain appropriate for the Company's circumstances and consistent with the directors' duties under the Companies Act 2006.

The board is responsible for overall Group strategy, approval of major capital expenditure and consideration of significant financial and operational matters.

The role of Chairman and Chief Executive is held jointly by John Heller. The Board consider this to be appropriate given the size of the business and the additional cost of appointing a separate Chair.

The board committees, which have written terms of reference, deal with specific aspects of the Group's affairs:

- The nomination committee was chaired by C A Parritt and comprises one other non-executive director and the executive Chairman. The committee is responsible for proposing candidates for appointment to the board, having regard to the balance and structure of the board. In appropriate cases recruitment consultants may be used to assist the process. All directors are subject to re-election at a maximum of every three years. The nomination committee was disbanded on 31 December 2025 and future nominations for appointments to the Board will be the responsibility of the directors.
- The remuneration committee was responsible for making recommendations to the board on the Company's framework of executive remuneration and its cost. The committee determines the contract terms, remuneration and other benefits for each of the executive directors, including performance related bonus schemes, pension rights, option grants and compensation payments. The board itself determines the remuneration of the non-executive directors. The committee comprises two non-executive directors and it was chaired by C A Parritt. The executive Chairman of the board is normally invited to attend. The Annual Remuneration Report is set out on pages 33 to 36. The remuneration committee was disbanded on 31 December 2025 and future decisions for remuneration and other benefits for each of the executive directors, including performance related bonus schemes, pension rights, option grants and compensation payments will be made by the Board.
- The audit committee comprised two non-executive directors and is chaired by C A Parritt. The audit committee was disbanded on 31 December 2025, and no audit committee report is included in the report.

Following the cessation of the nomination, remuneration and audit committees, the Board is collectively responsible for the overall leadership of the Company, including setting strategy, overseeing risk management, reviewing financial performance and maintaining appropriate systems of internal control. Matters that would previously have been delegated to Board committees are now considered and determined by the Board as a whole.

BOARD AND BOARD COMMITTEE MEETINGS HELD IN 2025

The number of regular meetings during the year and attendance was as follows:

		Meetings held	Meetings attended
J A Heller*	Board	10	10
	Audit committee	2	2
	Nomination committee	1	1
	Remuneration committee	1	1
J Mintz*	Board	10	10
	Audit committee	2	2
	Remuneration committee	1	1
C A Parritt	Board	10	10
	Audit committee	2	2
	Nomination committee	1	1
	Remuneration committee	1	1
R Priest	Board	10	10
	Audit committee	2	1
	Nomination committee	1	1
	Remuneration committee	1	1
A Heller	Board	10	10

*Attended audit & remuneration committees by invitation.

PERFORMANCE EVALUATION – BOARD, BOARD COMMITTEES AND DIRECTORS

The performance of the board, its committees and the non-executive directors was assessed by the Chairman and Chief Executive and was discussed with the senior independent non-executive director. Their recommendations were discussed at the nomination committee prior to proposals for re-election being recommended to the board. The performance of executive directors was discussed and assessed by the remuneration committee. The senior independent director met regularly with the Chairman, executive and non-executive directors individually outside of formal meetings. The directors will take outside advice in reviewing performance but have not found this to be necessary to date.

NON-EXECUTIVE DIRECTORS

The senior independent non-executive director during the year was C A Parritt. The other non-executive directors during the year were R Priest and A R Heller. R Priest provided services to the Company on a fee paying basis. C A Parritt also provided some advisory services as part of his accounting practice. Both Clive and Robin retired on 31 December 2025.

The board encouraged all non-executive directors to act independently and did not consider that length of service of any individual non-executive director has resulted in the inability or failure to act independently. The background and skills of all non-executive directors are set out on page 23.

The directors are responsible for the Group's system of internal control and for reviewing its effectiveness at least annually, and for the preparation and review of its financial statements. The board has designed the Group's system of internal control in order to provide the directors with reasonable assurance that assets are safeguarded, that transactions are authorised and properly recorded and that material errors and irregularities are either prevented or would be detected within a timely period. However, no system of internal control can eliminate the risk of failure to achieve business objectives or provide absolute assurance against material misstatement or loss. The key elements of the control system in operation are:

- The board meets regularly on full notice with a formal schedule of matters reserved for its decision and has put in place an organisational structure with clearly defined lines of responsibility and with appropriate delegation of authority;
- There are established procedures for planning, approval and monitoring of capital expenditure and information systems for monitoring the Group's financial performance against approved budgets and forecasts;
- The responsible executives are required regularly to undertake a full assessment process to identify and quantify the risks that face the functional activities for which they are responsible and assess the adequacy of the prevention, monitoring and modification practices in place for those risks. In addition, regular reports about significant risks and associated control and monitoring procedures are made to the executive directors. The process adopted by the Group accords with the guidance contained in the document "Internal Control Guidance for Directors on the Combined Code" issued by the Institute of Chartered Accountants in England and Wales. The audit committee received reports from external auditors and from executive directors of the Group. During the period the audit committee has reviewed the effectiveness of the system of internal control as described above. The board receives periodic reports from all committees.
- There are established procedures for the presentation and review of the financial statements and the Group has in place an organisational structure with clearly defined lines of responsibility and with appropriate delegation of authority.

GOVERNANCE Corporate governance

There are no internal control issues to report in the annual report and financial statements for the year ended 31 December 2025. Up to the date of approval of this report and the financial statements, the board has not been required to deal with any related material internal control issues. The directors confirm that the board has reviewed the effectiveness of the system of internal control as described during the period.

COMMUNICATION WITH SHAREHOLDERS

Prompt communication with shareholders is given high priority. Extensive information about the Group and its activities is provided in the Annual Report. The Company's website www.lap.co.uk is updated promptly with announcements and Annual Reports upon publication. Copies from previous years are also available on the website.

Since the company's delisting from the London Stock Exchange on 19 November 2025, the company's shares have been available to trade on the JP Jenkins match bargaining facility. The share price and market information can be found at <https://jpienkins.com/company/london-associated-properties-plc/>. The company code is LAS.

There is a regular dialogue with JP Jenkins and institutional investors. Enquiries from individuals on matters relating to their shareholdings and the business of the Group are dealt with promptly and informatively.

The Company's website is under continuous development to enable better communication with both existing and potential new shareholders.

THE BRIBERY ACT 2010

The Company is committed to acting ethically, fairly and with integrity in all its endeavours and compliance with the Company's anti-bribery code is monitored closely.

Annual remuneration report

The Annual Remuneration Report details remuneration awarded to directors and non-executive directors during the year.

The current remuneration policy was subject to a binding vote which was approved by shareholders at the AGM in June 2023. The approval continues to apply for a 3-year period commencing from then.

The report has been prepared in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013.

The Company's auditor, Kreston Reeves Audit LLP is required by law to audit certain disclosures and where disclosures have been audited that is indicated in the independent auditor's report.

A handwritten signature in black ink, appearing to read 'J A Heller', with a long, wavy horizontal line extending to the right.

J A Heller
Chairman

22 June 2026

Annual remuneration report

THE FOLLOWING INFORMATION HAS BEEN AUDITED

Single total figure of remuneration for the year ended 31 December 2025

	SALARY AND FEES £'000	BONUSES £'000	BENEFITS £'000	LONG TERM INCENTIVES AWARDS £'000	PENSIONS £'000	TOTAL 2025 £'000	TOTAL FIXED REMUNERATION £'000	TOTAL VARIABLE REMUNERATION £'000
Executive Directors								
J A Heller*	374	-	43	-	34	451	451	-
J A Heller - Bisichi	50	-	9	-	-	59	59	-
J Mintz	192	-	16	-	18	226	226	-
	616	-	68	-	52	736	736	-
Non-executive Directors								
C A Parritt*+	38	-	-	-	-	38	38	-
R Priest*	35	-	-	-	-	35	35	-
A R Heller*	-	-	-	-	-	-	-	-
A R Heller - Bisichi	850	-	38	-	85	973	973	-
	923	-	38	-	85	1,046	1,046	-
Total	1,539	-	106	-	137	1,782	1,782	-

J A Heller has an entitlement to an employer pension contribution of £34,067 for 2025 (2024: £35,995). He has elected for this not to be paid at this time.

Single total figure of remuneration for the year ended 31 December 2024

	SALARY AND FEES £'000	BONUSES £'000	BENEFITS £'000	LONG TERM INCENTIVES AWARDS £'000	PENSIONS £'000	TOTAL 2024 £'000	TOTAL FIXED REMUNERATION £'000	TOTAL VARIABLE REMUNERATION £'000
Executive Directors								
J A Heller	364	-	45	-	36	445	445	-
J A Heller - Bisichi	-	-	9	-	-	9	9	-
J Mintz	187	70	14	-	18	289	219	70
	551	70	68	-	54	743	673	70
Non-executive Directors								
H D Goldring+	9	-	-	-	-	9	9	-
C A Parritt*+	38	-	-	-	-	38	38	-
R Priest*+	35	-	-	-	-	35	35	-
A R Heller	-	-	-	-	-	-	-	-
A R Heller - Bisichi	850	250	50	-	85	1,235	985	250
	932	250	50	-	85	1,317	1,067	250
Total	1,483	320	118	-	139	2,060	1,740	320

* Note 24 "Related party transactions"

+ Members of the remuneration committee. C A Parritt was chair of the remuneration committee throughout 2024 and until his resignation on 31 December 2025. H D Goldring was a member of the remuneration committee until his resignation on 30 June 2024. R Priest was appointed to the remuneration committee on 30 January 2024 and was a member until his resignation on 31 December 2025.

GOVERNANCE Annual remuneration report

Benefits include the provision of car, health and other insurance and subscriptions.

JA Heller and AR Heller are interested in a number of private property companies that receive services from the Company's property agents – see note 24 to the financial statements "Related party transactions".

J A Heller is a director of Dragon Retail Properties Limited, (a subsidiary for IFRS 10 purposes) and received benefits from that company of £9,751 (2024: £10,793) for services. This is included in the remuneration figures disclosed above.

In March 2023, J A Heller became a non-executive director of Bisichi PLC (a subsidiary for IFRS 10 purposes) and received a benefit from that company of £9,333 (2024: £9,333) and remuneration of £50,000 (2024: Nil). The remuneration figures for C A Parritt include fees paid to his accountancy practice for consultancy services provided to the Group. This is detailed in Note 24 to the financial statements.

R Priest provides consultancy services to the Group. This is detailed in Note 24 to the financial statements.

A R Heller, who is the Chairman & Managing Director of Bisichi PLC, (a subsidiary for IFRS 10 purposes) became a non-executive director of LAP on 29 March 2023 but he did not receive any remuneration from LAP during 2025.

Summary of directors' terms

	DATE OF CONTRACT	UNEXPIRED TERM	NOTICE PERIOD
Executive Directors			
John Heller	1 May 2003	Continuous	12 months
Jonathan Mintz	11 February 2019	Continuous	3 months
Non-executive Directors			
C A Parritt (Resigned 31/12/25)	1 January 2006	Continuous	3 months
R Priest (Resigned 31/12/25)	31 July 2013	Continuous	3 months
A R Heller	29 March 2023	Continuous	3 months

TOTAL PENSION ENTITLEMENTS

Two directors had benefits under money purchase schemes. Under his contract of employment, one director was entitled to a regular employer contribution (currently £18,226 a year). Under his contract of employment, the other director was entitled to a regular employer contribution (currently £34,067 a year) but has elected to defer the payment into his pension scheme. There are no final salary schemes in operation. No pension costs are incurred on behalf of non-executive directors. There are no additional benefits payable to any director in the event of early retirement.

SHARE INCENTIVE PLAN (SIP)

In 2006 the directors set up an HMRC approved share incentive plan (SIP). The purpose of the plan, which is open to all eligible LAP executive directors and head office based staff, is to enable them to acquire shares in the Company and give them a continuing stake in the Group.

The SIP comprises four types of share – (1) free shares under which the Company may award shares of up to the value of £3,000 each year, (2) partnership shares, under which members may save up to £1,500 per annum to acquire shares, (3) matching shares, through which the Company may award up to two shares for each share acquired as a partnership share, and (4) dividend shares, acquired from dividends paid on shares within the SIP.

1. Free shares: No free shares were issued in 2024 or 2025.

2. Partnership shares: No partnership shares were issued in 2024 or 2025.

3. Matching shares: The partnership share agreements for the year to 31 October 2025 provide for two matching shares to be awarded free of charge for each partnership share acquired. No partnership shares were acquired in 2025 (2024: nil). Matching shares will usually be forfeited if a member leaves employment in the Group within five years of their grant.

4. Dividend shares: Dividends on shares acquired under the SIP will be utilised to acquire additional shares. Accumulated dividends received on shares in the SIP to 31 December 2025 amounted to £nil (2024: £nil). None of the directors received dividend shares during the year (2024: nil shares).

The SIP is set up as an employee benefit trust. The trustee is London & Associated Securities Limited, a wholly owned subsidiary of LAP, and all shares and dividends acquired under the SIP will be held by the trustee until transferred to members in accordance with the rules of the SIP.

SHARE OPTION SCHEMES

The Company has an HMRC approved scheme (Approved Scheme). It was set up in 1986 in accordance with HMRC rules to gain HMRC approved status which gave the members certain tax advantages. There are no performance criteria for the exercise of options under the Approved Scheme, as this was set up before such requirements were considered to be necessary. No director has any options outstanding under the Approved Scheme nor were any options granted under the Approved Scheme for the year ended 31 December 2025.

GOVERNANCE Annual remuneration report

A share option scheme known as the "Non-approved Executive Share Option Scheme" (Unapproved Scheme) which does not have HMRC approval was set up during 2000. At 31 December 2025 there were no options to subscribe for ordinary shares outstanding. The exercise of options under the Unapproved Scheme is subject to the satisfaction of objective performance conditions specified by the remuneration committee which conforms to institutional shareholder guidelines and best practice provisions. Further details of this scheme are set out in Note 22 "Share Capital" to the financial statements.

PAYMENTS TO PAST DIRECTORS

No payments were made to past directors in the year ended 31 December 2025 (2024: none).

PAYMENTS FOR LOSS OF OFFICE

No payments for loss of office were made in the year ended 31 December 2025 (2024: none).

Statement of directors' shareholdings and share interests

Directors' interests

The interests of the directors in the ordinary shares of the Company, including family and trustee holdings, where appropriate, were as follows:

	BENEFICIAL INTERESTS		NON-BENEFICIAL INTERESTS	
	31 DEC 25	1 JAN 25	31 DEC 25	1 JAN 25
J A Heller	1,872,410	1,872,410	19,277,931	19,277,931
J Mintz	100,000	100,000	-	-
C A Parritt *	36,168	36,168	-	-
R Priest*	-	-	-	-
A R Heller	816,874	816,874	#19,277,931	#19,277,931

* Resigned 31 December 2025

These non-beneficial holdings are duplicated with those of J A Heller.

The beneficial holdings of directors shown above include their interests in the Share Incentive Plan.

No share awards were made to the directors in the year, and accordingly no discretion was exercised in determining any award or bonus payment as a result of any share price appreciation.

There are no requirements or guidelines for any director to own shares in the Company.

Remuneration policy

The Company's directors' remuneration policy was last approved by shareholders at the 2023 AGM while the Company was listed. Following the delisting of the Company's shares, the statutory requirement to maintain and seek shareholder approval for a directors' remuneration policy no longer applies.

A copy of the policy can be found at www.lap.co.uk.

Directors' responsibilities statement

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

Company law requires the directors to prepare group and company financial statements for each financial year. The directors have elected under company law to prepare group financial statements in accordance with UK-adopted international accounting standards. The directors have elected under company law to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 101 "Reduced Disclosure Framework".

The group financial statements are required by law and international accounting standards in conformity with the requirements of the Companies Act 2006 and UK-adopted international financial reporting standards to present fairly the financial position and performance of the group; the Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 each of the group and company financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. for the group financial statements, state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- d. for the company financial statements, state whether applicable UK accounting standards, comprising FRS101, have been followed, subject to any material departures disclosed and explained in the company financial statements;
- e. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

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

DIRECTORS' STATEMENT PURSUANT TO THE DISCLOSURE GUIDANCE AND TRANSPARENCY RULES

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy

Each of the directors, whose names and functions are listed on page 23 confirm that, to the best of each person's knowledge:

- a. the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the company and the undertakings included in the consolidation taken as a whole; and
- b. the Strategic Report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the London & Associated Properties PLC website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report

TO THE SHAREHOLDERS OF LONDON & ASSOCIATED PROPERTIES PLC
FOR THE YEAR ENDED 31 DECEMBER 2025

Opinion

We have audited the financial statements of London & Associated Properties PLC (the 'Parent Company') and its subsidiaries (the "Group"), for the year ended 31 December 2025 which comprise the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated and company balance sheets, the consolidated and company statements of changes in equity, the consolidated cash flow statement and notes to the financial statements, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements of London & Associated Properties PLC give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's loss for the year then ended and of the Group's cashflows position as at 31 December 2025;
- the Group financial statements have been properly prepared in accordance with UK-adopted international financial accounting standards; and
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the Group and Parent Company 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Parent Company, the accounting processes and controls, and the industry in which they operate. We have determined the components of the group based on a combination of finance function and business function of each component.

Our scoping considerations for the Group audit were based both on financial information and risk. In total, we have identified 7 distinct components within the group financial statements on the basis of opinion to be issued:

Component name:	Audit strategy
London & Associated Properties Plc	Kreston Reeves Audit LLP have undertaken a full statutory audit of the Parent Company accounts and the consolidation accounting.
Analytical Properties Limited	Kreston Reeves Audit LLP have undertaken a full statutory audit of this entity.
Dragon Retail Limited	Kreston Reeves Audit LLP have undertaken a full statutory audit of this entity.
West Ealing Projects Limited	Kreston Reeves Audit LLP have undertaken a full statutory audit of this entity.

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Broadway Regen Limited	Kreston Reeves Audit LLP have undertaken a full statutory audit of this entity.
Bisichi Plc	Kreston Reeves Audit LLP have undertaken a full statutory audit of the Bisichi UK Plc Investment properties component while B.D.O. South Africa have undertaken full statutory audits on the mining operations in South Africa, under the close supervision of Kreston Reeves, of the mining operating subsidiaries.
Other group subsidiaries	Components information was deemed immaterial to the group's financial statements. Hence, not scoped in for testing.

Involvement of a component auditor

A separate audit team in Kreston Reeves with the same engagement partner as the Group audit team was responsible for the audit of Bisichi PLC and they have involved B.D.O. South Africa in the conduct of the Group audit for the year ended 31 December 2025. The component auditor undertook specific audit procedures with respect to the financial information of the component listed in the table above. This work was undertaken in full compliance with the requirements of ISA 600 (Revised)..

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion. Based on our professional judgement, we determined materiality and performance materiality for the financial statements of the Group and of the Parent Company as follows:

	Group financial statements	Parent company financial statements
Materiality	*£1,900,000 (2024: £1,517,000)	*£400,700 (2024: £438,000)
Basis for determining materiality	~4% of net assets (2024: ~3% of net assets)	~3% of net assets (2024: ~3% of net assets)
Rationale for benchmark applied	The group's principal activity is that of an exploration and mining operation and investment property holdings. To this end the business is highly asset focused. Therefore, a benchmark for materiality based on the net assets of the group is considered to be appropriate. This benchmark has been selected after taking into account the key performance indicators used by stakeholders of these financial statements.	The company's principal activity is that of a holding company for the group and as such has no direct trade. It does hold investment balances with subsidiaries. Therefore, a benchmark for materiality based on the net assets of the company is appropriate. This benchmark has been selected after considering the key performance indicators used by stakeholders of these financial statements.
Performance materiality	*£1,425,000 (2024: £1,062,000)	*£280,500 (2024: £306,000)
Basis for determining performance materiality	75% of group materiality (2024: 70% of group materiality)	70% of company materiality (2024: 70% of group materiality)
Reporting threshold	*£95,000 (2024: £76,000)	*£20,000 (2024: £22,000)
Basis for determining reporting threshold	5% of group materiality (2024: 5% of group materiality)	5% of company materiality (2024: 5% of group materiality)

*Materiality levels for the Group and Company were based on net assets at the planning stage. Final reported net assets were lower following audit adjustments; however, this did not impact our audit approach or conclusions.

We reported all audit differences found in excess of our reporting threshold to the audit committee.

For each Group component within the scope of our Group audit, we determined component performance materiality that is less than our overall Group performance materiality. The component performance materiality determined for each Group components was between £46,240 and £926,250 (2024: £690,000).

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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) we identified, including

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

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Revenue recognition: £52,795,000 (2024: £54,917,000)	
Significance and nature of the key audit matter	How our audit addressed the key audit matter
Revenue is a key performance indicator for users in assessing the group's financial statements. The revenue generated has a significant impact on cash inflows and profit before tax for the group. As such revenue is a key determinant in profitability and the group's ability to generate cash. Revenue comprises two key revenue streams: the sale of coal and property rental income. Coal revenue is recognised when the customer has a legally binding obligation to settle under the terms of the contract. Rental income is recognised in the Group income statement on a straight-line basis over the term of the lease.	Sales of coal and coal processing services in the period were tested from the trigger point of the sale to the point of recognition in the financial statements, corroborating this to contract sales or service terms and the recognition stages detailed in IFRS 15. Rental income revenue was recalculated based on the terms included in signed lease agreements. With samples selected from the tenancy schedules, tracing entries into the financial statements. The revenue recognition stages detailed within the standard were carefully considered to ensure revenue recognised was in line with these. Revenue streams were further analytically reviewed via comparison to our expectations. Expectations were based on a combination of prior financial data/budgets and our own assessments based on our knowledge gained of the business. Cut-off of revenue was reviewed by analysing sales recorded during the period just before and after the financial year end and determining if the recognition applied was appropriate. Walkthrough testing was performed to ensure that key systems and controls in place around the revenue cycle operated as designed. The accuracy of revenue disclosures in the accounts were confirmed to be consistent with the revenue cycle observed and audited. The completeness of these disclosures was confirmed by reference to the full disclosure requirements as detailed in IFRS 15.
Key observations We have no concerns over the material accuracy of revenue recognised in the financial statements.	

Valuation/impairment of investment properties: £38,501,000 (2024: £38,991,000)	
Valuation/impairment of inventory (development property): £3,250,000 (2024: £8,996,000)	
Significance and nature of the key audit matter	How our audit addressed the key audit matter
Investment properties comprise freehold and long leasehold land and buildings. Investment properties are carried at fair value in accordance with IAS 40. Properties classified as inventory are properties which are currently being developed and are measured at the lower of cost and net realisable value in accordance with IAS 2. Investment properties are revalued annually by professional external surveyors and included in the balance sheet at their fair value. Gains or losses arising from changes in the fair values of assets are recognised in the consolidated income statement in the period to which they relate. In accordance with IAS 40, investment properties are not depreciated. Management performs an annual appraisal on the development property valuations to ensure that the carrying amount is the lower of cost and net realisable value in accordance with IAS 2. The fair value of the head leases is the net present value of the current head rent payable on leasehold properties until the expiry of the lease.	Appropriate classification of each property was considered, IAS 40 for investment properties and IAS 2 for inventory to ensure each property has been classified correctly and therefore accounted for and disclosed within these financial statements in accordance with the relevant standard. External valuation reports were obtained and vouched to stated fair values. The competence and independence of the valuation experts was carefully considered to ensure that the reports they produce can be relied upon. A meeting was held with the valuers to challenge the assumptions in their report and discuss the movements in the values of specific properties. Discussions were held with the management to understand and challenge the reasonableness of the valuation assessment prepared for the inventory (development property) balance as at year end. Supporting calculations for the long leasehold land and buildings were reviewed to ensure they are materially accurate, and any assumptions are reasonable. We have further performed our own separate impairment considerations to consider if events/factors in place at year end present material impairment indicators. Based on work performed, an impairment provision of £5.75m was recognised on the development property balance.

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	as at year end. No impairment provision was deemed necessary to be provided for investment properties. We have further considered the threat of climate change with respect to the potential impact on property values. An auditor's expert was appointed to review the work of management's valuation expert and provide their conclusion over the appropriateness of the methodologies, data and assumptions applied.
Key observations We have no concerns over the material accuracy of investment properties and inventory (development property) values recognised in the financial statements.	

Valuation/impairment of mining reserves and development: £22,472,000 (2024: £22,771,000)	
Significance and nature of the key audit matter	How our audit addressed the key audit matter
The purpose of mine development is to establish secure working conditions and infrastructure to allow the safe and efficient extraction of recoverable reserves. Depreciation on mine development costs is not charged until production commences or the assets are put to use. On commencement of full commercial production, depreciation is charged over the life of the associated mine reserves extractable using the asset on a unit of production basis. The unit of production calculation is based on tonnes mined as a ratio to proven and probable reserves and also includes future forecast capital expenditure. The cost recognised includes the recognition of any decommissioning assets related to mine development.	The accounting requirements of IFRS 6 and IAS 16 were considered to ensure capitalisation of costs to mine development under IAS 16 was appropriate. In considering impairment indicators, as governed by IAS 36, the life of mine assessment was obtained. All significant input variables were considered and stress-tested to assess headroom between modelling and the value of mine development. Consideration was given to the competence and independence of the technical expert involved with the production of historic technical reports on which the life of mine assessment is partially built. Depreciation of mine development was recalculated based on the unit of production basis to ensure accurately recorded. This basis was also considered for reasonableness by reference to the accounting policies of industry peers. Additional consideration was given to the remaining expected life of coal mining more generally. We have further considered to threat of climate change with respect to the potential life of the mining operation to ensure that this will not be less than the current legal remaining lifespan of 5 years. The accuracy and appropriateness of mine development disclosures in the accounts were confirmed to be consistent with the mine development accounting cycle observed and audited.
Key observations We have no concerns over the material accuracy of mining reserves and development values recognised in the financial statements.	

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the director's assessment of the Group and Parent company's ability to continue to adopt the going concern basis of accounting including the following:

- We gained an understanding of the systems and controls around managements' going concern assessment, including for the preparation and review process for forecasts and budgets
- We obtained evidence that management have undertaken a formal going concern assessment, including sensitivity analysis of cash flow forecasts, clear consideration of significant external factors and the potential liquidity impact of such factors on cash balances including available facilities.
- We have analysed the financial strength of the business at the year-end date and considered key trends in balance sheet strength and business performance over the last three years.
- We tested the mechanical integrity of forecast model by checking the accuracy and completeness of the model, including challenging the appropriateness of estimates and assumptions with reference to empirical data and external evidence.
- Based on our above assessment, we performed our own sensitivity analysis in respect of the key assumptions underpinning the forecasts.

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- We performed stress-testing analysis on the core cash generating units of the business to confirm cash inflow levels needed to maintain minimal liquidity required to meet liabilities as they fall due.
- We considered post year end performance of the business, comparing this to budget as well as considering the development of key liquidity ratios in the business.
- The group's banking facility documentation was reviewed to ensure that any covenants in place have not been breached.
- We reviewed the adequacy and completeness of the disclosure included within the financial statements in respect of going concern.
- Confirmations gained that operation of the business, including mine production and sale at Black Wattle Colliery have not been disrupted in the period by any external or internal factors.
- We considered climate change-related risks facing the business from a physical and transitional risk perspective, this included careful consideration of the estimated remaining life of coal mining as a viable commercial endeavour.

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

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

Our consideration of climate change related risks

The financial impacts on the Group of climate change and the transition to a low-carbon economy (climate change) were considered in our audit where they have the potential to directly or indirectly impact key judgements and estimates within the financial statements.

The Group continues to develop its assessment of the potential impacts of climate change. Climate risks have the potential to materially impact the key judgements and estimates within the financial report. Our audit considered those risks that could be material to the key judgements and estimates in the assessment of the carrying value of non-current assets and closure and rehabilitation provisions.

The key judgements and estimates included in the financial statements incorporate actions and strategies, to the extent they have been approved and can be reliably estimated in accordance with the Group's accounting policies. Accordingly, our key audit matters address how we have assessed the Group's climate-related assumptions to the extent they impact each key audit matter.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Our opinion on the Remuneration report

Kreston Reeves has audited the Remuneration report set out on pages 34, to 36 of the Annual Report for the financial year. The Directors of the Company are responsible for the preparation and presentation of the Remuneration report in accordance with the Companies Act 2006.

Kreston Reeves Audit's responsibility is to express an opinion on the Remuneration report, based on our audit conducted in accordance with International Accounting Standards. In Kreston Reeves Audit's opinion, the Remuneration report of the Group for the period complies with the requirements of the Companies Act 2006.

Opinions on other matters prescribed by 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.

Matters on which we are required to report by exception

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

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 are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the directors' responsibilities statement (set out on page 38), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the group and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations with respect to acting as landlords in the UK and the operation of a coal mine in South Africa, as well as related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to: posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investment properties. Audit procedures performed by the group engagement team and component auditors included:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework and the relevant tax compliance regulations in the jurisdictions in which London & Associated Properties PLC operates. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements, mainly relating to health and safety, employee matters, bribery and corruption practices, environmental and certain aspects of company legislation recognising the regulated nature of the Group's mining activities and its legal form.
- Detailed discussions were held with management to identify any known or suspected instances of non-compliance with laws and regulations.
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud.
- With the involvement of an external auditor's expert, we have challenged assumptions and judgements made by management in its significant accounting estimates, including assessing the capabilities of the property valuers and discussing with the valuers how their valuations were calculated and the data and assumptions they have used to calculate these.
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud.
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business.

GOVERNANCE Independent Auditor's report

- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities.
- Performing integrity testing to verify the legitimacy of banking records obtained from management.
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions.
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.
- We ensured our global audit team (including Kreston Reeves Audit and BDO) has deep industry experience through working for many years on relevant audits, including experience of mining and investment property management. Our audit planning included considering external market factors, for example geopolitical risk, the potential impact of climate change, commodity price risk and major trends in the industry.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude 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 Group's or 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters which we are required to address

We were reappointed by the Audit Committee in the period to audit the financial statements. Our total uninterrupted period of engagement is 5 periods, covering the financial year ended 31 December 2025.

The non-audit services prohibited by the Financial Reporting Council'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 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.

Kreston Reeves Audit LLP

Anne Dwyer BSc(Hons) FCA (Senior Statutory Auditor)
For and on behalf of

Kreston Reeves Audit LLP
Statutory Auditor
London

Date: 22 June 2026

FINANCIAL STATEMENTS

Consolidated income statement

for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Group revenue	1	52,795	54,917
Operating costs	1	(62,555)	(49,624)
Operating (loss)/profit		(9,760)	5,293
Finance income	4	103	202
Finance expenses	4	(2,365)	(2,971)
Result before revaluation and other movements		(12,022)	2,524
Non-cash changes in valuation of assets and liabilities and other movements			
Exchange losses		86	(23)
(Decrease)/increase in value of investment properties	8	(490)	1,800
Profit on disposal of fixed assets	9	20	–
Gain on investments held at fair value (Bisichi)		1,448	68
Gain on disposal of subsidiary		–	50
(Loss)/profit for the year before taxation	2	(10,958)	4,419
Income tax charge	5	1,571	(1,615)
(Loss)/profit for the year		(9,387)	2,804
Attributable to:			
Equity holders of the Company		(1,941)	(373)
Non-controlling interest	23	(7,446)	3,177
(Loss)/profit for the year		(9,387)	2,804
Earnings per share			
Loss per equity share - basic and diluted	7	(2.27)p	(0.44)p

FINANCIAL STATEMENTS

Consolidated statement of comprehensive income

for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
(Loss)/profit for the year		(9,387)	2,804
Other comprehensive expense:			
Items that may be subsequently recycled to the income statement:			
Exchange differences on translation of Bisichi PLC foreign operations		357	(122)
Total comprehensive (expense)/income for the year net of tax		(9,030)	2,682
Attributable to:			
Equity shareholders		(1,840)	(405)
Non-controlling interest		(7,190)	3,087
Total comprehensive (expense)/income for the year net of tax		(9,030)	2,682
Total comprehensive expense per equity share - basic and diluted		(2.16)p	(0.47)p

FINANCIAL STATEMENTS

Consolidated balance sheet

at 31 December 2025

	Notes	2025 £'000	2024 £'000
Non-current assets			
Market value of properties attributable to Group	8	36,915	37,405
Present value of head leases	8	1,586	1,586
Property	8	38,501	38,991
Mining reserves, property, plant and equipment	9	22,997	23,603
Other investments at fair value through profit and loss ("FVPL")	13	10,439	14,339
Deferred tax	21	856	–
		72,793	76,933
Current assets			
Inventories - Property	11	3,250	8,996
Inventories - Mining	12	2,501	3,377
Trade and other receivables	14	9,482	7,202
Investments in listed securities held at FVPL	15	–	628
Cash and cash equivalents		4,442	2,926
		19,675	23,129
Total assets		92,468	100,062
Current liabilities			
Trade and other payables	16	(19,346)	(15,748)
Borrowings	17	(8,457)	(7,163)
Lease liabilities	18	(484)	(439)
Current tax liabilities		(1,802)	(3,801)
		(30,089)	(27,151)
Non-current liabilities			
Borrowings	17	(17,763)	(17,929)
Lease liabilities	18	(1,847)	(2,134)
Provisions	19	(1,676)	(1,590)
Deferred tax liabilities	21	–	(699)
		(21,286)	(22,352)
Total liabilities		(51,375)	(49,503)
Net assets		41,093	50,559

FINANCIAL STATEMENTS

Consolidated balance sheet

at 31 December 2025

		2025	2024
	Notes	£'000	£'000
Equity attributable to the owners of the parent			
Share capital	22	8,554	8,554
Share premium account		4,866	4,866
Translation reserve (Bisichi PLC)		(1,189)	(1,290)
Capital redemption reserve		47	47
Retained earnings (excluding treasury shares)		14,111	16,052
Treasury shares	22	(144)	(144)
Retained earnings		13,967	15,908
Total equity attributable to equity shareholders		26,245	28,085
Non-controlling interest	23	14,848	22,474
Total equity		41,093	50,559
Net assets per share attributable to equity shareholders	7	30.75p	32.91p
Diluted net assets per share	7	30.75p	32.91p

These financial statements were approved by the board of directors and authorised for issue on 22 June 2026 and signed on its behalf by:



John Heller
Director

Jonathan Mintz
Director

Company Registration No. 341829

FINANCIAL STATEMENTS

Consolidated statement of changes in shareholders' equity

for the year ended 31 December 2025

	Share capital £'000	Share premium £'000	Translation reserves £'000	Capital redemption reserve £'000	Treasury shares £'000	Retained earnings excluding treasury shares £'000	Total excluding Non- Controlling Interests £'000	Non- controlling Interests £'000	Total equity £'000
Balance at 1 January 2024	8,554	4,866	(1,258)	47	(144)	16,425	28,490	19,823	48,313
(Loss)/profit for year	–	–	–	–	–	(373)	(373)	3,177	2,804
Other comprehensive expense:									
Currency translation	–	–	(32)	–	–	–	(32)	(90)	(122)
Transactions with owners:									
Dividends – non-controlling interests	–	–	–	–	–	–	–	(436)	(436)
Balance at 31 December 2024	8,554	4,866	(1,290)	47	(144)	16,052	28,085	22,474	50,559
Loss for year	–	–	–	–	–	(1,941)	(1,941)	(7,446)	(9,387)
Other comprehensive expense:									
Currency translation	–	–	101	–	–	–	101	256	357
Transactions with owners:									
Dividends – non-controlling interests	–	–	–	–	–	–	–	(436)	(436)
Balance at 31 December 2025	8,554	4,866	(1,189)	47	(144)	14,111	26,245	14,848	41,093

FINANCIAL STATEMENTS

Consolidated cash flow statement

for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Operating activities			
(Loss)/profit for the year before taxation		(10,958)	4,419
Finance income	4	(103)	(202)
Finance expense	4	2,365	2,971
Decrease/(increase) in value of investment properties	8	490	(1,800)
Gain on investments held at FVPL (Bisichi)		(1,448)	(68)
Profit on disposal of subsidiary		–	(50)
Depreciation	9	3,874	4,311
Profit on disposal of non-current assets		(20)	–
Impairment of inventory		3,518	900
Development expenditure on inventories	11	–	(1,007)
Exchange adjustments		(86)	23
Change in inventories - mining		1,015	(843)
Change in receivables		243	(70)
Change in payables		3,337	1,769
Cash generated from operations		2,227	10,353
Income tax paid		(2,117)	(1,789)
Cash inflows from operating activities		110	8,564
Investing activities			
Acquisition of mining reserves, plant and equipment		(1,988)	(8,132)
Sale of plant and equipment		50	–
Disposal of other investments		7,673	5,372
Acquisition of other investments		(1,696)	(5,279)
Interest received		103	202
Cash inflows/(outflows) from investing activities		4,142	(7,837)

FINANCIAL STATEMENTS

Consolidated cash flow statement

for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Financing activities			
Interest paid		(2,236)	(2,804)
Interest obligation under finance leases		(215)	(178)
Repayment of lease liability		(191)	(234)
Receipt of bank loan - Bisichi PLC		98	3,845
Repayment of bank loan - Bisichi PLC		(311)	(3,995)
Repayment of bank loan - Dragon Retail Properties Ltd		(20)	(215)
Receipt of bank loan - London & Associated Properties PLC		-	496
Repayment of bank loan - London & Associated Properties PLC		(8)	(7)
Equity dividends paid - Bisichi PLC		(436)	(436)
Cash outflows from financing activities		(3,319)	(3,528)
Net increase/(decrease) in cash and cash equivalents		933	(2,801)
Cash and cash equivalents at beginning of year		668	3,444
Exchange adjustment		(106)	25
Cash and cash equivalents at end of year		1,495	668

The cash flows above relate to continuing operations.

CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balance sheet amounts:

		2025 £'000	2024 £'000
Cash and cash equivalents (before bank overdrafts)		4,442	2,926
Bank overdrafts	17	(2,947)	(2,258)
Cash and cash equivalents at end of year		1,495	668

Cash deposits at 31 December 2025 of £nil were charged as security to bank loans (2024: £195,000).

FINANCIAL STATEMENTS

Group accounting policies

The following are the principal Group accounting policies:

BASIS OF ACCOUNTING

The Group financial statements are prepared in accordance with UK adopted international accounting standards and the requirements of the Companies Act 2006.

The directors have elected under company law to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 101 Reduced Disclosure Framework and these are presented in note 29.

The financial statements are prepared under the historical cost convention, except for the revaluation of freehold and leasehold properties and financial assets at fair value through profit and loss including interest rate derivatives.

The Group financial statements are presented in Pounds Sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise stated.

The functional currency for each entity in the Group is the currency of the country in which the entity has been incorporated. Details of the country in which each entity has been incorporated can be found in note 10.

The exchange rates used in the accounts were as follows:

	£1 Sterling: Rand		£1 Sterling: Dollar	
	2025	2024	2025	2024
Year-end rate	22.3537	23.6446	1.3467	1.2521
Annual average	23.5706	23.4159	1.3180	1.2780

London & Associated Properties PLC ("LAP"), the parent company, is a public limited company incorporated and domiciled in England was quoted on the London Stock Exchange until 19 November 2025, when LAP was delisted. The Company registration number is 00341829. LAP and its subsidiaries ("the Group") consist of LAP and all its subsidiary undertakings, including Bisichi PLC ("Bisichi") and Dragon Retail Properties Limited ("Dragon"). The Group without Bisichi and Dragon is referred to as LAP Group.

GOING CONCERN

In reviewing going concern it is necessary to consider separately the position of LAP Group and Bisichi. Although both are consolidated into group accounts (as required by IFRS 10), they are managed independently and in the unlikely event that Bisichi was unable to continue trading this would not affect the ability of LAP Group to continue operating as a going concern. The same would be true for Bisichi in reverse.

The directors have reviewed the cash flow forecasts of the LAP Group and the underlying assumptions on which they are based for the 15 months from the date of signing. The LAP Group's business activities, together with the factors likely to affect its future development, are set out in the Chairman and Chief Executive's Statement and Financial Review. In addition, note 20 to the financial statements sets out the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

The directors have reviewed the debt covenants on existing loans and the effects that a wide range of property valuation movements would have on these and the Group's ability to mitigate these effects.

Geo-political events in Ukraine and the Middle East are currently having an impact on global energy prices. Although the outcome of the events in these regions is uncertain, the Directors at present do not foresee the events having a significant negative effect on the Group's UK and South African operations. The imposition of tariffs by the United States is not expected to have any significant direct effect on our operations.

Debt Refinancing

LAP's £13.6 million 5-year term loan with QIB (UK) PLC, at a margin of 2.95% (reduced from 3.95% in May 2025) above the BoE base rate, expires in 2027. The loan is covenant compliant and the Directors do not consider that this presents a going concern risk to the Group. The loan is repayable in full at any time, with no exit fees.

Dragon has a £0.72 million Santander term loan (at 3.5% + bank base rate) that expires on 18 July 2027. The loan is covenant compliant and the Directors do not consider that this presents a going concern risk to the Group. The loan is repayable in full at any time, with no exit fees.

Broadway Regen has a £4.9 million 11.0% development loan which expired in January 2025. It is secured on a residential development site in West Ealing, London. We have explored all available options for the development of this site but increases in construction costs and regulatory burden along with an uncertain housing market mean that we have not been able to assemble a construction package that generates adequate returns for the joint venture partners, at an acceptable risk. We have decided to sell the site as consented land, with the support of the lender.

FINANCIAL STATEMENTS Group accounting policies

We do not expect this to yield any return for the joint venture partners and we do not expect to be able to repay the loan in full. The Group has no future obligations to the development SPV that owns the land or the lender, other than a £125,000 interest guarantee to the lender. The lender has agreed to release the Group from this guarantee subject to our support to sell the land.

The directors continually monitor the property lending market and will refinance these loans to reduce the interest burden on the Group, provide future funding certainty and manage financial risk.

Bisichi PLC

The directors note the consideration of going concern by the Bisichi board but also note that any failure of Bisichi would not itself impact on the going concern status of the LAP group, but may require LAP to restructure its operations to reduce costs and remove services currently provided to Bisichi. This is further discussed on page 10 of the Annual Report.

The directors believe that the LAP Group has adequate resources to continue in operational existence for the foreseeable future and that the LAP Group is well placed to manage its business risks. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Bisichi directors continue to adopt the going concern basis of accounting in preparing the Bisichi annual financial statements.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The Group has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") that are relevant to its operations and effective for accounting periods beginning 1 January 2025. New standards and interpretations that are relevant to the Group are summarised below:

Standard	Overview	Impact
Amendments to IAS 21 – Lack of Exchangeability	The amendments have been made to clarify: • when a currency is exchangeable into another currency; and • how a company estimates a spot rate when a currency lacks exchangeability.	No significant impact

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the Group. The Group has not adopted any Standards or Interpretations in advance of the required implementation dates. New standards, amendments and interpretations issued but not yet effective that are relevant to the Group are summarised below:

Standard	Overview	Potential Impact
Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	Effective date: 1 January 2026 (early adoption permitted). These amendments: • Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; • Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; • Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and • Make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).	No significant impact expected
IFRS 18 Presentation and Disclosure in Financial Statements	Effective date: 1 January 2027 (early adoption permitted). This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to: • The structure of the statement of profit or loss; • Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and • Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.	No significant impact expected

FINANCIAL STATEMENTS Group accounting policies

IFRS 19 Subsidiaries without Public Accountability: Disclosures	Effective date: 1 January 2027 (early adoption permitted). This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if: • it does not have public accountability; and • it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.	No significant impact expected
Amendments to IAS 21 Translation to a Hyperinflationary Presentation Currency	Effective date: 1 January 2027 (early adoption permitted). The amendments apply to companies with a non-hyperinflationary functional currency using a hyperinflationary presentation currency and requires that all amounts, including comparatives, are translated at the closing rate at the latest reporting date. The amendments also apply to companies with hyperinflationary functional and presentation currencies that translate the results and financial position of foreign operations whose functional currency is non-hyperinflationary. In this case, a company uses the closing rate at the latest reporting date when translating all amounts (except comparatives). It applies the change in general price index to restate the comparatives. The amendments apply retrospectively, and prevents foreign currency translation reserves from growing disproportionately, as compared to other components of equity.	No significant impact expected

We are committed to improving disclosure and transparency and will continue to work with our different stakeholders to ensure they understand the detail of these accounting changes. We continue to remain committed to a robust financial policy.

KEY JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make assumptions and estimates that may affect the reported amounts of assets and liabilities and the reported income and expenses, further details of which are set out below. Although management believes that the assumptions and estimates used are reasonable, the actual results may differ from those estimates. Further details of the estimates and judgements which may have a material impact on next year's financial statements are contained in the Directors' Report.

PROPERTY OPERATIONS

Fair value measurements of investment properties

An assessment of the fair value of these assets is undertaken annually. The fair value measurements are estimated based on the amounts for which the assets and liabilities could be exchanged between market participants. To the extent possible, the assumptions and inputs used take into account externally verifiable inputs. However, such information is by its nature subject to uncertainty and is discussed further in the Directors' Report and shown in note 8.

Inventories - Property

When the Group begins to redevelop an existing investment property with a view to sale, the property is transferred to inventory and held as a current asset. The property is re-measured to fair value as at the date of the transfer with any gain or loss being taken to the income statement. The re-measured amount becomes the deemed cost at which the property is then carried in trading properties plus any costs for asset management initiatives or development in preparation for sale and subject to any provision required to reduce cost to net realisable value.

In assessing the net realisable value of a property development, the directors make significant estimates and judgements regarding, inter alia, forecast sales and costs per square foot, gross internal area, affordable housing allocations and appropriate rates of financing. The degree to which these variables can be accurately forecast will depend on the stage of development of the particular project and the impact of changes in these assumptions to the net realisable value could be material. Further detail is included in note 11.

The development property in Ealing has been impaired by £5.75m in the year following an assessment of its net realisable value at 31 December 2025.

Trade Debtors

An estimate of lifetime expected credit losses under IFRS 9 using the simplified approach has been made by the Directors considering historic trade debtor recoveries, specific knowledge of individual debtors and forward looking macro-economic factors. Further detail is included in note 20.

FINANCIAL STATEMENTS Group accounting policies

MINING OPERATIONS

Life of mine and reserves

The directors of Bisichi consider their judgements and estimates surrounding the life of the mine and its reserves to have significant effect on the amounts recognised in the financial statements and to be an area where the financial statements are subject to significant estimation uncertainty. The life of mine remaining is currently estimated at 4 years. This life of mine is based on Bisichi's existing coal reserves including reserves acquired but subject to regulatory approval. Bisichi actively seeks and evaluates new opportunities to extend the life of its existing mining and processing operations in South Africa. The life of mine excludes future coal purchases and coal reserve acquisitions. Bisichi's estimates of proven and probable reserves are prepared utilising the South African code for the reporting of exploration results, mineral resources and mineral reserves (the SAMREC code) and are subject to assessment by an independent Competent Person experienced in the field of coal geology and specifically opencast and pillar coal extraction. Estimates of coal reserves impact assessments of the carrying value of property, plant and equipment, depreciation calculations and rehabilitation and decommissioning provisions. There are numerous uncertainties inherent in estimating coal reserves and changes to these assumptions may result in restatement of reserves. These assumptions include geotechnical factors as well as economic factors such as commodity prices, production costs, coal demand outlook and yield.

Depreciation, amortisation of mineral rights, mining development costs and plant & equipment

The annual depreciation/amortisation charge is dependent on estimates, including coal reserves and the related life of the mine, expected development expenditure for probable reserves, the allocation of certain assets to relevant ore reserves and estimates of residual values of the processing plant. The charge can fluctuate when there are significant changes in any of the factors or assumptions used, such as estimating mineral reserves which in turn affects the life of mine or the expected life of reserves. Estimates of proven and probable reserves are prepared by an independent Competent Person. Assessments of depreciation/amortisation rates against the estimated reserve base are performed regularly. Details of the depreciation/amortisation charge can be found in note 9.

Provision for mining rehabilitation including restoration and de-commissioning costs

A provision for future rehabilitation including restoration and decommissioning costs requires estimates and assumptions to be made around the relevant regulatory framework, the timing, extent and costs of the rehabilitation activities and of the risk free rates used to determine the present value of the future cash outflows. The provisions, including the estimates and assumptions contained therein, are reviewed regularly by management. Bisichi engages an independent expert to assess the cost of restoration and decommissioning annually as part of management's assessment of the provision. Details of the provision for mining rehabilitation can be found in note 19.

Mining impairment

Property, plant and equipment representing Bisichi's mining assets in South Africa are reviewed for impairment at each reporting date. The impairment test is performed using the approved Life of Mine plan and those future cash flow estimates are discounted using asset specific discount rates and are based on expectations about future operations. The impairment test requires estimates about production and sales volumes, commodity prices, proven and probable reserves (as assessed by the Competent Person), operating costs and capital expenditures necessary to extract reserves in the approved Life of Mine plan. Changes in such estimates could impact recoverable values of these assets. Details of the carrying value of property, plant and equipment can be found in note 9.

The impairment test indicated significant headroom as at 31 December 2025 and therefore no impairment is considered appropriate. The key assumptions include: coal prices, including domestic coal prices based on recent pricing and assessment of market forecasts for export coal; production based on proven and probable reserves assessed by the independent Competent Person and yields associated with mining areas based on assessments by the Competent Person and empirical data. A 4% reduction in average forecast coal prices or a 4% reduction in yield would give rise to a breakeven scenario. However, the Bisichi directors consider the forecasted yield levels and pricing to be appropriate and supportable best estimates.

BASIS OF CONSOLIDATION

The Group accounts incorporate the accounts of LAP and all its subsidiary undertakings, together with the Group's share of the results and net assets of its joint ventures.

Non-controlling interests in subsidiaries are presented separately from the equity attributable to equity owners of the parent company. When changes in ownership in a subsidiary do not result in a loss of control, the non-controlling shareholders' interests are initially measured at the non-controlling interests' proportionate share of the subsidiaries' net assets. Subsequent to this, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

SUBSIDIARIES

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries acquired during the year are consolidated using the acquisition method. Their results are incorporated from the date that control passes.

All intra Group transactions, balances, income and expenses are eliminated on consolidation. Details of the Group's subsidiary companies are set out in note 10.

FINANCIAL STATEMENTS Group accounting policies

The directors are required to consider the implications of IFRS 10 on the LAP investment in Bisichi PLC ("Bisichi"). Related parties also have shareholdings in Bisichi. When combined with the 41.6% held by LAP and, taking account of the wide disposition of other shareholders, there is potential for LAP and these related parties to exercise voting control over Bisichi. IFRS 10 makes it clear that possible voting control is of more significance than actual management control.

For this reason the directors have concluded that there is a requirement to consolidate Bisichi with LAP. While, in theory, they could achieve control, in practice they do not get involved in the day to day operations of Bisichi. The directors have presented consolidated accounts using the published accounts of Bisichi but it is important to note that any figures, risks and assumptions attributable to that company are the responsibility of the Bisichi Board of directors.

As a result of treating Bisichi as a subsidiary, Dragon Retail Properties Limited and West Ealing Projects Limited are also subsidiaries for accounting purposes, as LAP and Bisichi's combined ownership in these entities exceeds 50%.

Following an unsuccessful planning application and subsequent appeal by Development Physics Limited the JV partners decided to cease development activities and allow the options over parcels of land to lapse. The company was closed in April 2025. Provisions for the carrying value of the development were made in previous years and the financial effect of the development in 2025 is £nil.

GOODWILL

Goodwill arising on acquisition is recognised as an intangible asset and initially measured at cost, being the excess of the cost of the acquired entity over the Group's interest in the fair value of the assets and liabilities acquired. Goodwill is carried at cost less accumulated impairment losses. Goodwill arising from the difference in the calculation of deferred tax for accounting purposes and fair value in negotiations is judged not to be an asset and is accordingly impaired on completion of the relevant acquisition.

PROPERTY REVENUE

The Group's property revenue from contracts with customers, as defined under IFRS 15, includes income from rents, service charge and management fees.

Rental income

Rental income arises from properties where leases have granted tenants a right of occupation and use of the properties. Rental income and lease incentives are recognised in accordance with IFRS 16 Leases. Rental income from investment property is recognised as revenue on a straight-line basis over the lease term. Lease incentives and costs associated with entering into tenant leases are amortised over the lease term. Rent reviews are recognised when such reviews have been agreed with tenants.

Changes in the scope or the consideration for a lease, that was not part of the original terms and conditions, which might arise as a result of lease concessions, are accounted as a lease modification. Lease modifications are accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Service charge income

This includes income in relation to service charges, directly recoverable expenditure and management fees, which is recognised in accordance with IFRS 15. Revenue from providing services is recognised in the accounting period in which the services are rendered. Revenue from services is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided and recognised over time. The Group generally acts as the principal in service charge transactions as it directly controls the delivery of the services at the point they are provided to the tenant. Where the Group acts as a principal, service charge income is presented gross within revenue and service charge expense presented gross within costs.

Reverse surrender premiums

Payments received from tenants to surrender their lease obligations are recognised immediately in the income statement.

Dilapidations

Dilapidations monies received from tenants in respect of their lease obligations are recognised immediately in the income statement.

Other revenue

Revenue in respect of listed investments held for trading represents investment dividends received and profit or loss recognised on realisation. Dividends are recognised in the income statement when the right to receive the payment is established.

PROPERTY OPERATING EXPENSES

Operating expenses are expensed as incurred and any property operating expenditure not recovered from tenants through service charges is charged to the income statement.

FINANCIAL STATEMENTS Group accounting policies

EMPLOYEE BENEFITS

Share based remuneration

The Group operates a long-term incentive plan and two share option schemes. The fair value of the conditional awards on shares granted under the long-term incentive plan and the options granted under the share option scheme is determined at the date of grant. This fair value is then expensed on a straight-line basis over the vesting period, based on an estimate of the number of shares that will eventually vest. At each reporting date, the fair value of the non-market based performance criteria of the long-term incentive plan is recalculated and the expense is revised. In respect of the share option scheme, the fair value of options granted is calculated using the binomial method.

PENSIONS

The Company operates a defined contribution pension scheme. The contributions payable to the scheme are expensed in the period to which they relate.

FOREIGN CURRENCIES

Monetary assets and liabilities are translated at year end exchange rates and the resulting exchange rate differences are included in the consolidated income statement within the results of operating activities if arising from trading activities, including inter-company trading balances and within finance cost / income if arising from financing.

For consolidation purposes, income and expense items are included in the consolidated income statement at average rates, and assets and liabilities are translated at year end exchange rates. Translation differences arising on consolidation are recognised in other comprehensive income. Foreign exchange differences on intercompany loans are recorded in other comprehensive income when the loans are not considered trading balances and are not expected to be repaid in the foreseeable future. Where foreign operations are sold or closed, the cumulative exchange differences attributable to that foreign operation are recognised in the consolidated income statement when the gain or loss on disposal is recognised.

Transactions in foreign currencies are translated at the exchange rate ruling on transaction date.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the group becomes a party to the contractual provisions of the instrument.

Financial assets

Financial assets are classified as either financial assets at amortised cost, at fair value through other comprehensive income ("FVTOCI") or at fair value through profit or loss ("FVPL") depending upon the business model for managing the financial assets and the nature of the contractual cash flow characteristics of the financial asset.

A loss allowance for expected credit losses is determined for all financial assets, other than those at FVPL, at the end of each reporting period. The Group applies a simplified approach to measure the credit loss allowance for trade receivables using the lifetime expected credit loss provision. The lifetime expected credit loss is evaluated for each trade receivable taking into account payment history, payments made subsequent to year end and prior to reporting, past default experience and the impact of any other relevant and current observable data. The group applies a general approach on all other receivables classified as financial assets. The general approach recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition.

The Group no longer recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. The Group does not recognise financial liabilities when the Group's obligations are discharged, cancelled, or have expired.

Investments

Current financial asset investments and other investments classified as non-current ("The investments") comprise shares in listed companies. The investments are measured at fair value. Any changes in fair value are recognised in the consolidated income statement and accumulated in retained earnings.

Trade and other receivables

Trade receivables are recorded at amortised cost. As the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material, trade receivables which do not carry any interest are stated at their nominal value as reduced by credit loss allowances for estimated recoverable amounts.

Trade and other payables

Trade and other payables are non-interest bearing and are stated at their nominal value, as the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material.

FINANCIAL STATEMENTS Group accounting policies

Bank loans and overdrafts

Bank loans and overdrafts are included as financial liabilities on the Group balance sheet net of the unamortised costs of issue. The cost of issue is recognised in the consolidated income statement over the life of the bank loan. Interest payable on those facilities is expensed as a finance cost in the period to which it relates.

Leases

At inception, the Group assesses whether a contract is or contains a lease. This assessment involves the exercise of judgement about whether the Group obtains substantially all the economic benefits from the use of that asset, and whether the Group has the right to direct the use of the asset. The Group recognises a right-of-use ("ROU") asset and the lease liability at the commencement date of the lease.

Lease liabilities include the present value of payments which generally include fixed payments and variable payments that depend on an index (such as an inflation index). Each lease payment is allocated between the liability and finance cost. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined or if not, the incremental borrowing rate is used. The finance cost is charged to profit or loss over the lease period so as to produce a constant rate of interest on the remaining balance of the liability for each period. In the cashflow statement the principal and interest portions of the lease payments are classified within financing activities.

The ROU asset is measured at a cost based on the amount of the initial measurement of the lease liability, plus initial direct costs and the cost of obligations to refurbish the asset, less any incentives received. The ROU asset (other than the ROU assets that relate to land or property that meets the definition of investment property under IAS 40) is depreciated over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator of impairment. ROU assets are included in the heading Property, plant and equipment, and the lease liability is included in the headings current and non-current lease liabilities on the balance sheet.

Lease liabilities arise for those investment properties held under a leasehold interest and recorded as investment property. The liability is calculated as the present value of the minimum lease payments, reducing in subsequent reporting periods by the apportionment of payments to the lessor. Lease payments are allocated between the liability and finance charges to achieve a constant financing rate. Contingent rents payable, such as rent reviews or those related to rental income, are charged as an expense in the period in which they are incurred.

The Group has elected not to recognise ROU assets and liabilities for leases where the total lease term is less than or equal to 12 months, or for low value leases under £20,000. The payments for such leases are recognised in the Income Statement on a straight-line basis over the lease term.

Interest rate derivatives

The Group uses derivative financial instruments to hedge the interest rate risk associated with the financing of the Group's business where appropriate. No trading in such financial instruments is undertaken. At each reporting date, these interest rate derivatives are recognised at their fair value to the business, being the Net Present Value of the difference between the hedged rate of interest and the market rate of interest for the remaining period of the hedge.

Ordinary shares

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Treasury shares

When the Group's own equity instruments are repurchased, consideration paid is deducted from equity as treasury shares until they are cancelled. When such shares are subsequently sold or reissued, any consideration received is included in equity.

INVESTMENT PROPERTIES

Valuation

Investment properties are those that are held either to earn rental income or for capital appreciation or both, including those that are undergoing redevelopment for future use as an investment property. They are reported on the Group balance sheet at fair value, being the amount for which an investment property could be exchanged between knowledgeable and willing parties in an arm's length transaction.

The external valuation of properties is undertaken by independent valuers who hold recognised and relevant professional qualifications and have recent experience in the locations and categories of properties being valued. Surpluses or deficits resulting from changes in the fair value of investment properties are reported in the Group income statement in the period in which they arise.

The Group owns a number of properties on long term and short-term leaseholds. These are leased out to tenants under operating leases, are classified as investment properties or development properties as appropriate and included in the balance sheet at fair value. The obligation to the freeholder or superior leaseholder for the buildings element of the leasehold is included in the balance sheet at the present value of the minimum lease payments at inception.

FINANCIAL STATEMENTS Group accounting policies

Capital expenditure

Investment properties are measured initially at cost, including related transaction costs. Additional expenditure of a capital nature, directly attributable to the redevelopment or refurbishment of an investment property held for future use as an investment property, up to the point of it being completed for its intended use, is capitalised in the carrying value of that property. Where there is a change of use, such as commencement of development with a view to sale, the property is transferred to inventory at deemed cost, which is its fair value on the date of the change in use. Capitalised interest is calculated with reference to the actual rate payable on borrowings for development purposes, or for that part of the development costs financed out of borrowings the capitalised interest is calculated on the basis of the average rate of interest paid on the relevant debt outstanding.

Disposal

The disposal of investment properties is recorded on completion of the contract. On disposal, any gain or loss is calculated as the difference between the net disposal proceeds and the valuation at the last year end plus subsequent capitalised expenditure in the period.

Depreciation and amortisation

In applying the fair value model to the measurement of investment properties, depreciation and amortisation are not provided.

OTHER ASSETS AND DEPRECIATION

The cost, less estimated residual value, of other property, plant and equipment is written off on a straight-line basis over the asset's expected useful life. Residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Changes to the estimated residual values or useful lives are accounted for prospectively. The depreciation rates generally applied are:

Motor vehicles	25–33 per cent per annum
Office equipment	10–33 per cent per annum

ASSETS HELD FOR SALE

Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs of sale. Impairment losses on initial classification as assets held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investment is no longer equity accounted.

INVENTORIES – PROPERTY

Properties held as trading inventory are those which are being developed with a view to sale. Inventories are recorded at the lower of cost and net realisable value. If the net realisable value of inventory is lower than its carrying value, an impairment loss is recorded in the income statement. If, in subsequent periods, the net realisable value of inventory that was previously impaired increases above its carrying value, the impairment is reversed to align the carrying value of the property with the net realisable value. Inventory is presented on the balance sheet within current assets.

INCOME TAXES

The charge for current taxation is based on the results for the year as adjusted for disallowed or non-assessable items. Tax payable upon realisation of revaluation gains recognised in prior periods is recorded as a current tax charge with a release of the associated deferred tax. Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the tax computations and is recorded using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. In respect of the deferred tax on the revaluation surplus, this is calculated on the basis of the chargeable gains that would crystallise on the sale of the investment portfolio as at the reporting date. The calculation takes account of indexation on the historic cost of properties and any available capital losses. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Group income statement, except when it relates to items charged or credited directly to equity, in which case it is also dealt with in equity.

DIVIDENDS

Dividends payable on the ordinary share capital are recognised as a liability in the period in which they are approved.

CASH AND CASH EQUIVALENTS

Cash comprises cash in hand and on-demand deposits. Cash and cash equivalents comprise short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and original maturities of three months or less.

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The cash and cash equivalents shown in the cashflow statement are stated net of bank overdrafts that are repayable on demand in accordance with IAS 7. This includes the structured trade finance facility held in South Africa as detailed in note 20. These facilities are considered to form an integral part of the treasury management of the Group and can fluctuate from positive to negative balances during the period.

BISICHI PLC

Mining revenue

Coal revenue is derived principally from export revenue and domestic revenue.

Both export revenue and domestic revenue is recognised when the customer has a legally binding obligation to settle under the terms of the contract when the performance obligations have been satisfied, which is once control of the goods has transferred to the buyer at the delivery point. For export revenue this is generally recognised when the product is delivered to the export terminal location specified in the customer contract, at which point control of the goods have been transferred to the customer. For domestic coal revenues this is generally recognised on collection by the customer from the mine or from the mine's rail siding when loaded into transport, where the customer pays the transportation costs. Fulfilment costs to satisfy the performance obligations of coal revenues such as transport and loading costs borne by the Group from the mine to the delivery point are recoded in operating costs.

Coal revenue is measured based on consideration specified in the contract with a customer on a per metric tonne basis. Both export and domestic contracts are typically on a specified coal volume basis and less than a year in duration. Export contracts are typically linked to the price of Free on Board (FOB) Coal from Richards Bay Coal Terminal (API4 price). Domestic contracts are typically linked to a contractual price agreed.

Mining costs

Expenditure is recognised in respect of goods and services received. Where coal is purchased from third parties at point of extraction the expenditure is only recognised when the coal is extracted and all of the significant risks and rewards of ownership have been transferred.

Mining reserves, plant and equipment

The cost of property, plant and equipment comprises its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in accordance with agreed specifications. Freehold land is not depreciated. Other property, plant and equipment is stated at historical cost less accumulated depreciation. The cost recognised includes the recognition of any decommissioning assets related to property, plant and equipment.

Heavy surface mining and other plant and equipment is depreciated at varying rates depending upon its expected usage. The depreciation rates generally applied are between 5-10 per cent per annum but limited to the shorter of its useful life or the life of the mine.

Other non-current assets, comprising motor vehicles and office equipment, are depreciated at a rate of between 10% and 33% per annum which is calculated to write off the cost, less estimated residual value of the assets, on a straight line basis over their expected useful lives.

Mine inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and overheads relevant to the stage of production. Cost is determined using the weighted average method. Net realisable value is based on estimated selling price less all further costs to completion and all relevant marketing, selling and distribution costs.

Mine provisions

Provisions are recognised when the Group has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated.

A provision for rehabilitation of the mine is initially recorded at present value and the discounting effect is unwound over time as a finance cost. Changes to the provision as a result of changes in estimates are recorded as an increase/decrease in the provision and associated decommissioning asset. The decommissioning asset is depreciated in line with the Group's depreciation policy over the life of mine. The provision includes the restoration of the underground, opencast, surface operations and de-commissioning of plant and equipment. The timing and final cost of the rehabilitation is uncertain and will depend on the duration of the mine life and the quantities of coal extracted from the reserves.

Mine impairment

Whenever events or changes in circumstance indicate that the carrying amount of an asset may not be recoverable that asset is reviewed for impairment. This includes mining reserves, plant and equipment and net investments in joint ventures. A review involves determining whether the carrying amounts are in excess of their recoverable amounts. An asset's recoverable amount is determined as the higher of its fair value less costs of disposal and its value in use. Such reviews are undertaken on an asset-by-asset basis, except where assets do not generate cash flows independent of other assets, in which case the review is undertaken on a cash generating unit basis.

If the carrying amount of an asset exceeds its recoverable amount an asset's carrying value is written down to its estimated recoverable amount (being the higher of the fair value less cost to sell and value in use) if that is less than the asset's carrying amount. Any change in carrying value is recognised in the comprehensive income statement.

FINANCIAL STATEMENTS Group accounting policies

Mine reserves and development cost

The purpose of mine development is to establish secure working conditions and infrastructure to allow the safe and efficient extraction of recoverable reserves. Depreciation on mine development is not charged until production commences or the assets are put to use. On commencement of full commercial production, depreciation is charged over the life of the associated mine reserves extractable using the asset on a unit of production basis. The unit of production calculation is based on tonnes mined as a ratio to proven and probable reserves and also includes future forecast capital expenditure. The cost recognised includes the recognition of any decommissioning assets related to mine development.

Post production stripping

In surface mining operations, the Group may find it necessary to remove waste materials to gain access to coal reserves prior to and after production commences. Prior to production commencing, stripping costs are capitalised until the point where the overburden has been removed and access to the coal seam commences. Subsequent to production, waste stripping continues as part of the extraction process as a run of mine activity. There are two benefits accruing to the Group from stripping activity during the production phase: extraction of coal that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods. Economic coal extracted is accounted for as inventory. The production stripping costs relating to improved access to further quantities in future periods are capitalised as a stripping activity asset, if and only if, all of the following are met:

- it is probable that the future economic benefit associated with the stripping activity will flow to Bisichi;
- Bisichi can identify the component of the ore body for which access has been improved; and
- the costs relating to the stripping activity associated with that component or components can be measured reliably.

In determining the relevant component of the coal reserve for which access is improved, Bisichi separates its mine into geographically distinct sections or phases to which the stripping activities being undertaken within that component are allocated. Such phases are determined based on assessment of factors such as geology and mine planning.

Bisichi depreciates deferred costs capitalised as stripping assets on a unit of production method, with reference to the tons mined and reserve of the relevant ore body component or phase. The cost is recognised within Mine development costs within the balance sheet.

SEGMENTAL REPORTING

For management reporting purposes, the Group is organised into business segments distinguishable by economic activity. The Group's business segments are LAP operations, Bisichi operations and Dragon operations. These business segments are subject to risks and returns that are different from those of other business segments and are the primary basis on which the Group reports its segmental information. This is consistent with the way the Group is managed and with the format of the Group's internal financial reporting. Significant revenue from transactions with any individual customer, which makes up 10 per cent or more of the total revenue of the Group, is separately disclosed within each segment. All coal exports are sales to coal traders at Richard Bay's terminal in South Africa with the risks and rewards passing to the coal trader at the terminal. Whilst the coal traders will ultimately sell the coal on the international markets the Group has no visibility over the ultimate destination of the coal. Accordingly, the export sales are recorded as South Africa revenue.

LAP and its subsidiaries ("the Group") consist of LAP, all of its subsidiary undertakings, including Bisichi PLC ("Bisichi") and Dragon Retail Properties Limited ("Dragon"). The Group without Bisichi and Dragon is referred to as LAP Group.

FINANCIAL STATEMENTS

Notes to the financial statements

for the year ended 31 December 2025

1. RESULTS FOR THE YEAR AND SEGMENTAL ANALYSIS

These operating segments (LAP, Bisichi and Dragon) are each viewed separately and have been so reported below.

Business segments

	LAP	BISICHI	DRAGON	2025 TOTAL
	£'000	£'000	£'000	£'000
BUSINESS ANALYSIS				
Rental income	2,219	1,132	144	3,495
Service charge income	331	300	8	639
Management income from third party properties	58	–	–	58
Mining	–	48,603	–	48,603
Group Revenue	2,608	50,035	152	52,795
Direct property costs	(2,962)	(2,502)	5	(5,459)
Direct mining costs	–	(44,085)	–	(44,085)
Overheads	(1,647)	(7,533)	(33)	(9,213)
Depreciation	(277)	(3,521)	–	(3,798)
Operating (loss)/profit	(2,278)	(7,606)	124	(9,760)
Finance income	29	74	–	103
Finance expenses	(1,282)	(1,027)	(56)	(2,365)
Result before valuation movements	(3,531)	(8,559)	68	(12,022)
Other segment items				
Net decrease on revaluation of investment properties	(215)	(50)	(225)	(490)
Exchange losses	–	86	–	86
Net increase on revaluation of investments held for trading	–	1,448	–	1,448
Profit on disposal of fixed assets	20	–	–	20
Revaluation and other movements	(195)	1,484	(225)	1,064
Loss for the year before taxation	(3,726)	(7,075)	(157)	(10,958)

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Business segments (continued)

	LAP	BISICHI	DRAGON	2025 TOTAL
	£'000	£'000	£'000	£'000
Segment assets				
- Non-current assets - property	25,654	10,917	1,930	38,501
- Non-current assets - plant & equipment	525	22,472	–	22,997
- Non-current assets - other	–	10,439	–	10,439
- Non-current assets - deferred tax asset	114	742	–	856
- Inventory - property	3,250	–	–	3,250
- Current assets - others	3,516	8,368	99	11,983
- Cash & cash equivalents	1,177	3,245	20	4,442
Total assets	34,236	56,183	2,049	92,468
Segment liabilities				
Borrowings	(18,829)	(6,676)	(715)	(26,220)
Current liabilities	(3,181)	(18,160)	(291)	(21,632)
Non-current liabilities	(1,525)	(1,998)	–	(3,523)
Total liabilities	(23,535)	(26,834)	(1,006)	(51,375)
Net assets	10,701	29,349	1,043	41,093

Major customers

Customer A	–	14,503	–	14,503
Customer B	–	8,978	–	8,978
Customer C	–	7,206	–	7,206

These customers are for mining revenue in South Africa.

	United Kingdom £'000	South Africa £'000	2025 Total £'000
Geographic analysis			
Revenue	4,416	48,379	52,795
Operating loss	(5,909)	(3,851)	(9,760)
Non-current assets excluding investments	39,245	23,109	62,354
Total net assets	30,580	10,513	41,093
Capital expenditure	86	1,985	2,071

FINANCIAL STATEMENTS Notes to the financial statements

Business segments (continued)

	LAP	BISICHI	DRAGON	2024 TOTAL
	£'000	£'000	£'000	£'000
BUSINESS ANALYSIS				
Rental income	2,303	1,039	168	3,510
Service charge income	149	191	10	350
Management income from third party properties	34	–	–	34
Mining	–	51,023	–	51,023
Group Revenue	2,486	52,253	178	54,917
Direct property costs	(1,100)	(276)	(22)	(1,398)
Impairment of inventory - property	(900)	–	–	(900)
Direct mining costs	–	(33,509)	–	(33,509)
Overheads	(2,000)	(7,523)	(52)	(9,575)
Depreciation	(267)	(3,975)	–	(4,242)
Operating (loss)/profit	(1,781)	6,970	104	5,293
Finance income	92	110	–	202
Finance expenses	(1,437)	(1,464)	(70)	(2,971)
Result before valuation movements	(3,126)	5,616	34	2,524
Other segment items				
Net increase on revaluation of investment properties	1,525	150	125	1,800
Exchange losses	–	(23)	–	(23)
Net increase on revaluation of investments held for trading	–	68	–	68
Profit on disposal of subsidiary	50	–	–	50
Revaluation and other movements	1,575	195	125	1,895
(Loss)/profit for the year before taxation	(1,551)	5,811	159	4,419
Segment assets				
- Non-current assets - property	25,870	10,966	2,155	38,991
- Non-current assets - plant & equipment	832	22,771	–	23,603
- Non-current assets - other	–	14,339	–	14,339
- Inventory - property	8,996	–	–	8,996
- Current assets - others	1,319	9,844	44	11,207
- Cash & cash equivalents	1,856	1,034	36	2,926
Total assets	38,873	58,954	2,235	100,062
Segment liabilities				
Borrowings	(18,233)	(6,124)	(735)	(25,092)
Current liabilities	(3,142)	(16,620)	(226)	(19,988)
Non-current liabilities	(1,692)	(2,731)	–	(4,423)
Total liabilities	(23,067)	(25,475)	(961)	(49,503)
Net assets	15,806	33,479	1,274	50,559

FINANCIAL STATEMENTS Notes to the financial statements

Business segments (continued)

	LAP	BISICHI	DRAGON	2024 TOTAL
	£'000	£'000	£'000	£'000
Major customers				
Customer A	–	13,713	–	13,713
Customer B	–	8,273	–	8,273
Customer C	–	7,608	–	7,608

These customers are for mining revenue in South Africa.

	United Kingdom £'000	South Africa £'000	2024 Total £'000
Geographic analysis			
Revenue	4,234	50,683	54,917
Operating (loss)/profit	(2,558)	7,851	5,293
Non-current assets excluding investments	39,891	22,703	62,594
Total net assets	38,142	12,417	50,559
Capital expenditure	903	8,160	9,063

Group revenue is external to the Group and the directors consider that inter segmental revenues are not material.

2. (LOSS)/PROFIT BEFORE TAXATION

	2025 £'000	2024 £'000
(Loss)/profit before taxation is stated after charging/(crediting):		
Staff costs (see note 25)	9,112	9,098
Depreciation on tangible fixed assets - owned assets	3,521	3,990
Depreciation on tangible fixed assets - right of use	353	321
Exchange (gain)/loss	(86)	23
Inventories recognised as an expense	–	107
Amounts payable to the auditor in respect of both audit and non-audit services		
Audit services		
Statutory - Company and consolidation	58	50
Subsidiaries - audited by Kreston Reeves Audit LLP	125	131
Subsidiaries - audited by other auditors	49	41
	232	222

Staff costs are included in overheads. No fees were payable to the auditor for non-audit services.

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3. DIRECTORS' EMOLUMENTS

	2025	2024
	£'000	£'000
Emoluments	1,645	1,921
Defined contribution pension scheme contributions	137	139
	1,782	2,060

Mr J A Heller received £59,000 (2024: £9,000) as a Director of Bisichi PLC

Mr A R Heller received £973,000 (2024: £1,235,000) as a Director of Bisichi PLC

Details of directors' emoluments and share options are set out in the remuneration report.

4. FINANCE INCOME AND EXPENSES

	2025	2024
	£'000	£'000
Finance income	103	202
Finance expenses		
Interest on bank loans and overdrafts	(1,858)	(2,019)
Unwinding of discount (Bisichi)	–	(20)
Other loans	(307)	(769)
Interest on lease obligations	(200)	(163)
Total finance expenses	(2,365)	(2,971)

5. INCOME TAX

	2025	2024
	£'000	£'000
Current tax		
Corporation tax on profit of the period	13	454
Corporation tax on profit of previous periods	–	8
Total current tax	13	462
Deferred tax		
Loss relief	(1,510)	(152)
Origination of timing differences	(21)	228
Revaluation of investment properties	(54)	333
Accelerated capital allowances	1	1,140
Unredeemed capital reductions	–	(396)
Total deferred tax (note 21)	(1,584)	1,153
Tax on profit on ordinary activities	(1,571)	1,615

FINANCIAL STATEMENTS Notes to the financial statements

Factors affecting tax charge for the year

The corporation tax charge differs from the amount which would be due at the effective rate of corporation tax in the United Kingdom of 25 per cent (2024: 25 per cent). The differences are explained below:

	2025 £'000	2024 £'000
(Loss)/profit for the year before taxation	(10,958)	4,419
Taxation at 25 per cent (2024: 25 per cent)	(2,739)	1,105
Effects of:		
Other differences	(665)	138
Disallowable expenses	72	–
Capital gains on disposal	278	111
Losses not recognised	1,776	288
Non-taxable income	(264)	(155)
Changes in fair values of properties not subject to tax	7	(17)
Adjustment in respect of prior years	74	8
Overseas tax rate	(110)	137
Income tax charge for the year	(1,571)	1,615
Losses not recognised	1,776	288
Non-taxable income	(264)	(155)
Changes in fair values of properties not subject to tax	7	(17)
Adjustment in respect of prior years	74	8
Overseas tax rate	(110)	137
Income tax charge for the year	(1,571)	1,615

Analysis of United Kingdom and overseas tax:

United Kingdom tax included in above:

	2025 £'000	2024 £'000
Deferred tax	(4)	(391)
	(4)	(391)

Overseas tax is derived from Bisichi's South African mining operation. The adjustment to tax rate arises due to the tax rate used in the UK for the year of 25% (2024: 25%) and the corporation tax rate assessed in South Africa for the year of 27% (2024: 27%).

Factors that may affect future tax charges:

Based on current capital expenditure plans, the Group expects to continue to be able to claim capital allowances in excess of depreciation in future years, but at a slightly lower level than in the current year.

A deferred tax provision has been made for gains on revaluing investment properties.

The Finance (no. 2) Act 2017 was substantively enacted on 16 November 2017. This includes a restriction on the utilisation of brought forward tax losses and corporate interest in certain circumstances effective from 1 April 2017.

FINANCIAL STATEMENTS Notes to the financial statements

6. DIVIDEND

No dividends were paid in the year relating to the current or prior period (2024: Nil).

The Directors are not recommending a final dividend for 2025 (2024: Nil).

7. LOSS PER EQUITY SHARE AND NET ASSETS PER EQUITY SHARE

Loss per equity share has been calculated as follows:

	2025	2024
Loss attributable to equity shareholders for the year (£'000)	(1,941)	(373)
Weighted average number of ordinary shares in issue ('000)	85,326	85,326
Loss per equity share	(2.27)p	(0.44)p
Weighted average number of ordinary shares in issue for the purpose of diluted loss per share ('000)	85,326	85,326
Fully diluted loss per share	(2.27)p	(0.44)p

Weighted average number of shares in issue is calculated after excluding treasury shares of 216,715 (2024: 216,715).

Net assets per equity share have been calculated as follows:

	2025	2024
Net assets attributable to equity shareholders (£'000)	26,245	28,085
Shares in issue ('000)	85,326	85,326
Net assets per equity share	30.75p	32.91p
Net assets diluted (£'000)	26,245	28,085
Shares in issue ('000)	85,326	85,326
Diluted net assets per share	30.75p	32.91p

8. INVESTMENT PROPERTIES

	Total £'000	Freehold £'000	Leasehold over 50 years £'000	Leasehold under 50 years £'000
Cost or valuation at 1 January 2025	38,991	31,585	7,251	155
Reclassification	–	–	(608)	608
(Decrease)/increase on revaluation	(490)	(540)	50	–
At 31 December 2025	38,501	31,045	6,693	763
Representing assets stated at:				
Valuation	36,915	31,045	5,345	525
Present value of head leases	1,586	–	1,348	238
	38,501	31,045	6,693	763
At 31 December 2025	38,501	31,045	6,693	763
At 31 December 2024	38,991	31,585	7,251	155

FINANCIAL STATEMENTS Notes to the financial statements

	Total £'000	Freehold £'000	Leasehold over 50 years £'000	Leasehold under 50 years £'000
Cost or valuation at 1 January 2024	36,649	29,250	7,224	175
Reclassification	545	545	–	–
Decrease in present value of head leases	(3)	–	(3)	–
Increase/(decrease) on revaluation	1,800	1,790	30	(20)
At 31 December 2024	38,991	31,585	7,251	155
Representing assets stated at:				
Valuation	37,405	31,585	5,670	150
Present value of head leases	1,586	–	1,581	5
At 31 December 2024	38,991	31,585	7,251	155

The leasehold and freehold properties, excluding the present value of head leases, were valued as at 31 December 2025 by professionally qualified independent firms of chartered surveyors, Carter Towler. The valuations were made at fair value.

	2025 £'000	2024 £'000
Allsop LLP	–	26,645
Carter Towler	36,915	10,760
	36,915	37,405
Add: present value of headleases	1,586	1,586
	38,501	38,991

At 31 December 2025 investment properties included £1.6 million (2024: £1.6 million) for the head lease liabilities recognised under IFRS 16. In the current year total cash outflow for head leases and other lease liabilities is £0.1 million (2024: £0.1 million). A number of these leases provide for payment of contingent rent, usually a proportion of net rental income, in addition to fixed rents.

The historical cost of investment properties, including total capitalised interest of £1,161,000 (2024: £1,161,000) was as follows:

	2025			2024		
	Freehold £'000	Leasehold Over 50 years £'000	Leasehold under 50 years £'000	Freehold £'000	Leasehold Over 50 years £'000	Leasehold under 50 years £'000
Cost at 1 January	33,283	9,551	785	32,702	9,551	785
Reclassification	–	(583)	583	–	–	–
Transfer to assets held for sale	–	–	–	581	–	–
Cost at 31 December	33,283	8,968	1,368	33,283	9,551	785

External valuers are appointed annually by the executive directors on behalf of the Board. The valuers are selected based upon their knowledge, independence and reputation for valuing assets such as those held by the Group.

Valuations are performed annually and are performed consistently across all properties in the Group's portfolio. At each reporting date appropriately qualified employees of the Group verify all significant inputs and review the computational outputs. Valuers submit their report to the Board on the outcome of each valuation.

Valuations take into account tenure, lease terms and structural condition. The inputs underlying the valuations include market rent or business profitability, likely incentives offered to tenants, forecast growth rates, yields, EBITDA, discount rates, construction costs including any specific

FINANCIAL STATEMENTS Notes to the financial statements

site costs (for example section 106), professional fees, developer's profit including contingencies, planning and construction timelines, lease regear costs, planning risk and sales prices based on known market transactions for similar properties to those being valued.

Valuations are based on what is determined to be the highest and best use. When considering the highest and best use the valuer will consider, on a property by property basis, its actual and potential uses which are physically, legally and financially viable. Where the highest and best use differs from the existing use, the valuer will consider the cost and likelihood of achieving and implementing this change in arriving at the valuation.

There are often restrictions on Freehold and Leasehold property which could have a material impact on the realisation of these assets. The most significant of these occur when planning permission or lease extension and renegotiation of use are required or when a credit facility is in place. These restrictions are factored into the property's valuation by the external valuer.

The methods of fair value measurement are classified into a hierarchy based on the reliability of the information used to determine the valuation, as follows:

Level 1: valuation based on inputs on quoted market prices in active markets.

Level 2: valuation based on inputs other than quoted prices included within level 1 that maximise the use of observable data directly or from market prices or indirectly derived from market prices.

Level 3: where one or more significant inputs to valuations are not based on observable market data.

Class of property	Carrying / Fair value 2025 £'000	Carrying / Fair value 2024 £'000	Valuation technique	Key unobservable inputs	Range (weighted average) 2025	Range (weighted average) 2024
Level 3						
Freehold – external valuation	31,045	31,585	Income capitalisation	Estimated Rental Value Per sq ft p.a Equivalent Yield	£6 - £45 (£22) 6.5% - 19.1% (9.4%)	£4 - £34 (£16) 5.1% - 12.3% (8.4%)
Leasehold over 50 years – external valuation	5,345	5,670	Income capitalisation	Estimated Rental Value Per sq ft p.a Equivalent Yield	£6 - £14 (£10) 5.8% - 24.4% (17.1%)	£5 - £10 (£7) 5.8% - 23.7% (18.3%)
Leasehold under 50 years – external valuation	525	150	Income capitalisation	Estimated Rental Value Per sq ft p.a Equivalent Yield	£4 - £18 (£14) 20.0% - 22.5% (21.0%)	£5 - £5 (£5) 37.0% - 37.0% (37.0%)
At 31 December	36,915	37,405				

There are interrelationships between all these inputs as they are determined by market conditions. The existence of an increase in more than one input would be to magnify the input on the valuation. The impact on the valuation will be mitigated by the interrelationship of two inputs in opposite directions, for example, an increase in rent may be offset by an increase in yield.

The table below illustrates the impact of changes in key unobservable inputs on the carrying / fair value of the Group's properties.

	Estimated rental value 10% increase or (decrease)		Equivalent yield 25 basis point contraction or (expansion)	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Freehold – external valuation	3,101 (3,101)	3,156 (3,156)	927 (873)	1,041 (974)
Leasehold over 50 years – external valuation	534 (534)	567 (567)	95 (92)	100 (96)
Leasehold under 50 years – external valuation	53 (53)	15 (15)	6 (6)	1 (1)

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9. MINING RESERVES, PLANT AND EQUIPMENT

	Total £'000	Mining reserves £'000	Mining equipment £'000	Right of Use asset - office building £'000	Office equipment and motor vehicles £'000
Cost at 1 January 2025	48,927	2,050	45,368	877	632
Exchange adjustment	2,864	119	2,724	–	21
Additions	2,071	–	1,976	–	95
Disposals in year	(101)	–	(67)	–	(34)
At 31 December 2025	53,761	2,169	50,001	877	714
Accumulated depreciation at 1 January 2025	25,324	912	23,910	90	412
Exchange adjustment	1,637	53	1,569	–	15
Charge for the year	3,874	–	3,530	277	67
Disposals in year	(71)	–	(67)	–	(4)
Accumulated depreciation at 31 December 2025	30,764	965	28,942	367	490
Net book value at 31 December 2025	22,997	1,204	21,059	510	224
Cost at 1 January 2024	41,346	2,059	37,861	796	630
Exchange adjustment	(663)	(29)	(628)	–	(6)
Additions	9,063	20	8,135	831	77
Disposals	(819)	–	–	(750)	(69)
Cost at 31 December 2024	48,927	2,050	45,368	877	632
Accumulated depreciation at 1 January 2024	22,182	925	20,273	573	411
Exchange adjustment	(350)	(13)	(332)	–	(5)
Charge for the year	4,311	–	3,969	267	75
Disposals in year	(819)	–	–	(750)	(69)
Accumulated depreciation at 31 December 2024	25,324	912	23,910	90	412
Net book value at 31 December 2024	23,603	1,138	21,458	787	220

During the year two of the group's paintings were sold for £50,000, generating a profit on sale of £20,000.

FINANCIAL STATEMENTS Notes to the financial statements

Included in the above line items are right-of-use assets over the following:

	Total £'000	Mining equipment £'000	Office building £'000	Equipment and motor vehicles £'000
Net book value at 1 January 2025	954	121	787	46
Additions	86	–	–	86
Disposals	8	8	–	–
Depreciation	(353)	(35)	(277)	(41)
Net book value at 31 December 2025	695	94	510	91
Net book value at 1 January 2024	370	131	208	31
Exchange adjustment	930	27	831	72
Revaluation	(25)	(3)	–	(22)
Depreciation	(321)	(34)	(252)	(35)
Net book value at 31 December 2024	954	121	787	46

10. SUBSIDIARY COMPANIES

In accordance with Section 409 of the Companies Act 2006 a full list of subsidiaries, the principal activity, the country of incorporation and the percentage of equity owned, as at 31 December 2025 is disclosed below:

Entity	Activity	Percent age of share capital	Registered address	Country of incorporation
Analytical Properties Holdings Limited *	Property	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Analytical Properties Limited	Property	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
LAP Ocean Holdings Limited *	Property	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
London & Associated (Rugeley) Limited	Dormant	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
London & Associated Securities Limited*	Investment company	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
London & Associated Management Services Limited *	Property Management Services	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Orchard Chambers Residential Limited*	Property	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Bisichi PLC (note C)	Coal mining	41.602%	12 Little Portland Street, London W1W 8BJ	England and Wales
Mineral Products Limited (notes A, C)	Share dealing	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Bisichi (Properties) Limited (notes A, C)	Property	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Bisichi Mining (Exploration) Limited (notes A, C)	Holding company	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Bisichi Resources Limited	Holding company	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Sisonke Coal Processing (pty) Limited (notes A, C)	Coal processing	62.5%	Samora Machel Street, Bethal Road, Middelburg, Mpumalanga, 1050	South Africa
Black Wattle Colliery (Pty) Limited (notes A, C)	Coal mining	62.5%	Samora Machel Street, Bethal Road, Middelburg, Mpumalanga, 1050	South Africa

FINANCIAL STATEMENTS Notes to the financial statements

Bisichi Coal Mining (Pty) Limited (notes A, C)	Coal mining	100%	Samora Machel Street, Bethal Road, Middelburg, Mpumalanga, 1050	South Africa
Urban First (Northampton) Limited (notes A, C)	Dormant	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Bisichi Trustee Limited (notes A, C)	Property	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Bisichi Mining Management Services Limited (notes A, C)	Dormant	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Ninghi Marketing Limited (notes A, C)	Dormant	90.1%	12 Little Portland Street, London W1W 8BJ	England and Wales
Bisichi Northampton Limited (notes A, C)	Property	100%	12 Little Portland Street, London W1W 8BJ	England and Wales
Amandla Ehtu Mineral Resource Development (Pty) Limited (notes A, C)	Dormant	70%	Samora Machel Street, Bethal Road, Middelburg, Mpumalanga, 1050	South Africa
Black Wattle Klipfontein (Pty) Limited (notes A, C)	Coal mining	62.5%	Samora Machel Street, Bethal Road, Middelburg, Mpumalanga, 1050	South Africa
GHN Resources (Pty) Limited (note A, C)	Coal Mining	74%	Samora Machel Street, Bethal Road, Middelburg, Mpumalanga, 1050	South Africa
Dragon Retail Properties Limited (notes B, C)	Property	50%	12 Little Portland Street, London W1W 8BJ	England and Wales
West Ealing Projects Limited (notes B, C)	Property	50%	12 Little Portland Street, London W1W 8BJ	England and Wales
Broadway Regen Limited (notes C, D)	Property	90%	73 Cornhill, London, EC3V 3QQ	England and Wales

Details on the non-controlling interest in subsidiaries are shown under note 23.

Companies shown as Dormant and those marked with an asterisk (*) are exempt from audit by virtue of s479A Companies Act 2006.

Note A: these companies are owned by Bisichi and the equity shareholdings disclosed relate to that company.

Note B: this entity is a joint venture owned 50% by LAP and 50% by Bisichi.

Note C: Bisichi, Dragon, West Ealing Projects and their subsidiaries are included in the consolidated financial statements in accordance with IFRS 10.

Note D: This company is 90% owned by West Ealing Projects Limited and the equity shareholdings disclosed relate to that company.

11. INVENTORIES - PROPERTY

Development land and infrastructure:

	2025	2024
	£'000	£'000
At 1 January	8,996	8,889
Capitalised expenditure	-	545
Capitalised interest	-	462
Impairments	(5,746)	(900)
At 31 December	3,250	8,996

The net realisable value of developments is assessed by the directors and is subject to key estimates made in respect of future sales prices and build costs. Variations in these assumptions can have significant effects on the net realisable value of developments.

In 2018 the Group acquired a development property through West Ealing Projects Limited a 50:50 joint venture with Bisichi. This property is held at a net realisable value of £3.25 million (2024: £8.996 million). At 31 December 2025, the development has been impaired by £5,746,000 to reflect the Director's assessment of the project's current Net Present Value. This is discussed further in the Chairman and Chief Executive's review.

FINANCIAL STATEMENTS Notes to the financial statements

12. INVENTORIES – MINING

	2025	2024
	£'000	£'000
Coal		
Washed	2,181	2,334
Mining production	300	1,022
Other	20	21
	2,501	3,377

The amount of mining inventories recognised as an expense during the period was £32,429,000 (2024: £27,194,000).

13. INVESTMENTS HELD AS NON-CURRENT ASSETS

	2025	2024
	Total	Total
	£'000	£'000
At 1 January	14,339	14,258
Additions	1,696	5,143
Gain	1,386	174
Disposals	(6,982)	(5,236)
At 31 December	10,439	14,339

The non-current asset investments belong to Bisichi and comprise Level 1 hierarchy:

	2025	2024
	£'000	£'000
Unquoted investments	679	1,451
Market value of readily realisable investments listed on stock exchanges in the United Kingdom	1,850	3,115
Market value of readily realisable investments listed on overseas stock exchanges	7,910	9,773
	10,439	14,339

Dividend income from investments held as non-current assets was £905,000 (2024: £308,000) for the year.

14. TRADE AND OTHER RECEIVABLES

	2025	2024
	£'000	£'000
Trade receivables	4,810	5,323
Other receivables	1,911	1,633
Prepayments and accrued income	2,761	246
	9,482	7,202

Note 20 details the group's credit risk management and loss allowances held for trade receivables.

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15. INVESTMENTS IN LISTED SECURITIES HELD AT FVPL

	2025 £'000	2024 £'000
Market value of listed investments:		
Listed in Great Britain	-	628
	-	628
Original cost of listed investments	-	661
Unrealised deficit of market value versus cost	-	(33)

The investments in listed securities held at FVPL belong to Bisichi and the market value of listed investments is derived from their quoted share price on public markets (Level 1 hierarchy). All investments held at 1 January 2025 were sold during the year.

Dividend income from investments in listed securities held at FVPL was £15,000 (2024: £29,000) for the year.

16. TRADE AND OTHER PAYABLES

	2025 £'000	2024 £'000
Trade payables	12,778	10,339
Other taxation and social security costs	49	105
Other payables	4,436	3,046
Accruals and deferred income	2,083	2,258
	19,346	15,748

The directors consider that the carrying amount of trade and other payables approximates to their fair value.

17. BORROWINGS

	2025 £'000	2025 £'000	2024 £'000	2024 £'000
	Current	Non-current	Current	Non-current
Other loans (Bisichi)	10	4	8	13
£0.74 million term bank loan (secured) repayable by 2027 (Dragon)*	20	695	20	715
Bank overdrafts (secured) (Bisichi)	2,947	-	2,258	-
£0.04 million term loan (unsecured) repayable by 2026	8	-	8	5
£3.96 million term bank loan (secured) repayable by 2029 (Bisichi)*	96	3,619	-	3,845
£4.4 million term loan (secured) - repayable by 2024 (Broadway Regen)	5,376	-	4,869	-
£13.60 million term bank loan (secured) repayable by 2027	-	13,445	-	13,351
	8,457	17,763	7,163	17,929

Borrowings analysis by origin:

	2025 £'000	2024 £'000
United Kingdom	23,259	22,812
South Africa	2,961	2,280
	26,220	25,092

* Shown after deduction of un-amortised issue costs.

FINANCIAL STATEMENTS Notes to the financial statements

Unless stated otherwise in the table above, interest payable on the term bank loans is variable based upon the relevant bank's base rate, the Bank of England base rate or the Sterling Overnight Index Average (SONIA).

No banking covenants were breached by the group during the year.

The £13.6 million term loan was taken out in August 2022 with QIB (UK) plc and is secured on specific freehold and leasehold properties, with a secondary charge of £2 million over the assets of LAP the company. The loan has an interest rate of 2.95% above the Bank of England base rate (reduced from 3.95% in May 2025). This loan is covenant compliant.

In South Africa, an R85million trade facility is held with Absa Bank Limited by Sisonke Coal Processing (Pty) Limited ("Sisonke Coal Processing") to cover the working capital requirements of the Group's South African operations. The interest cost of the loan is at the South African prime lending rate plus 3.8%. The facility is renewable annually, is repayable on demand and is secured by way of a first charge over specific pieces of mining equipment, inventory and the debtors of the relevant company which holds the loan which are included in the financial statements at a value of £8,413,050 (2024: £10,008,178). All banking covenants were either adhered to or waived by Absa Bank Limited during the year.

Bisichi entered into a £3.9 million term loan facility with Julian Hodge Bank Limited in December 2024. The debt package has a five-year term and is repayable in December 2029. The interest cost of the loan is 4.00% above the Bank of England base rate. The loan is secured by way of a first charge over Bisichi's UK investment properties which are included in the financial statements at a value of £10,710,000 (2024: £10,760,000).

Dragon executed a £0.74 million loan with Santander in April 2024. The loan is repayable in April 2027 and is secured by way of a first charge on specific freehold property which is included in the financial statements at a value of £1.9 million. The interest cost of the loan is 3.5 per cent above the bank's base rate.

The bank loan of £5.4 million (Broadway Regen) which was repayable in January 2025, is secured by way of a first charge on a specific freehold development property, which is included in the financial statements at £3.25 million. The interest cost of the loan is fixed at 11.0% per annum. The property is currently being sold to repay the lender.

The Group's objectives when managing capital are:

- To safeguard the Group's ability to continue as a going concern, so that it may provide returns for shareholders and benefits for other stakeholders; and
- To provide adequate returns to shareholders by ensuring returns are commensurate with the risk.

ANALYSIS OF THE CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES:

	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
	Bank borrowings	Lease obligations	Bank borrowings	Lease obligations
Balance at 1 January	25,092	2,573	26,083	1,976
Exchange adjustments	160	7	(39)	(2)
Cash movements excluding exchange adjustments	874	(333)	(1,047)	(329)
Additions	–	85	–	929
Valuation movements	94	(1)	95	(1)
Balance at 31 December	26,220	2,331	25,092	2,573

FINANCIAL STATEMENTS Notes to the financial statements

18. LEASE LIABILITIES

	2025	2025	2025	2025	2024
	Total	Head leases on investment property ¹	Office	Other	Total
	£'000	£'000	£'000	£'000	£'000
Minimum lease payments fall due:					
Within one year	538	122	323	93	518
Second to fifth year	895	486	271	138	1,227
After five years	9,882	9,882	-	-	9,888
	11,315	10,490	594	231	11,633
Future finance charges on lease liabilities	(8,984)	(8,904)	(60)	(20)	(9,060)
Present value of lease liabilities	2,331	1,586	534	211	2,573
Present value of lease liabilities:					
Within one year	484	121	280	83	439
Second to fifth year	819	437	254	128	1,106
After five years	1,028	1,028	-	-	1,028
	2,331	1,586	534	211	2,573

¹ Many head leases on investment properties provide for contingent rent in addition to the rents above, usually a proportion of rental income.

Lease liabilities greater than one year are £1,847,000 (2024: £2,134,000).

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

19. PROVISIONS

	2025	2024
	£'000	£'000
At 1 January	1,590	1,615
Exchange adjustment	86	(44)
Unwinding of discount	-	19
At 31 December	1,676	1,590

The above provision relates to mine rehabilitation costs in Bisichi.

FINANCIAL STATEMENTS Notes to the financial statements

20. FINANCIAL INSTRUMENTS

Total financial assets and liabilities

The Group's financial assets and liabilities and their fair values are as follows:

	2025		2024	
	Fair	Carrying	Fair	Carrying
	value £'000	value £'000	value £'000	value £'000
Cash and cash equivalents	4,442	4,442	2,926	2,926
Investments - non-current assets	10,439	10,439	14,339	14,339
Investments - current assets	-	-	628	628
Trade and other receivables	6,721	6,721	9,052	9,052
Other assets	-	-	6,919	6,919
Bank overdrafts	(2,947)	(2,947)	(2,258)	(2,258)
Bank loans	(23,295)	(23,273)	(22,856)	(22,834)
Lease liabilities	(2,331)	(2,331)	(2,573)	(2,573)
Other liabilities	(17,214)	(17,214)	(13,385)	(13,385)
Total financial liabilities before debentures	(24,185)	(24,163)	(7,208)	(7,186)

Treasury policy

The Group enters derivative transactions such as interest rate swaps and forward exchange contracts in order to help manage the financial risks arising from the Group's activities. The main risks arising from the Group's financing structure are interest rate risk, liquidity risk, market price risk, credit risk, commodity price risk and foreign exchange risk. The policies for managing each of these risks and the principal effects of these policies on the results are summarised below.

Sensitivity analysis

The Group has no variable interest term debts which are covered by derivatives. At 31 December 2025, with other variables unchanged, a 1% increase in interest rates would change the profit/loss for the year by £216,000 (2024: £218,000).

Interest rate risk

Treasury activities take place under procedures and policies approved and monitored by the Board to minimise the financial risk faced by the Group.

The £13.6 million bank loan is secured by way of first charge on specific freehold and leasehold properties. The rates of interest vary based on Bank of England base rate in the UK.

The Bisichi United Kingdom bank loan is secured by way of a first charge on their UK retail property portfolio. The rates of interest vary based on Bank of England base rate in the UK.

The Bisichi South African bank loans and overdraft are secured by way of a first charge over specific pieces of mining equipment, inventory, debtors and cash of the relevant company which holds the loan. The rates of interest vary based on PRIME in South Africa.

The £0.72 million bank loan (Dragon) is secured by way of a first charge on specific freehold property. The rate of interest varies based on the bank's base rate.

The £4.9 million bank loan (Broadway Regen) is secured by way of first charge on a specific freehold development property. This loan is based on a fixed interest rate of 11.0%.

Liquidity risk

The Group's policy is to minimise refinancing risk by balancing its exposure to interest risk and to refinancing risk. In effect the Group seeks to borrow for as long as possible at the lowest acceptable cost. Efficient treasury management and strict credit control minimise the costs and risks associated with this policy which ensures that funds are available to meet commitments as they fall due. Cash and cash equivalents earn interest at rates based on banks' base rates in the UK. The cash resources and funding facilities together are considered adequate to meet the Group's anticipated cash flow requirements for the foreseeable future.

The £13.6 million bank loan with QIB (UK) plc is secured against properties within LAP's retail and industrial portfolio. The debt package has a five-year term and is repayable in 2027. The interest cost of the loan is 2.95% above the Bank of England base rate in the UK.

FINANCIAL STATEMENTS Notes to the financial statements

In South Africa, a R85million trade facility is held with Absa Bank Limited by Sisonke Coal Processing (Pty) Limited ("Sisonke Coal Processing") in order to cover the working capital requirements of Bisichi's South African operations. The interest cost of the loan is at the South African prime lending rate plus 3.8%. The facility is renewable annually each January, is repayable on demand and is secured against inventory, debtors and cash that are held by Sisonke Coal Processing (Pty) Limited. The facility is included in cash and cash equivalents within the cashflow statement.

Bisichi holds a £3.96 million term loan facility with Julian Hodge Bank Limited. The loan is secured against Bisichi's UK retail property portfolio. The debt package has a five-year term and is repayable at the end of the term in December 2029. The interest cost of the loan is 4.00% above the Bank of England base rate. Bisichi intends to renew or refinance the loan prior to the end of its term.

The table below analyses the Group's financial liabilities (excluding interest rate derivatives) into maturity groupings and also provides details of the liabilities that bear interest at fixed, floating and non-interest bearing rates.

	2025	Less than	2-5	Over
	Total	1 year	years	5 years
	£'000	£'000	£'000	£'000
Bank overdrafts (floating)	2,947	2,947	–	–
Bank loans (fixed)	5,384	5,384	–	–
Bank loans (floating)*	18,135	126	18,009	–
Lease liabilities (note 18)	11,315	538	895	9,882
Trade and other payables (non-interest)	17,214	17,214	–	–
	54,995	26,209	18,904	9,882

	2024	Less than	2-5 years	Over
	Total	1 year		5 years
	£'000	£'000	£'000	£'000
Bank overdrafts (floating)	2,258	2,258	–	–
Bank loans (fixed)	4,882	4,877	5	–
Bank loans (floating)*	18,314	28	18,286	–
Lease liabilities (note 18)	11,633	518	1,227	9,888
Trade and other payables (non-interest)	13,385	13,385	–	–
	50,472	21,066	19,518	9,888

The Group would normally expect that sufficient cash is generated in the operating cycle to meet the contractual cash flows as disclosed above through effective cash management.

Market price risk

The Group is exposed to market price risk through interest rate and currency fluctuations.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group is mainly exposed to credit risk on its cash and cash equivalents, trade and other receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet which at year end amounted to £21,603,000 (2024: £24,716,000).

To mitigate risk on its cash and cash equivalents, the group only deposits surplus cash with well-established financial institutions of high-quality credit standing.

The Group's credit risk is primarily attributable to its trade receivables. Ageing of past due gross trade receivables and the carrying amount net of loss allowances is set out below.

FINANCIAL STATEMENTS Notes to the financial statements

	2025			2024		
	Gross amount	Loss allowance	Net carrying amount	Gross amount	Loss allowance	Net carrying amount
	£'000	£'000	£'000	£'000	£'000	£'000
0-30 days	4,576	-	4,576	5,112	-	5,112
30-60 days	11	(2)	9	9	(4)	5
60-90 days	2	(1)	1	13	(4)	9
90+ days	488	(264)	224	726	(529)	197
Total	5,077	(267)	4,810	5,860	(537)	5,323
Being:						
Mining	4,229	-	4,229	4,668	-	4,668
Property	848	(267)	581	1,192	(537)	655
	5,077	(267)	4,810	5,860	(537)	5,323

Gross trade receivables mainly consist of amounts invoiced for rent, service charge and management fees and the sales of coal and all are inclusive of VAT and form part of Revenue (see note 1).

Trade receivables are presented in the balance sheet net of loss allowances. The Group applies the IFRS 9 simplified approach to measuring expected credit losses (ECLs) which uses a lifetime expected loss allowance for all trade receivables. Expected loss rates are based on the historic credit loss experienced and adjusted for current and forward information affecting the ability of the individual customers to settle receivables.

Trade receivables are written off when there is no reasonable expectation of recovery.

In determining the ECLs an analysis of various factors has been performed on a customer by customer basis considering prevailing economic conditions. These factors include an assessment of the customer's default risk based on: industry and geographic location; and payment record, which includes how many days past due the receivable is, payment concessions granted and credit rating. ECLs are recognised net of securities held for the customer.

Potential customers are evaluated for creditworthiness and where necessary collateral is secured. There is no concentration of credit risk within the lease portfolio to either business sector or individual company as the Group has a diverse customer base with no one customer accounting for more than three per cent of property rental income.

The loss allowances for trade receivables as at 31 December reconcile to the opening allowances as follows:

	2025	2024
	£'000	£'000
Opening loss allowance at 1 January	538	516
Increase in loan loss allowance recognised in profit and loss during the year	58	337
Receivables written off during the year as uncollectable	(329)	(315)
Closing loss allowance at 31 December	267	538

As at 31 December 2025, the Group held a loss allowance provision for trade receivables of £267,000 (2024: £538,000) and the impairment risk remains low with the loss allowance of £267,000 representing 0.5% of total income for the year (2024: 1.0%). The loss allowance at 31 December 2025 relating to property income is £267,000 (2023: £538,000) representing 6.4% of gross property income in the year (2024: 13.8%). Three larger tenant failures in 2024 contributed £282,000 of the total loss allowance at 31 December 2024.

Customers' credit ratings are reviewed regularly. The Group's review includes measures such as the use of external ratings and establishing purchase limits for each customer.

The Group exposure to credit risk on its other receivables is mitigated through ongoing review of the underlying performance and resources of the counterparty including evaluation of different scenarios of probability of default and expected loss applicable to each of the underlying balances.

FINANCIAL STATEMENTS Notes to the financial statements

Foreign exchange risk

Only Bisichi is subject to this risk. All trading is undertaken in the local currencies except for certain export sales which are invoiced in US Dollars. It is not the Bisichi Group's policy to obtain forward contracts to mitigate foreign exchange risk on these contracts as payment terms are within 15 days of invoice or earlier. Funding is also in local currencies other than inter-company investments and loans and it is also not the Bisichi Group's policy to obtain forward contracts to mitigate foreign exchange risk on these amounts. During 2025 and 2024 the Bisichi Group did not hedge its exposure of foreign investments held in foreign currencies.

The principal currency risk to which the Bisichi Group is exposed in regard to inter-company balances is the exchange rate between Pounds Sterling and South African Rand. It arises as a result of the retranslation of Rand denominated inter-company trade receivable balances held within the UK which are payable by South African Rand functional currency subsidiaries.

Based on Bisichi's net financial assets and liabilities at 31 December 2025, a 25% strengthening of Sterling against the South African Rand, with all other variables held constant, would decrease the Bisichi Group's profit after taxation by £418,000 (2024: £231,000). A 25% weakening of Sterling against the South African Rand, with all other variables held constant would increase the Bisichi Group's profit after taxation by £696,000 (2024: £386,000).

The 25% sensitivity has been determined based on the average historic volatility of the exchange rate.

The table below shows the Bisichi currency profiles of cash and cash equivalents:

	2025 £'000	2024 £'000
Sterling	2,267	297
South African Rand	974	874
US Dollar	4	4
	3,245	1,175

Cash and cash equivalents earn interest based on Bank of England rates in Sterling and Prime in Rand.

The tables below show the Bisichi currency profiles of net monetary assets and liabilities by functional currency:

2025:	UK £'000	South Africa £'000
Sterling	6,280	-
South African Rand	1	(13,401)
US Dollar	1,616	-
	7,897	(13,401)

2024:	UK £'000	South Africa £'000
Sterling	8,916	-
South African Rand	1	(11,283)
US Dollar	3,201	-
	12,118	(11,283)

FINANCIAL STATEMENTS Notes to the financial statements

Borrowing facilities

At 31 December 2025 the Group was within its bank borrowing facilities and was not in breach of any of the covenants. Term loan repayments are as set out at the end of this note. Details of other financial liabilities are shown in notes 16, 17 and 18.

Interest rate and hedge profile

	2025 £'000	2024 £'000
Fixed rate borrowings	5,384	4,882
Floating rate borrowings		
– Other borrowings	20,836	20,210
	26,220	25,092
Average fixed interest rate	10.99%	10.98%
Weighted average cost of debt on overdrafts, bank loans and debentures	8.56%	10.09%
Average period for which borrowing rate is fixed	0.0 years	0.13 years

The Group's floating rate borrowings bear interest based on Bank of England base rate.

Fair value of financial instruments

Fair value estimation

The Group has adopted the amendment to IFRS 7 for financial instruments that are measured in the balance sheet at fair value. This requires the methods of fair value measurement to be classified into a hierarchy based on the reliability of the information used to determine the valuation, as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- 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) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs) (level 3).

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	2025 Gain to income statement £'000
Financial assets					
Quoted equities – non-current assets	10,439	–	–	10,439	1,386

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	2024 Gain/(loss) to income statement £'000
Financial assets					
Quoted equities – non-current assets	14,339	–	–	14,339	174
Quoted equities – current assets	628	–	–	628	(33)

FINANCIAL STATEMENTS Notes to the financial statements

Capital structure

The Group sets the amount of capital in proportion to risk. It ensures that the capital structure is commensurate to the economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may vary the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group considers its capital to include share capital, share premium, capital redemption reserve, translation reserve and retained earnings, but excluding the interest rate derivatives.

Consistent with others in the industry, the Group monitors its capital by its debt to equity ratio (gearing levels). This is calculated as the net debt (loans less cash and cash equivalents) as a percentage of the equity calculated as follows:

	2025	2024
	£'000	£'000
Total debt	28,551	27,665
Less cash and cash equivalents	(4,442)	(2,926)
Net debt	24,109	24,739
Total equity	41,093	50,559
	58.7%	48.9%

The Group does not have any externally imposed capital requirements.

Following the introduction of IFRS 16 total debt includes lease liabilities.

FINANCIAL ASSETS

The Group's principal financial assets are bank balances and cash, trade and other receivables, investments and assets held for sale. The Group has no significant concentration of credit risk as exposure is spread over a large number of counterparties and customers. The credit risk in liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and the current economic environment.

FINANCIAL ASSETS MATURITY

Cash and cash equivalents all have a maturity of less than three months.

Financial assets maturity

	2025	2024
	£'000	£'000
Cash at bank and in hand	4,442	2,926

These funds are primarily invested in short term bank deposits maturing within one year bearing interest at the bank's variable rates.

Financial liabilities maturity

The following table sets out the maturity profile of contractual undiscounted cashflows of financial liabilities as at 31 December:

Repayment of borrowings

	2025	2024
	£'000	£'000
Bank loans and overdrafts:		
Repayable on demand or within one year	8,457	7,163
Repayable between two and five years	17,763	17,929
	26,220	25,092

Certain borrowing agreements contain financial and other conditions that if contravened by the Group, could alter the repayment profile.

FINANCIAL STATEMENTS Notes to the financial statements

21. DEFERRED TAX ASSET / (LIABILITY)

	2025	2024
	£'000	£'000
Balance at 1 January	(699)	432
Transferred to consolidated income statement	1,584	(1,153)
Exchange adjustment	(29)	22
Balance at 31 December	856	(699)

The deferred tax balance comprises the following:

Revaluation of properties	(658)	(1,598)
Accelerated capital allowances	(806)	(5,626)
Short-term timing differences	1,328	319
Unredeemed capital deductions	-	3,024
Losses and other deductions	992	3,182
Deferred tax asset / (liability) at end of year:	856	(699)

There is no time limit in respect of the Group tax loss relief.

In addition, the Group has unused losses and reliefs with a potential value of £13,056,000 (2024: £10,991,000), which have not been recognised as a deferred tax asset. As the Group returns to profit, these losses and reliefs can be utilised. The valuation of losses is based on a 25% tax rate (2024: 25%).

22. SHARE CAPITAL

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

	Number of ordinary 10p shares 2025	Number of ordinary 10p shares 2024	2025 £'000	2024 £'000
Authorised: ordinary shares of 10p each	110,000,000	110,000,000	11,000	11,000
Allotted, issued and fully paid share capital	85,542,711	85,542,711	8,554	8,554
Less: held in Treasury (see below)	(216,715)	(216,715)	(22)	(22)
"Issued share capital" for reporting purposes	85,325,996	85,325,996	8,532	8,532

Treasury shares

	Number of ordinary 10p shares 2025	Number of ordinary 10p shares 2024	Cost / issue value 2025 £'000	2024 £'000
Shares held in Treasury at 1 January	216,715	216,715	144	144
Shares held in Treasury at 31 December	216,715	216,715	144	144

Share Option Schemes

Employees' share option scheme (Approved scheme)

At 31 December 2025 there were no options to subscribe for ordinary shares outstanding, issued under the terms of the Employees' Share Option Scheme.

This share option scheme was approved by members in 1986 and has been approved by His Majesty's Revenue and Customs (HMRC).

FINANCIAL STATEMENTS Notes to the financial statements

There are no performance criteria for the exercise of options under the Approved scheme, as this was set up before such requirements were considered to be necessary.

A summary of the shares allocated and options issued under the scheme up to 31 December 2025 is as follows:

	Changes during the year				At 31 December 2025
	At 1 January 2025	Options Exercised	Options granted	Options lapsed	
Shares issued to date	2,367,604	—	—	—	2,367,604
Shares allocated over which options have not been granted	1,549,955	—	—	—	1,549,955
Total shares allocated for issue to employees under the scheme	3,917,559	—	—	—	3,917,559

Non-approved Executive Share Option Scheme (Unapproved scheme)

A share option scheme known as the "Non-approved Executive Share Option Scheme" which does not have HMRC approval was set up during 2000. At 31 December 2025 there were no options to subscribe for ordinary shares outstanding.

The exercise of options under the Unapproved scheme is subject to the satisfaction of objective performance conditions specified by the remuneration committee which conforms to institutional shareholder guidelines and best practice provisions.

A summary of the shares allocated and options issued under the scheme up to 31 December 2025 is as follows:

	Changes during the year				At 31 December 2025
	At 1 January 2025	Options Exercised	Options granted	Options lapsed	
Shares issued to date	450,000	–	–	–	450,000
Shares allocated over which options have not yet been granted	550,000	–	–	–	550,000
Total shares allocated for issue to employees under the scheme	1,000,000	–	–	–	1,000,000

The Bisichi PLC Unapproved Option Schemes

Details of the share option schemes in Bisichi are as follows:

Year of grant	Subscription price per share	Period within which options exercisable	Number of shares for which options outstanding at 31 December 2024	Number of share options issued/ exercised/(cancelled) during year	Number of shares for which options outstanding at 31 December 2025
2022	352.0p	Feb 2022 - Feb 2032	760,000	–	760,000

The exercise of options under the Unapproved Share Option Schemes, for certain option issues, is subject to the satisfaction of the objective performance conditions specified by the Bisichi remuneration committee, which will conform to institutional shareholder guidelines and best practice provisions in force from time to time.

There are no performance or service conditions attached to 2022 options which are outstanding at 31 December 2025.

	2025 Number	2025 Weighted average exercise price	2024 Number	2024 Weighted average exercise price
Outstanding at 1 January	40,000	352.0p	760,000	352.0p
Outstanding at 31 December	180,930	352.0p	760,000	352.0p
Exercisable at 31 December	180,930	352.0p	760,000	352.0p

FINANCIAL STATEMENTS Notes to the financial statements

23. NON-CONTROLLING INTEREST ("NCI")

	2025	2024
	£'000	£'000
As at 1 January	22,474	19,823
Share of (loss)/profit for the year	(7,446)	3,177
Dividends paid	(436)	(436)
Exchange movement	256	(90)
As at 31 December	14,848	22,474

The following subsidiaries had material NCI:

Bisichi PLC

Black Wattle Colliery (Pty) Ltd

Summarised financial information for these subsidiaries is set out below. The information is before inter-company eliminations with other companies in the Group.

	2025	2024
	£'000	£'000
BISICHI PLC		
Revenue	50,071	52,289
(Loss)/profit for the year attributable to owners of the parent	(3,863)	1,117
(Loss)/profit for the year attributable to NCI	(1,925)	2,288
(Loss)/profit for the year	(5,788)	3,405
Other comprehensive income/(expense) attributable to owners of the parent	242	(77)
Other comprehensive income/(expense) attributable to NCI	115	(45)
Other comprehensive income/(expense) for the year	357	(122)
Balance sheet		
Non-current assets	45,091	48,707
Current assets	11,793	12,974
Total assets	56,884	61,681
Current liabilities	(21,303)	(18,962)
Non-current liabilities	(5,627)	(6,589)
Total liabilities	(26,930)	(25,551)
Net current assets at 31 December	29,954	36,130
Cash flows		
From operating activities	(448)	9,433
From investing activities	4,063	(7,929)
From financing activities	(1,987)	(2,341)
Net cash flows	1,628	(837)

The non-controlling interest comprises of a 37.5% shareholding in Black Wattle Colliery (Pty) Ltd, a coal mining company incorporated in South Africa.

FINANCIAL STATEMENTS Notes to the financial statements

Summarised financial information reflecting 100% of the underlying subsidiary's relevant figures, is set out below.

	2025	2024
Black Wattle Colliery (Pty) Limited ("Black Wattle")	£'000	£'000
Revenue	48,248	48,335
Expenses	(52,179)	(43,549)
(Loss)/profit for the year	(3,931)	4,786
Total comprehensive income for the year	(3,931)	4,786
Balance sheet		
Non-current assets	22,367	22,704
Current assets	8,069	9,414
Current liabilities	(21,946)	(18,549)
Non-current liabilities	(2,238)	(3,740)
Net assets at 31 December	6,252	9,829

The non-controlling interest originates from the disposal of a 37.5% shareholding in Black Wattle Colliery (Pty) Ltd in 2010 when the total issued share capital in Black Wattle Colliery (Pty) Ltd was increased from 136 shares to 1,000 shares at par of R1 (South African Rand) through the following shares issue:

- a subscription for 489 ordinary shares at par by Bisichi Mining (Exploration) Limited increasing the number of shares held from 136 ordinary shares to a total of 625 ordinary shares;
- a subscription for 110 ordinary shares at par by Vunani Mining (Pty) Ltd;
- a subscription for 265 "A" shares at par by Vunani Mining (Pty) Ltd

On 12 April 2022 the total issued share capital in Black Wattle Colliery (Pty) Ltd was increased further from 1000 shares to 1002 shares at par of R1 through the following share issue:

- a subscription of 1 "B" Share at par by Bisichi Mining (Exploration Limited);
- a subscription of 1 "B" Share at par by Vunani Mining (Pty) Ltd

Bisichi Mining (Exploration) Limited is a wholly owned subsidiary of Bisichi PLC incorporated in England and Wales.

Vunani Mining (Pty) Ltd is a South African Black Economic Empowerment company and minority shareholder in Black Wattle Colliery (Pty) Ltd.

The "A" shares rank pari passu with the ordinary shares save that they will have no dividend rights until such time as the dividends paid by Black Wattle Colliery (Pty) Ltd on the ordinary shares subsequent to 30 October 2008 will equate to R832,075,000.

A non-controlling interest of 15% in Black Wattle Colliery (Pty) Ltd is recognised for all profits distributable to the 110 ordinary shares held by Vunani Mining (Pty) Ltd from the date of issue of the shares (18 October 2010). An additional non-controlling interest will be recognised for all profits distributable to the 265 "A" shares held by Vunani Mining (Pty) Ltd after such time as the profits available for distribution, in Black Wattle Colliery (Pty) Ltd, before any payment of dividends after 30 October 2008, exceeds R832,075,000.

The "B" shares rank pari passu with the ordinary shares save that they have sole rights to the distributable profits attributable to certain mining reserves held by Black Wattle Colliery (Pty) Ltd. A non-controlling interest is recognised for all profits distributable to the "B" shares held by Vunani Mining (Pty) Ltd from the date of issue of the shares (12 April 2022).

FINANCIAL STATEMENTS Notes to the financial statements

24. RELATED PARTY TRANSACTIONS

	Cost recharged (by) / to related party £'000		Amounts owed (to) / by related party £'000	Advanced by related party £'000
Related party:				
Simon Heller Charitable Trust				
Current account	(63)		–	–
Loan account	–		(700)	–
Directors and key management				
M A Heller, J A Heller and A R Heller	18	(i)	–	–
J Mintz	–		10	–
C A Parritt	(18)	(ii)	–	–
R Priest	(35)	(ii)	–	–
Totals at 31 December 2025	(98)		(690)	–
Totals at 31 December 2024	(98)		(699)	98

Nature of costs recharged – (i) Property management fees (ii) Consultancy fees.

Directors

JA Heller and AR Heller have an interest in a number of private property companies. London & Associated Properties PLC uses agents to assist with day to day property management matters. In their agency capacity those agents also provide support to these private property companies. The approximate value of the services amounted to £61,000 (2024: £61,000).

In addition the Company received management fees of £10,000 (2024: £10,000) for work done for two charitable foundations, the Michael & Morven Heller Charitable Foundation and the Simon Heller Charitable Trust.

The Simon Heller Trust has placed on deposit with LAP £700,000 at an interest rate of 9% which is refundable on demand.

An interest free loan of £10,000 made to J Mintz remained outstanding at year end.

C A Parritt provided consultancy services to the Company on an invoiced fee basis.

R Priest provided consultancy services to the Company on an invoiced fee basis.

In 2012 a loan was made by Bisichi to one of the Bisichi directors, Mr A R Heller, for £116,000. Interest is payable on the director's Loan at a rate of 6.14 per cent. There is no fixed repayment date for the director's Loan. The loan amount outstanding at year end was £41,000 (2024: £41,000) and no repayment (2024: £nil) was made during the year.

The directors are considered to be the only key management personnel and their remuneration including employer's national insurance for the year was £2,015,000 (2024: £2,317,000). All other disclosures required, including interest in share options in respect of those directors, are included within the remuneration report.

FINANCIAL STATEMENTS Notes to the financial statements

25. EMPLOYEES

The average number of employees, including directors, of the Group during the year was as follows:

	2025	2024
Production	190	200
Administration	27	27
	217	227

Staff costs during the year were as follows:

	2025	2024
	£'000	£'000
Salaries and other costs	8,229	8,176
Social security costs	340	384
Pension costs	543	538
	9,112	9,098

26. CAPITAL COMMITMENTS

There are no commitments for capital expenditure approved or contracted at the year-end (2024: £nil).

27. LEASE RENTALS RECEIVABLE

The Group leases out its investment properties to tenants under operating leases. The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	2025	2024
	£'000	£'000
Not later than one year	2,940	3,024
Later than one year, but not more than two years	2,660	2,683
Later than two years, but not more than three years	2,300	2,263
Later than three years, but not more than four years	1,796	1,941
Later than four years, but not more than five years	1,454	1,514
More the five years	11,596	11,738
	22,746	23,163

28. CONTINGENT LIABILITIES AND EVENTS AFTER THE REPORTING PERIOD

There were no contingent liabilities at 31 December 2025 (2024: £nil), except as disclosed in note 19. Bank guarantees have been issued by the bankers of Black Wattle Colliery (Pty) Limited on behalf of the Company to third parties. The guarantees are secured against the assets of the Company and have been issued in respect of the following:

	2025	2024
	£'000	£'000
Rail siding & transportation	45	42
Rehabilitation of mining land	1,579	1,590
Water & electricity	43	41
	1,667	1,673

FINANCIAL STATEMENTS Notes to the financial statements

Contingent tax liability

The interpretation of laws and regulations in South Africa where Bisichi operates can be complex and can lead to challenges from or disputes with regulatory authorities. Such situations often take significant time to resolve. Where there is a dispute and where a reliable estimate of the potential liability cannot be made, or where Bisichi, based on legal advice, considers that it is improbable that there will be an outflow of economic resources, no provision is recognised.

Black Wattle Colliery (Pty) Ltd is currently involved in a tax dispute in South Africa related to VAT. The dispute arose during the year ended 31 December 2020 and is related to events which occurred prior to the years ended 31 December 2020. As at 21 May 2026, Bisichi have been advised that it has a strong legal case, that it has complied fully with the legislation and, therefore, no economic outflow is expected to occur. Because of the nature and complexity of the dispute, the possible financial effect of a negative decision cannot be measured reliably. Accordingly, no provision has been booked at the year end. At this stage, Bisichi believes that the dispute will be resolved in its favour.

Goedehoop North Mining Area asset acquisition

On 1 December 2025, the Group entered into a Sale of Assets Agreement ("SAA") for the acquisition of assets utilised exclusively in relation to the Goedehoop North Mining Area ("GHN assets") in South Africa. Completion of the acquisition is subject to several Conditions Precedent ("CPs"), including the transfer of mining rights under the Mineral and Petroleum Resources Development Act. Upon satisfaction of these CPs, the Group is committed to further milestone payments totalling R35,000,000 (South African Rand).

Furthermore, Bisichi may be liable for deferred consideration payments totalling up to R650,467,043. These payments are contingent upon coal throughput and mining volumes attributable to the GHN assets. While a minimum payment of R 60,000,000 (plus CPI) is guaranteed over a three-year period following completion, the remaining ZAR 590,467,043 represents a contingent liability as the total amount payable depends on future production and throughput levels which cannot be determined with certainty at the reporting date.

Bisichi Delisting

The Bisichi board cancelled the trading of its shares on the Main Market of the London Stock Exchange, effective from 2 January 2026 (the "Delisting"). The Goedehoop North acquisition would have constituted a reverse takeover under UK Listing Rules, requiring a permanent cancellation of the Company's listing on the Official List. After carefully considering options to list in a higher category or on alternative markets, the Board concluded that the drawbacks of listing elsewhere outweighed the benefits such that the Delisting, was in the best interests of the Company and its shareholders as a whole.

There have been no events or transaction that require adjustment or disclosure.

FINANCIAL STATEMENTS Notes to the financial statements

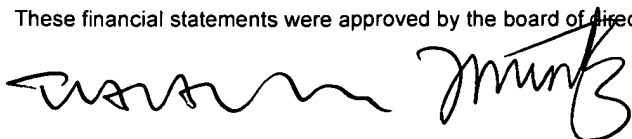
29. COMPANY FINANCIAL STATEMENTS

Company balance sheet at 31 December 2025

	Notes	2025 £'000	2024 £'000
Fixed assets			
Tangible assets	29.3	680	987
Other investments:			
Associated company	29.4	489	489
Subsidiaries and others	29.4	164	164
		653	653
		1,333	1,640
Current assets			
Debtors	29.5	11,092	13,504
Bank balances		766	1,549
		11,858	15,053
Creditors			
Amounts falling due within one year	29.6	(1,551)	(1,564)
Net current assets		10,307	13,489
Total assets less current liabilities		11,640	15,129
Creditors			
Amounts falling due after more than one year	29.7	(259)	(539)
Net assets		11,381	14,590
Capital and reserves			
Share capital	29.9	8,554	8,554
Share premium account		4,866	4,866
Capital redemption reserve		47	47
Treasury shares	29.9	(144)	(144)
Retained earnings		(1,942)	1,267
Shareholders' funds		11,381	14,590

The loss for the financial year was £3,209,000 (2024: £1,954,000)

These financial statements were approved by the board of directors and authorised for issue on 22 June 2026 and signed on its behalf by:



John Heller
Director

Jonathan Mintz
Director

Company Registration No. 00341829

FINANCIAL STATEMENTS Notes to the financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Treasury shares £'000	Retained earnings excluding treasury shares £'000	Total equity £'000
Balance at 1 January 2024	8,554	4,866	47	(144)	3,221	16,544
Loss for the year	–	–	–	–	(1,954)	(1,954)
Total comprehensive expense	–	–	–	–	(1,954)	(1,954)
Balance at 31 December 2024	8,554	4,866	47	(144)	1,267	14,590
Loss for the year	–	–	–	–	(3,209)	(3,209)
Total comprehensive expense	–	–	–	–	(3,209)	(3,209)
Balance at 31 December 2025	8,554	4,866	47	(144)	(1,942)	11,381

£Nil (2024: £1.3 million) of retained earnings (excluding treasury shares) is distributable.

29.1. COMPANY

Accounting policies

The following are the main accounting policies of the Company:

Basis of PREPARATION

The financial statements have been prepared on a going concern basis and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and Companies Act 2006. The financial statements are prepared under the historical cost convention as modified to include the revaluation of freehold and leasehold properties and fair value adjustments in respect of current asset investments and interest rate hedges.

The results of the Company are included in the consolidated financial statements. No profit or loss is presented by the Company as permitted by Section 408 of the Companies Act 2006.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of Group settled share based payments;
- The disclosures required by IFRS 7 and IFRS 13 regarding financial instrument disclosures have not been provided apart from those which are relevant for the financial instruments which are held at fair value and are not either held as part of the trading portfolio or derivatives.

Key judgements and estimates

The preparation of the financial statements requires management to make assumptions and estimates that may affect the reported amounts of assets and liabilities and the reported income and expenses, further details of which are set out below. Although management believes that the assumptions and estimates used are reasonable, the actual results may differ from those estimates. Further details of the estimates are contained in the Directors' Report and in the Group accounting policies.

FINANCIAL STATEMENTS Notes to the financial statements

INVESTMENTS IN SUBSIDIARIES, ASSOCIATED UNDERTAKINGS AND JOINT VENTURES

Investments in subsidiaries, associated undertakings and joint ventures are held at cost less accumulated impairment losses.

FAIR VALUE MEASUREMENTS OF INVESTMENT PROPERTIES AND INVESTMENTS

An assessment of the fair value of certain assets and liabilities, in particular investment properties, is required. In such instances, fair value measurements are estimated based on the amounts for which the assets and liabilities could be exchanged between market participants. To the extent possible, the assumptions and inputs used take into account externally verifiable inputs. However, such information is by its nature subject to uncertainty. The fair value measurement of the investment properties may be considered to be less judgemental where external valuers have been used as is the case with the Company.

The following accounting policies are consistent with those of the Group and are disclosed on page 54 to 63 of the Group financial statements.

- Revenue
- Property operating expenses
- Employee benefits
- Financial instruments
- Investment properties
- Other assets and depreciation
- Assets held for sale
- Income taxes
- Leases

29.2. RESULT FOR THE FINANCIAL YEAR

The Company's result for the year was a loss of £3,209,000 (2024: £1,954,000). In accordance with the exemption conferred by Section 408 of the Companies Act 2006, the Company has not presented its own profit and loss account.

29.3. TANGIBLE ASSETS

	Total	Investment Properties	Office	
	£'000	Leasehold	equipment	Office
		under 50 years	and motor	Building
		£'000	vehicles	£'000
Cost or valuation at 1 January 2025	1,098	155	66	877
Additions in the year	–	–	–	–
Disposals	(34)	–	(34)	–
Cost or valuation at 31 December 2025	1,064	155	32	877
Representing assets stated at:				
Valuation	155	155	–	–
Cost	909	–	32	877
	1,064	155	32	877
Depreciation at 1 January 2025	111	–	21	90
Charge for the year	277	–	–	277
Disposals	(4)	–	(4)	–
Depreciation at 31 December 2025	384	–	17	367
Net book value at 1 January 2025	987	155	45	787
Net book value at 31 December 2025	680	155	15	510

The leasehold properties, excluding the present value of head leases and directors' valuations, were valued as at 31 December 2025 by professional firms of chartered surveyors. The valuations were made at fair value.

FINANCIAL STATEMENTS Notes to the financial statements

	2025	2024
	£'000	£'000
Allsop LLP	-	150
Carter Tower	150	-
Add: Present value of headleases	5	5
	155	155

The historical cost of investment properties was as follows:

	Leasehold under 50 years £'000
Cost at 1 January 2025	785
Cost at 31 December 2025	785

Head leases on investment property represent the value attributed to the right of the Company to occupy and use investment property that has a head lease interest. In the current year total cash outflow for head leases is £nil (2024: £nil). A number of these leases provide for payment of contingent rent, usually a proportion of net rental income, in addition to fixed rents.

Office building represents the value attributed under IFRS 16 to the right of the Company to occupy its sole office building. In the current year total cash outflow for the office lease liability is £0.3 million (2024: £0.3 million).

29.4. OTHER INVESTMENTS

	Total	Shares in joint ventures	Shares in associate
	£'000	£'000	£'000
Cost or valuation			
At 1 January 2025	653	164	489
Impairment provision	-	-	-
At 31 December 2025	653	164	489

Subsidiary companies

Details of the Company's subsidiaries, joint ventures and associates are set out in note 10. Dragon is a joint venture and Bisichi and West Ealing are associates of the Company.

29.5. DEBTORS

	2025	2024
	£'000	£'000
Trade debtors	16	15
Amounts due from associate and joint ventures	1,957	1,945
Amounts due from subsidiary companies	8,716	11,215
Other debtors	147	107
Prepayments and accrued income	256	222
	11,092	13,504

FINANCIAL STATEMENTS Notes to the financial statements

29.6. CURRENT LIABILITIES

Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Trade payables	57	76
Amounts owed to subsidiary companies	20	–
Other taxation and social security costs	49	105
Lease liabilities	280	257
Other creditors	716	719
Accruals and deferred income	429	407
	1,551	1,564

Borrowings

The company has no bank borrowings.

29.7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025 £'000	2024 £'000
Lease liabilities	259	539
	259	539

LEASE LIABILITIES

	2025 Total £'000	2025 Head leases on investment property ¹ £'000	2025 Office £'000	2024 Total £'000
Minimum lease payments fall due:				
Within one year	323	–	323	323
Second to fifth year	273	2	271	596
After five years	11	11	–	12
	607	13	594	931
Future finance charges on lease liabilities	(68)	(8)	(60)	(135)
Present value of lease liabilities	539	5	534	796
Present value of lease liabilities:				
Within one year	280	–	280	257
Second to fifth year	256	2	254	536
After five years	3	3	–	3
	539	5	534	796

Lease liabilities greater than one year are £259,000 (2024: £539,000).

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

¹ Many head leases on investment properties provide for contingent rent in addition to the rents above, usually a proportion of rental income.

FINANCIAL STATEMENTS Notes to the financial statements

29.8. DEFERRED TAX LIABILITY

	2025 £'000	2024 £'000
Deferred Taxation		
Balance at 1 January	-	-
Balance at 31 December	-	-

The deferred tax balance comprises the following:

	2025 £'000	2024 £'000
Accelerated capital allowances	(6)	(7)
Short-term timing differences	291	290
Revaluation of investment properties	(138)	(137)
Loss relief	(147)	(146)
Deferred tax liability at year end	-	-

29.9. SHARE CAPITAL

Details of share capital, treasury shares and share options are set out in note 22.

29.10. RELATED PARTY TRANSACTIONS

	Cost recharged to (by) related party £'000		Amounts owed by (to) related party £'000	Advanced to (by) related party £'000
Related party:				
Dragon Retail Properties Limited				
Current account	-	(i)	90	14
West Ealing Projects Limited				
Current account	-		-	12
Bisichi PLC				
Current account	200	(ii)	-	(200)
Simon Heller Charitable Trust				
Current account	(63)		-	-
Loan account	-		(700)	-
Directors and key management				
M A Heller, J A Heller and A R Heller	18	(i)	-	-
J Mintz	-		10	-
C A Parritt	(18)	(iii)	-	-
R Priest	(35)	(iii)	-	-
Totals at 31 December 2025	102		(600)	(174)
Totals at 31 December 2024	138		1,322	298

FINANCIAL STATEMENTS Notes to the financial statements

Nature of costs recharged – (i) Management fees (ii) Property management fees (iii) Consultancy fees

During the period, the Company entered into transactions, in the ordinary course of business, with other related parties. The company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with wholly owned subsidiaries.

Dragon Retail Properties Limited – 'Dragon' is owned equally by the Company and Bisichi PLC.

Bisichi PLC – The company has 41.602 per cent ownership of 'Bisichi'.

Other details of related party transactions are given in note 24.

29.11. EMPLOYEES

The average weekly number of employees of the company during the year were as follows:

	2025	2024
Directors & Administration	10	11

Staff costs during the year were as follows:	2025 £'000	2024 £'000
Salaries	979	1,121
Social Security costs	125	125
Pension costs	91	91
	1,195	1,337

29.12. CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2025 (2024 – none).

29.13. FUTURE AGGREGATE MINIMUM RENTALS RECEIVABLE

The Company leases out its investment properties to tenants under operating leases. The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

Future aggregate minimum rentals receivable

	2025 £'000	2024 £'000
1 year	–	5
	–	5

29.14. CONTINGENT LIABILITIES AND POST BALANCE SHEET EVENTS

There were no contingent liabilities at 31 December 2025 (2024: none).

There have been no events or transactions that require adjustment or disclosure.

FINANCIAL STATEMENTS

Five year financial summary

	2025 £M	2024 £M	2023 £M	2022 £M	2021 £M
Portfolio size					
Investment properties–LAP^	24	24	22	23	25
Investment properties–Dragon Retail Properties	2	2	2	2	2
Investment properties–Bisichi ^	11	11	11	10	11
Assets held for sale-LAP	-	-	1	-	1
Inventories-LAP	3	9	9	23	25
	40	46	45	58	64

Portfolio activity	£M	£M	£M	£M	£M
Acquisitions	-	-	-	2.53	0.09
Disposals (note 11)	-	-	(14.75)	(5.70)	(4.17)
Additions to inventory at cost	-	1.01	0.78	0.75	1.02
	-	1.01	(13.97)	(2.42)	(3.06)

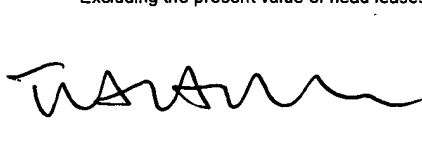
Consolidated income statement	£M	£M	£M	£M	£M
Group income	52.80	54.92	53.18	100.24	56.48
(Loss)/profit before tax	(10.96)	4.42	(3.48)	33.17	1.52
Taxation	1.57	(1.62)	(0.31)	(12.00)	(0.70)
(Loss)/profit attributable to shareholders	(1.94)	(0.37)	(3.86)	2.70	(0.15)
(Loss)/profit per equity share – basic and diluted	(2.27)p	(0.44)p	(4.52)p	3.17p	(0.18)p

Consolidated balance sheet	£M	£M	£M	£M	£M
Shareholders' funds attributable to equity shareholders	26.25	28.09	28.49	32.55	29.70
Net borrowings, excluding lease obligations	21.78	22.17	19.11	23.47	30.15
Net assets per share	37.36p	32.91p	33.38p	38.14p	34.78p

Consolidated cash flow statement	£M	£M	£M	£M	£M
Cash generated from operations	1.72	10.35	3.69	39.39	5.82

Notes:

^ Excluding the present value of head leases



John Heller
DirectorJonathan Mintz
Director

Company Registration No. 00341829