Fprop plc

First Property Group plc

Annual Report & Accounts 2026

Investing in property, creating sustainable income

Welcome to First Property Group plc

We are an award-winning property fund manager and investor with operations in the United Kingdom, Poland and Romania.

* Front cover:
- Measurement House, Newbury
- Blue Tower, external and internal view

AIM listed

Listed on AIM, the Company has offices in London and Warsaw.

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Our business at a glance

We specialise in investing in high-yielding commercial investment property. When property values fall, yields increase and we consider buying. When property values rise, yields reduce and we consider selling.

21
properties managed, of which 5 are directly owned by the Group.

2
offices in London and Warsaw.

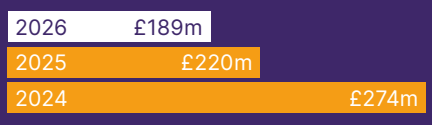
11
funds under management.

£189m
total assets under management.

Highlights for the year ended 31 March 2026

Profit/(loss) before tax
£3.40m

Total Assets Under Management
£189m



Total Dividend
0.25p (per share)

Net assets with 5 directly held properties at book value (2025: 7, 2024: 7)
£48.22m

Net assets with 5 directly held properties at market value (2025: 7, 2024: 7)
£57.21m

Market value of Group investments in FPAM managed funds
£24.04m

Our operations

First Property Group plc is an award-winning property fund manager and investor with operations in the United Kingdom and Central Europe. Its focus is on higher-yielding commercial property with sustainable cash flow.

A key facet of successful property investing is local knowledge. Our local teams are capable of performing all aspects of property investing and subsequent asset management.

Our business model

The Group operates via two divisions:

Group Properties

Principal investments by the Group to earn a return on its own capital, usually in partnership with third parties. Investments comprise 5 directly-owned properties in Poland and non-controlling interests in 9 of the 11 funds managed by FPAM.

Read more on pages 6 and 7

Fund Management

FCA regulated and AIFMD approved subsidiary First Property Asset Management Ltd (FPAM) earns fees from investing for third parties in property. FPAM currently manages 11 funds which are invested across the United Kingdom, Poland and Romania.

Read more on pages 8 and 9

Why invest?

1

Expertise

- ✓ Experienced, nimble management team;
- ✓ Excellent track record.

2

Diversified earnings

- ✓ From directly-owned properties and from fees;
- ✓ From mix of jurisdictions: the United Kingdom, Poland and Romania.

3

Earnings growth

- ✓ Letting vacant space;
- ✓ Investing Group cash;
- ✓ New fund management mandates;
- ✓ Operationally geared – can take on new business without material increases in overheads.

4

Strength

- ✓ Strong balance sheet;
- ✓ Prudent approach to cash management.

Chief Executive's statement

Financial performance

I am pleased to report the Group's results for the year ended 31 March 2026, which yielded a profit before tax of £3.40 million (31 March 2025: £3.03 million).

The increase benefited from improved underlying profits (by some £650,000 per annum) mainly attributable to increased rental income at the Group's directly-owned office property in Warsaw, Blue Tower, and also from lower overheads due to cost saving measures implemented in the prior year.

During the year, the Group sold two directly owned properties which generated £1.18 million in profit before tax. One of these was a commercial property purchased in the UK during the year. The other was an office block in Bucharest, Romania. The combined sales consideration amounted to £4.17 million which, after sales costs, contributed £4.06 million to the Group's cash balance.

The Group ended the financial year with net assets calculated under the cost basis of accounting, excluding non-controlling interests, of £48.22 million (31 March 2025: £45.09 million), equating to 32.61 pence per share (31 March 2025: 30.50 pence per share). It is the accounting policy of the Group to carry its properties and interests in associates at the lower of cost or market value.

The net assets of the Group when adjusted to their market value less any deferred tax liabilities (EPRA basis) amounted to £57.21 million, or 38.57 pence per share at 31 March 2026 (31 March 2025: £52.99 million or 35.72 pence per share).

Gross debt reduced to £12.99 million (31 March 2025: £24.37 million), mainly due to the deconsolidation of Fprop Gdynia sp. z o.o. from the accounts of the Group, following it being placed into administration on 30 April 2025.

A total of £1.84 million of loan capital repayments were made by the Group during the year. All Group debt is secured against five commercial properties in Poland. £3.95 million of the total debt is non-interest bearing.

Net debt reduced to £6.04 million (31 March 2025: £19.55 million).

The Group's gearing ratio with its properties at their book value reduced to 21.2% (31 March 2025: 35.1%) and with its properties at their market value reduced to 18.5% (31 March 2025: 31.5%).

Group cash balance at the year-end stood at £6.95 million (31 March 2025: £4.82 million), equivalent to 4.70 pence per share (31 March 2025: 3.26 pence per share).

Diluted earnings per share increased by 10.4% to 1.81 pence per share (2025: 1.64 pence per share).

Dividend

The Directors have resolved to pay a final dividend of 0.25 pence per share (2025: 0.00 pence per share).

Subject to approval by shareholders at the Annual General Meeting to be held on 24 September 2026, the proposed final dividend will be paid on 29 September 2026 to shareholders on the register at the close of business on 28 August 2026. The shares will become ex-dividend on 27 August 2026.

Current trading and prospects

I am pleased to report a further significant improvement in the performance of the Group and reinstatement of the dividend.

The economy and markets remain challenging, but we are identifying some interesting deals and taking the opportunity to buy them where possible. We are supported in this endeavour by nearly £7 million in Group cash and access to third-party capital from long-term clients.

Our outlook is therefore positive.

BEN HABIB
Group Chief Executive

14 August 2026

Investment Philosophy

1. Sustainability of income

When buying for income, sustainability of income is a priority.

We target higher yielding properties with sustainable income streams, enabling us to boost returns by applying leverage.

2. Capital preservation

Capital is better protected if investments yield a high income.

Over the long term it is income and not capital value movements which largely determine total returns.

3. A fundamental approach to investing

Consensus may chase a particular investment theme but that does not justify it.

4. Flexibility in the light of market changes

Experienced management team with an excellent track record, including in challenging market conditions.

5. An active approach to asset management

Drive income and in turn capital values by hands-on property management, relying as much as possible on internal expertise. The quality of our people is a crucial factor in our success.

Our strategy and markets

The strategy	Our strategic responses
Active approach to asset management	• Drive income and in turn capital values by hands-on property management, relying as much as possible on internal capabilities.
Remain flexible	• Thinking from first principles. • In-house property teams employed in the United Kingdom and Poland.
Capitalise on market opportunities	• Maximise and exploit new opportunities arising. • Continue to invest alongside third-party investors. • Consider sale of directly-owned Group Properties.

Our markets	Commercial property markets outlook
United Kingdom	The UK economic outlook remains subdued, with GDP growth expected to be around 1% in 2026 amid geopolitical uncertainty and weak productivity. Having eased to 2.8% in May 2026, inflation is now expected to reaccelerate, with CPI forecast at around 3.5% by year-end. The downward path for interest rates has stalled, with the base rate held at 3.75% and risk skewed towards a prolonged hold, sustaining a cautious investment environment. The investment market for commercial property has been relatively steady in recent months, though sentiment remains weak. Performance is increasingly income-driven, with limited scope for capital value growth in the near term. Occupational markets remain relatively resilient, supported by constrained development pipelines and stable tenant demand, with modest rental growth concentrated in prime assets. The market continues to exhibit a clear bifurcation, with strong demand for modern, well-located and environmentally compliant buildings, and ongoing obsolescence risk for secondary stock.
Poland	The Polish economic outlook remains comparatively robust, with GDP growth expected to be around 3.5% in 2026, underpinned by resilient consumption and EU-funded investment. Inflation has proved sticky at around 3.1% in May 2026, amid persistent energy cost pressures. The easing cycle has paused, with the NBP reference rate held at 3.75% and rates expected to remain on hold through the year. Sentiment in the Polish commercial property market is improving. Investment turnover is expected to exceed the prior year (2025: €4.5 billion), with domestic capital taking a rising share (2025: 16%; 2026 estimate: 20%). Occupational markets are resilient, supported by limited new development and stable demand, with modest rental growth in prime assets. Investment demand is focused on modern, well-located, ESG-compliant buildings.

Dynamic flexible approach as the market changes

2005: Largely exited the United Kingdom commercial property market.

2008: Reversed asset management policy of waiting until lease expiry to renew leases following the onset of the credit crunch.

2009: Re-entered the United Kingdom commercial property market – we act dynamically.

2016: Varied investment strategy in the United Kingdom with respect to offices, to invest for rental growth as opposed to for development due to the effects of permitted development rights (PDR) legislation resulting in diminishing office supply/ rising rents.

2020: Entered the COVID pandemic with £23.6 million of cash following the sale of an office building (CH8) in Warsaw, Poland.

2021-2026: Reduced Group debt from £35 million to £13 million, strengthening the balance sheet against rising interest rates.

2026: Repositioned the Group's property company activities to address a decline in funds under management, driven by the maturation of defined benefit pension scheme clients.

Performance review

Group Properties division

The Group Properties division comprised:

1. Five directly owned commercial properties in Poland valued at £44.98 million (31 March 2025: seven properties valued at £56.04 million); and
2. Interests in nine of the eleven funds managed by FPAM (classified as Associates and Investments) valued at £24.04 million (31 March 2025: £22.60 million).

This division generated a profit before tax and unallocated central overheads of £3.90 million (2025: £3.16 million), of which £2.16 million was derived from directly owned properties and £1.74 million from Associates and Investments.

1. Directly-owned Group Properties (all accounted for under the cost model)

The book value of the Group's five directly-owned properties was £35.16 million (31 March 2025: seven properties with a book value of £46.76 million). Their market value, based on valuations at 31 March 2026, was £44.98 million (31 March 2025: £56.04 million).

Country	Sector	Property/ Fund name	No. of properties as at 31 March 2026	Book value as at 31 March 2026 £m	Market value as at 31 March 2026 £m	**Contribution to Group profit before tax 31 March 2026 £m**	Contribution to Group profit before tax 31 March 2025 £m
Poland	Office	Blue Tower	1	24.72	32.31	**1.35**	0.97
Poland	Offices	Gdynia	–	–	–	**0.01**	(0.21)
Poland	Supermarket	Praga	1	2.09	3.31	**0.09**	0.08
Romania	Office	Dr Felix	–	–	–	**0.14**	0.27
Poland	Multi use	5PT	3	8.35	9.36	**0.52**	0.42
Total			**5**	**35.16**	**44.98**	**2.11**	**1.53**

Profit on the sale of one UK trading property	**0.91**	–
Profit on the sale of one directly held Group property in Romania	**0.27**	–
Profit on deconsolidation of Gdynia following loss of control	**0.15**	–
Property impairment	**–**	(0.24)
Interest expense	**(0.49)**	(0.69)
Other overhead costs allocated to the Group Properties division	**(0.79)**	(0.65)
Total contributions to profit/(loss) before tax from Group Properties	**2.16**	**(0.05)**

The contribution to profit before tax and unallocated central overheads from the directly-owned properties was £2.16 million, of which £1.18 million was from one-off gains from two property disposals, as mentioned earlier.

Blue Tower, an office building located in Warsaw (in which the Group's 80.3% shareholding totals 18,900 square metres) accounted for £32.31 million (72%) of the Group's five directly-owned properties at market value. The net equity invested in these five properties was £31.99 million at market value, of which £23.32 million (73%) was invested in Blue Tower.

The debt secured against these five properties reduced by around half during the year to £12.99 million (31 March 2025: £24.37 million). Of this, only £9.04 million was interest bearing. The remaining £3.95 million represents the deferred consideration in respect of the purchase in 2022 of an additional 32% or 7,171 square metres in Blue Tower. Payment is due in instalments until August 2028. A total of PLN 21.00 million (£4.09 million) of the original liability has been paid. The August 2026 instalment of £1.00 million was paid prior to the signing of these financial statements.

Interest costs on the Group's debt reduced to £0.49 million (2025: £0.69 million). This equates to an average cost of debt of 3.8% when measured against total Group borrowings of £12.99 million, or 5.4% on the £9.04 million of interest-bearing debt. The difference reflects the proportion of non-interest-bearing liabilities, mainly the deferred consideration, which provides a low-cost source of funding.

Directly-owned Group Properties as at 31 March 2026
Debt secured against Group's directly-owned properties

	31 March 2026 £m	31 March 2025 £m
Book value of directly-owned properties	**35.16**	46.76
Market value of directly-owned properties	**44.98**	56.04
Gross debt (all non-recourse to the Group)	**12.99**	24.37
Loan to Value ("LTV") at book value	**36.9%**	52.1%
LTV at market value	**28.9%**	43.5%
Weighted average borrowing cost – gross debt	**3.8%**	2.8%
Weighted average borrowing cost – interest bearing debt	**5.4%**	7.3%

At 31 March 2026, the vacancy rate across all five properties was 2,680 square metres or 10.6% by area. If the vacant space were to be let, the net operating income from the Group's directly owned properties would increase by some €0.51 million per annum (£0.45 million per annum).

The weighted average unexpired lease term ("WAULT") across the Group's five directly held properties as at 31 March 2026 was 3 years, 11 months (2025: 4 years, 10 months).

2. Associates and Investments

These comprise non-controlling interests in nine of the eleven funds managed by FPAM of which five are accounted for as Associates and held at the lower of cost or fair value (the "cost model"), and four are accounted for as Investments in funds and held at fair value.

The contribution to profit before tax and unallocated central overheads from the Group's Associates and Investments was £1.74 million (31 March 2025: £3.21 million), of which £1.34 million was from the Group's 45.7% share in Fprop Opportunities plc (FOP). The Group's investment in Fprop Krakow Ltd (FKR) suffered an impairment of £0.16 million (2025: impairment of £0.12 million).

The Group also benefitted from cash distributions of £177,000 (2025: £422,000) from its shareholdings in The UK Pension Property Portfolio LP (UK PPP), Fprop UK Special Opportunities LP (SPEC OPPS), Fprop Fulcrum Property LP (FULCRUM) and Fprop Offices LP (OFFICES).

At the year-end the Associates and Investments were valued at £24.04 million (31 March 2025: £22.60 million).

An overview of the Group's Associates and Investments is set out in the table below:

Associates and investments

	% owned by the Group %	Book value of Group's share in fund £'000	Current market value of holdings £'000	Group's share of post-tax profits earned by fund 31 March 2026 £'000	Group's share of post-tax profits earned by fund 31 March 2025 £'000
a) Associates					
FOP	45.7	14,819	15,273	**1,337**	944
FGC	29.1	3,418	4,356	**376**	242
FKR	18.1	778	807	**(184)**	(128)
FPL	23.8	1,832	1,836	**75**	1,733
FCL	21.2	636	781	**(40)**	(2)
Sub total		**21,483**	**23,053**	**1,564**	**2,789**
b) Investments					
UK PPP	0.9	–	–	**12**	55
FULCRUM	1.3	140	140	**9**	–
SPEC OPPS	11.1	754	754	**150**	367
OFFICES	1.6	94	94	**6**	–
Sub total		**988**	**988**	**177**	**422**
Total		**22,471**	**24,041**	**1,741**	**3,211**

Performance review cont.

Fund Management division

Our Fund Management division earns fees from investing for third parties in commercial property via its FCA regulated and AIFMD approved subsidiary, First Property Asset Management Ltd (FPAM).

Third party assets under management at the year-end decreased by 12.2% to £144 million (31 March 2025: £164 million).

The decrease was largely attributable to the loss of control of one property valued at £27.50 million and the sale of another three properties for £7.35 million, all in the United Kingdom. These sales were offset by the purchase of two properties in the United Kingdom for £12.47 million and foreign currency revaluation gains of £4.43 million.

At the year-end 71% of third-party assets under management were in Poland, 23% in the United Kingdom and 6% in Romania.

Revenue earned by this division (including revenue earned in Poland and Romania) during the year decreased to £1.61 million (31 March 2025: £2.26 million), resulting in a profit before unallocated central overheads and tax of £0.32 million (31 March 2025: £1.04 million). This decrease in revenue was largely driven by the expiry of fund mandates and the non-repeat of payments in lieu of management fees (31 March 2025: £0.30 million).

At the financial year end fund management fee income was being earned at an annualised rate of £1.30 million (31 March 2025: £1.40 million).

The weighted average unexpired fund management contract term at the financial year-end was 4 years, 1 month (31 March 2025: 3 years, 4 months).

The reconciliation of movement in third-party funds managed by FPAM during the year is shown below:

Reconciliation of movement in third-party funds under management during FY 2026

Funds managed for third parties (including funds in which the Group is a minority shareholder)

	UK £m	CEE £m	Total £m	No. of properties
As at 1 April 2025	56.77	107.14	163.91	18
Property purchases	12.47	–	12.47	2
Property sales	(7.35)	–	(7.35)	(3)
Loss of control	(27.50)	–	(27.50)	(1)
Capital expenditure	0.01	0.30	0.31	–
Property revaluation	(1.50)	(0.69)	(2.19)	–
FX revaluation	–	4.43	4.43	–
As at 31 March 2026	**32.90**	**111.18**	**144.08**	**16**

Funds managed by asset class

	UK £m	Poland £m	Romania £m	Total £m	% of total
Offices	22.15	36.79	8.21	67.15	46.6%
Retail warehousing	10.75	–	–	10.75	7.4%
Supermarkets	–	12.64	–	12.64	8.8%
Shopping centres	–	53.54	–	53.54	37.2%
Total	**32.90**	**102.97**	**8.21**	**144.08**	**100.0%**
% of total third-party AUM	**22.8%**	**71.5%**	**5.7%**	**100.0%**	

Third-party funds under management FY 2026

An overview of the value of assets and maturity of each of the funds is set out below:

Fund	Country of investment	Fund expiry	**Assets under management at market value at 31 March 2026 £m**	No. of properties	% of total third-party assets under management	Assets under management at market value at 31 March 2025 £m
OFFICES	UK	Jun 2024	**–**	–	–	27.50
SIPS	UK	Jan 2025	**–**	–	–	3.50
UK PPP*	UK	Jan 2027	**–**	–	–	2.55
SPEC OPPS	UK	Jan 2027	**7.00**	2	4.9	9.50
FKR	Poland	Mar 2027	**15.12**	1	10.5	15.49
FGC	Poland	Dec 2027	**25.32**	1	17.6	23.86
FCL	Romania	Jun 2028	**8.21**	1	5.7	8.04
FPL	UK	Jun 2028	**5.40**	1	3.7	–
FOP	Poland	Oct 2030	**62.53**	5	43.4	59.75
FUL	UK	Indefinite	**20.50**	5	14.2	13.72
Total third-party AUM			**144.08**	**16**	**100.0**	**163.91**

*UK PPP was wound up in June 2026.

Operating responsibly

Environmental, Social and Governance

The Group has long recognised that Environmental, Social and Governance issues (ESG) can affect the investment performance of the properties and funds which we manage. As a result, the consideration of ESG issues is an integral part of the Group's investment processes. The Group is committed to incorporating ESG into its investment and asset management processes by creating a Responsible Investment Policy.

Our responsible investment framework

This framework sets out our approach to responsible investment across six core areas, and the actions we are taking within each area.

1. Improve the environmental performance of our buildings and reduce operational costs
Establish an accurate baseline of energy, water and waste consumption to inform future reduction targets.
2. Improve sustainability standards within our investment and asset management processes
Assess the feasibility of installing solar PV panels and electric vehicle (EV) charging points across the portfolio.
Embed green lease clauses in leases wherever possible.
3. Enhance the health and wellbeing of our tenants
Conduct annual tenant forums to identify areas to enhance tenant experiences (via managing agents). Monitor and track improvements.
4. Contribute to our local communities
Measure our annual social impact from charitable giving, local community events and volunteering.
5. Engage with our investors and supply chain partners on material sustainability issues
Complete 100% of investor requested ESG reports.
Set and report against fund specific ESG metrics in investor reports.
6. Ensure robust processes are in place to manage material legislative, environmental and social risks and opportunities
Maintain a clear Employee Handbook to provide support and clarity to employees on internal policies.

Sustainable communication practices

The Board regularly reviews the effectiveness and relevance of its communications strategy. Given technological advancements and the principles of sustainability, we encourage our shareholders to download the Annual Report from the Fprop website **www.fprop.com/plc-investors/financial-reports** or by contacting the Company Secretary, Jill Aubrey by email, at **jill.aubrey@fprop.com**.

The Group will not be publishing a hard copy of the 31 March 2026 Annual Report. The physical publication of such a report is expensive, results in additional carbon emissions and serves no purpose which cannot be fulfilled by an online document. Those shareholders who wish to continue to receive a hard copy by post will receive a print of the website version.

Group Finance Director's review

The Group reported a profit before tax for the year to 31 March 2026 of £3.40 million (31 March 2025: £3.03 million).

The increase was driven by improved underlying profitability by some £650,000 per annum, mainly attributable to an increased contribution from the Group's directly owned office property in Warsaw, Blue Tower, as well as lower overhead costs due to the cost saving measures implemented in the prior year.

During the year the Group sold two directly-owned properties generating a combined profit of £1.18 million. One of these was a commercial property purchased in the United Kingdom during the year. The other was an office block in Bucharest, Romania. The combined sales consideration amounted to £4.17 million which, after sales costs, increased the Group's cash balance by £4.06 million.

On 30 April 2025, the Directors placed the Group's wholly owned subsidiary, Fprop Gdynia sp. z o.o., which owns an office block in Gdynia, Poland, into administration. This was following failure to agree restructuring terms with its principal creditor. As a result of this action, it was deemed the Group had lost control of the entity and its assets and liabilities were deconsolidated from the accounts of the Group. The company operated on a breakeven basis so there was no material impact on the Group's trading profits. See Note 16, Loss of control for further information.

Group net assets excluding non-controlling interests at 31 March 2026 increased by 6.9% to £48.22 million (31 March 2025: £45.09 million).

Gross debt at the year-end was £12.99 million, a reduction of £11.38 million from the prior year (31 March 2025: £24.37 million), largely due to the deconsolidation of Fprop Gdynia sp. z o.o. from the accounts of the Group, which resulted in the removal of £10.04 million of debt (matched by the carried value of the property held by the company). The Group also paid £1.02 million of the deferred consideration in respect of Blue Tower, and £0.82 million in bank loan repayments. Adverse foreign exchange movements amounted to £0.50 million. Included within gross debt is £3.95 million of the deferred consideration, on which no interest is payable.

Net debt decreased to £6.04 million (31 March 2025: £19.55 million).

Going concern

The Directors consider that the Group has adequate resources to continue in operational existence, and this is the basis under which this financial information has been prepared.

Analysis and scenario testing was carried out on the Group's main divisional income streams, being fund management fees from the fund management division, rental income from its five directly owned properties, and cash returns from its Associates and Investments. Further details of this analysis are set out in the "Basis of Preparation" note.

Based on the results of the analysis conducted, the Board believes that the Group can continue its business for at least twelve months from the date of approval of these results and therefore has adopted the going concern basis in the preparation of these financial statements.

Income Statement

A review of the operating and financial performance of the two trading divisions is included in the Chief Executive's Statement.

Revenue and gross profit

Revenue for the year increased by £1.17 million to £8.72 million (31 March 2025: £7.55 million). The increase was largely due to the sale of one trading property in the United Kingdom for £1.50 million. This property had been acquired on 27 August 2025 for £0.57 million. Its sale on 28 October 2025 generated a profit (net of selling costs) of £0.91 million.

Fund management fee income reduced by £0.65 million to £1.61 million (31 March 2025: £2.26 million) largely due to the expiry of fund mandates and the non-repeat of payments in lieu of management fees (31 March 2025: £0.30 million). Annualised fund management fee income as at 31 March 2026 was £1.30 million (31 March 2025: £1.40 million).

Rental and service charge income increased by £0.32 million to £5.61 million, mainly due to new lease agreements at Blue Tower, offset by the loss of revenue from two directly held properties in Bucharest, Romania (Dr Felix) and in Gdynia (Fprop Gdynia).

Gross profit increased by 21.2% to £5.84 million (31 March 2025: £4.82 million) largely due to the profit of £0.91 million earned from the sale of the trading property in the United Kingdom.

Operating expenses

Operating expenses remained stable at £4.38 million (31 March 2025: £4.32 million).

The non-cash charge recognised in respect of the outstanding share options reduced to £0.12 million (31 March 2025: £0.29 million). This was the final charge in respect of this share-based payment scheme.

Group Finance Director's review cont.

Share of results in associates

The contribution to Group profit from its Associates amounted to £1.56 million (31 March 2025: £2.79 million), of which the Group's 45.7% interest in Fprop Opportunities plc (FOP), a fund managed by FPAM, contributed £1.34 million (31 March 2025: £0.94 million). The Group's 18.1% holding in Fprop Krakow Ltd (FKR) suffered an impairment of £0.16 million (31 March 2025: £0.12 million).

Investment income (from other financial assets and investments)

Investment income generated from the Group's investments in UK funds managed by FPAM amounted to £0.18 million (31 March 2025: £0.42 million). Prior year distributions were higher due to proceeds from UK PPP and SPEC OPPS following the sale of seven properties by these funds.

Finance costs

Finance costs decreased to £0.49 million (31 March 2025: £0.69 million). All bank loans are denominated in Euros, and all are used to finance properties valued in Euros.

Statement of Financial Position

Investment properties (held using the cost model)

The Group adheres to the "cost model" of valuation whereby investment properties are accounted for at the lower of cost less accumulated depreciation and impairments, or fair market value.

During the year the Group sold one of its directly held properties, Dr Felix, an office block in Bucharest, Romania, for €3.05 million (£2.67 million). This generated a profit before tax for the Group of £0.27 million. There was no debt secured against this property, so the sale boosted the Group's cash balance by £2.58 million (net of selling costs).

On placing Fprop Gdynia sp. z o.o. into administration, the Group was deemed to have lost control of the company and accordingly the property. At that time, the property's carrying value of £10.04 million matched the loan secured against it.

At the year end the Group held five properties. Their book value was £35.16 million (31 March 2025: £46.76 million). Their fair market value was £44.98 million (31 March 2025: £56.04 million).

Capital expenditure incurred on the Group's directly owned properties amounted to £0.43 million (31 March 2025: £1.42 million).

Foreign exchange revaluations resulted in a debit of £0.68 million (31 March 2025: debit £0.24 million).

Borrowings

Bank and other borrowings, including deferred consideration, decreased by £11.38 million to £12.99 million (31 March 2025: £24.37 million). This reduction was mainly due to the deconsolidation of Fprop Gdynia sp. z o.o. ("GDY") from the accounts of the Group.

Borrowings were further reduced by payments of £1.02 million of the deferred consideration in respect of Blue Tower and £0.82 million of capital repayments in respect of bank loans. These were offset by adverse foreign exchange movements of £0.50 million. All debt is non-recourse to the Group.

The ratio of debt to gross assets at their market value (the gearing ratio) decreased to 18.5% (31 March 2025: 31.5%).

All bank loans are denominated in Euros and are non-recourse to the Group.

Deposits of £0.32 million (31 March 2025: £0.31 million) are held by lending banks as security in respect of Debt Service Cover Ratio (DSCR) covenants in respect of four bank loans (31 March 2025: four). Consequently, this cash was restricted as at 31 March 2026.

Non-controlling interests

The value of the Group's two non-controlling interests increased by £0.27 million to £2.50 million (31 March 2025: £2.23 million). The two non-controlling interests are:

1. 10.00% of the share capital of Corp sp. z o.o., the property management company to Blue Tower; and
2. 52.80% of the share capital of 5th Property Trading Ltd ("5PT"), a fund invested in three commercial properties in Poland.

Investment revaluation reserve

The investment revaluation reserve moved by £1.20 million to a debit balance of £1.25 million (31 March 2025: £2.45 million). The reserve debit balances of OFFICES (a fund which expired in June 2024) and UK PPP (a fund which was formally wound up in June 2026), amounting to £1.33 million, were transferred from the investment revaluation reserve to retained earnings.

The remaining investment revaluation reserve balance relates to the Group's investment in SPEC OPPS and FULCRUM. The Group will transfer these to the retained earnings during the financial year in which these funds are wound up.

Cash and cash flow

The Group's cash balance increased to £6.95 million (31 March 2025: £4.82 million) largely due to the cash received from the sale of two Group properties which, after sales costs, increased the Group's cash balance by £4.06 million.

The main outflows were: £1.02 million of deferred consideration in respect of Blue Tower, £0.82 million of capital repayments in respect of the Group's bank loans, £0.57 million for the purchase of a trading property in the United Kingdom, and £0.43 million of capital expenditure.

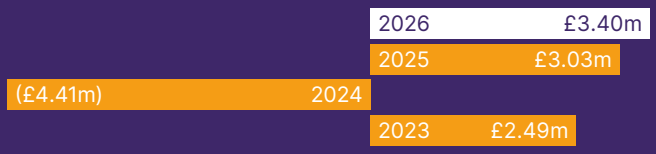
LAURA HOWARTH
Group Finance Director

14 August 2026

Key performance indicators

Profit/(loss) before tax

£3.40m



The Group delivered a profit before tax of £3.40 million, up from £3.03 million in 2025 and a marked recovery from the £4.41 million loss in 2024.

Sustained profitability is central to the Group's strategy, strengthening the balance sheet and underpinning its ability to act quickly on new investments and to service and refinance bank debt.

Adjusted Net Asset Value (NAV) per share

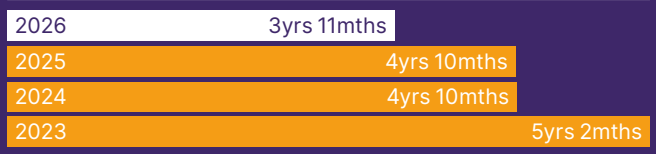
38.57p

A measure of NAV mark to market according to EPRA guidelines thereby rebasing Group Properties from a cost basis (per the accounts) to their relevant market values less deferred tax.

The increase has largely been driven by the uplift of investment properties at fair value net of deferred tax.

WAULT of Group Properties

3yrs 11mths

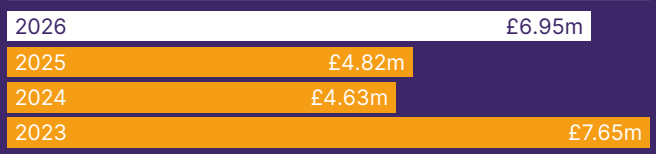


A measure of the sustainability of the revenue from the five directly-held Group Properties.

WAULT for directly-owned Group Properties is 3 years 11 months.

Cash Levels

£6.95m



The Group's focus on cash levels enables it to act quickly in respect of new investments and refinancing bank debt.

The Group's cash balance increased to £6.95 million largely due to the cash received from the sale of two Group properties which, after sales costs, increased the Group's cash balance by £4.06 million.

Third-Party Assets Under Management

£144m

The measure on which fee income is generally charged.

Reduction mainly due to the sale by three funds of three properties in the United Kingdom for an aggregate value of £7.35 million, the loss of control of a property, offset by the purchase of two properties in the United Kingdom for £12.47 million. The Group's defined pension scheme clients are generally recycling their investments into more liquid asset classes.

Net debt

£6.04m

The Group's focus on reducing debt levels in response to rising interest rates.

The Group's net debt decreased to £6.04 million, largely due to the deconsolidation of Gdynia and the continued repayment of capital including the deferred consideration at Blue Tower.

Stakeholder engagement

Our key stakeholder groups

This section of the Annual Report covers the Board's considerations and activities in discharging their duties under s172(1) of the Companies Act 2006, in promoting the success of the Company for the benefit of members as a whole. This statement includes consideration of the likely consequences of the decisions of the Board in the longer term and how the Board has taken wider stakeholders' needs into account.

Shareholders

- We believe that engaging with our shareholders and encouraging an open dialogue helps to ensure mutual understanding.
- The Directors provide information via the AGM, Annual Report and Accounts, RNS announcements, and through various media platforms.
- The Group seeks to comply with the QCA Code – see the Governance section of this report and the Company's website.

Investors in funds

- Ensure investors are kept abreast of performance with regular investor reports and direct communication via email. This includes updates on topics such as property purchases/disposals, significant tenant lettings, cash distributions and financing.

Tenants

- Conduct extensive due diligence on tenant covenants.
- Maintain a proactive and continuous dialogue.
- Be responsive to changing tenant requirements.
- Active approach to asset management using our in-house specialist teams.

Employees

- Our people are our most valuable asset. We firmly believe that our people are key to delivering excellent service to our clients and achieving our objectives.
- We are committed to providing a working environment that promotes employees' wellbeing and facilitates high performance.
- We consult and discuss matters likely to affect employees' interest through regular meetings.
- A discretionary bonus incentive scheme is operated for all employees.
- The Group supports employees with practical training and routes to professional qualifications.
- The Group operates a diversity and equal opportunities policy.

Our community and the wider environment

- The Group is mindful of the impact its operations have on both the community and the environment, and expects employees and business suppliers to meet exacting standards in everyday business conduct.
- The Group operates a number of green initiatives including reducing paper usage for example no longer printing our Annual Report unless requested by a stakeholder as well as operating a cycle to work scheme to encourage employees to travel to work in an environmentally friendly way.
- Projects to improve the Environment and Community are continually being evaluated by the property management team.
- In larger properties, particularly in the retail sector, we hold events to foster links with the local community. This also helps to drive higher footfall and occupier wellbeing.

Risks and mitigations

The Board sets out below the principal risks and uncertainties that the Directors consider could impact the business.

Economic risk management		
Economic risk	**Impact**	**Mitigation**
Slowdown in the economies of the United Kingdom and Poland	Could lead to: • falls in the value of commercial property; • reduction in overall rent levels and occupier's ability to pay their rental commitments.	The Group closely monitors economic reports of the markets in which it operates and acts pre-emptively in accordance with its proactive property management policy. The Group endeavours to ensure it and the funds it manages have a well-diversified spread of property interests classified by region, by property type, by lot size and by sector classification (tenant mix).
National epidemic or global pandemic	Restrictions on people's movements adversely affect all trade. Consequent reductions in Gross Domestic Product ("GDP") could adversely affect tenants' ability to meet their rental commitments for business premises.	The Group closely monitors debts owed by tenants, aided by maintaining close dialogue with all tenants. Maintaining liquidity in the funds and the property-owning companies is a priority.
Weakening in the Euro ("EUR") and PLN against GBP	Nearly all revenue from the Group Properties division is earned in foreign currencies and overseas profits are converted to GBP (the reporting currency) on remission to the United Kingdom. GBP strength therefore leads to a reduction in reported profits.	The Group closely monitors both movements and forecasts in the pertinent foreign exchange rates against its budgeted rates. Wherever possible, overseas investment is financed and matched in the local currency so that exposure to currency markets is limited. Under the Group's foreign currency risk management policy, hedging instruments can be used to hedge a proportion of specific items as specified in IAS 39.
Resumption of interest rate tightening in the EU	Following an extended easing cycle, the ECB resumed raising rates in 2026, lifting its deposit facility rate to 2.25%, with the possibility of further increases as inflationary pressures persist. Higher rates increase debt servicing costs and combined with downward pressure on property valuations and rental income, could result in breaches of DSCR covenants which could require additional funds to remedy.	The Board regularly reviews property market forecasts and where possible adjusts its geared strategy according to these changing market conditions. The Board also regularly reviews the Group's cash forecasts and the adequacy of available facilities to meet its cash requirements. The Board regularly monitors and reports on its DSCRs against its relevant bank covenants so that it can act in a pre-emptive manner. Interest rate fixes and caps are used to mitigate risk.
Political and geopolitical risk, including the wars in Ukraine and the Middle East, and ongoing trade and tariff tensions	Geopolitical instability remains elevated, with a number of active conflicts and heightened global trade and tariff tensions. Political events, such as the wars in Ukraine and the Middle East, can lower business confidence, weaken economies and disrupt energy supply, which in turn influences central bank interest rate policy.	The Board considers geopolitical and macro-economic conditions, including their potential impact on energy prices, inflation and interest rates, when setting strategy and making its investment decisions.

Risks and mitigations cont.

Operational risk management		
Operational risk	**Impact**	**Mitigation**
Rent void periods	Could lead to longer void periods, higher vacancy rates, reduced occupier retention, payment arrears and defaults.	Our asset managers are focused on income generation and maintain close contact with tenants to ensure they fully understand their current business performance and future plans. A proactive approach to asset management is taken with regular interaction with tenants.
Credit risk	Could lead to the tenants defaulting on their rental obligations.	Creditworthiness checks of potential occupiers are carried out prior to letting. Payments of rent and service charge are monitored closely. This ensures early detection of likely tenant defaults thereby enabling swift remedial action. Our asset managers maintain close contact with tenants.
Liquidity risk	Most loans are subject to covenant restrictions. If covenants are breached this could result in financial penalties, additional cash demands to remedy the breach, a forced sale of the property or in some cases foreclosure of the loan.	Long-term loans are taken out in the same currency used to value the property, thus ensuring a natural hedge. The Group prepares monthly budgets, cash flow analyses and forecasts, which enable the Directors to assess the levels of borrowings required in future periods. This detail is used to ensure that appropriate facilities are in place to finance future planned operations. The Group is structured whereby investment properties are held in special purpose vehicles so that the lender has no recourse to the parent entity. The Board regularly monitors and reports its LTV ratios against the relevant bank covenant so that it can act in a pre-emptive manner.
Cyber security risk	A major cyber attack on the Group's computer systems could lead to theft of sensitive data and periods of down time leading to reputational damage and consequent loss of future fund mandates.	The Group has implemented the recommendations of an independent review of its IT operations to enhance the robustness of its security protection and the effectiveness of its disaster recovery plan. The Group retains the services of an IT specialist service provider, part of whose role is to ensure that protections against data theft and corruption are in place and effective, by utilising the latest anti-viral software and technologies.
Climate-related risk	Physical risks e.g. flooding, can result in increased insurance premiums and unplanned repairs and maintenance. Transitional risks e.g. regulation could result in fines and void periods through non-compliance as space is unlettable. Both physical and transitional risks may ultimately lead to reduced asset values and rental income.	The Group considers physical and transitional risks in investment and asset management processes. During pre-purchase due-diligence an environmental survey is undertaken which assesses flood risk and highlights any required mitigation. Information on the environmental performance, including the Energy Performance Certificate (EPC), is requested from vendors and factored into pricing. Evolving regulation and building standards are monitored with actions taken to mitigate the risk of non-compliance.

The Strategic Report was approved by the Board of Directors on 14 August 2026 and signed on its behalf by:

LAURA HOWARTH
Group Finance Director

Chairman's introduction to governance

Governance framework

The Group's corporate governance framework underpins the successful delivery of our purpose, strategy and long-term value creation.

Our purpose is to manage and invest in property and funds in an efficient, effective and entrepreneurial manner for the benefit of all stakeholders which continues to guide the Board's decisions and culture.

As Chairman, I am pleased to confirm that the Directors remain committed to maintaining high standards of corporate governance and that the Company seeks to comply with the Quoted Companies Alliance Corporate Governance Code 2023 for Small and Mid-Size Quoted Companies (the "Code").

This Code encourages Boards to focus on delivering long-term value for shareholders by promoting trust, transparency and accountability. Our Board takes an active role in cultivating a strong corporate culture aligned with our values, and continuously assesses its alignment with strategic objectives and ethical standards. Culture indicators are monitored through employee feedback, performance reviews, and open engagement.

The Board maintains oversight of environmental and social governance (ESG) factors – including climate-related risks and opportunities, as part of our broader risk management framework. These considerations are embedded into strategy development and investment decisions.

Our governance arrangements are designed not only to comply with the Code, but also to engage meaningfully with shareholders and other key stakeholders.

Read more on our website **www.fprop.com/plc-investors/aim-rule-26**

We strive for transparency, open dialogue and inclusive decision-making at every level of the organisation.

To see how the Company addresses each principle of the Code, please refer to the disclosures below and on the Company's website.

No material governance issues have arisen since the publication of our last Annual Report.

Role of the Board

The Board is collectively responsible for the long-term success of the Group and for ensuring that its governance framework supports sustainable value creation for shareholders and wider stakeholders. Its key responsibilities include:

- Defining and overseeing the Group's purpose, strategic direction, values and culture, ensuring these are embedded across the organisation and aligned with long-term objectives.
- Promoting a culture of integrity, ethical behaviour and accountability, with oversight of how these values are demonstrated in day-to-day operations.
- Maintaining effective governance structures and internal controls, including risk management systems that identify, assess and mitigate principal risks and emerging threats.
- Approving business plans and budgets, ensuring they are consistent with the Group's risk appetite and strategic priorities.
- Monitoring the Group's impact on environmental and social matters, including climate-related risks, and integrating these considerations into strategic decision-making.
- Ensuring that the workforce is empowered to raise concerns, with appropriate whistleblowing mechanisms in place and regularly reviewed.
- Overseeing succession planning and Board composition, ensuring the Board maintains the necessary mix of skills, experience and diversity to support the Group's evolving needs.
- Evaluating its own performance and effectiveness, with a commitment to continuous improvement.

The Board operates as a well-functioning, balanced team led by myself as Chairman, with all Directors contributing their expertise and judgement to the Group's strategic and operational decisions.

Board composition

The Group is governed by a Board comprising two Executive Directors and two Non-Executive Directors, both of whom are considered independent in character and judgement. The Board is satisfied that its composition reflects an appropriate balance of independence, experience and skills to support the Group's strategy and long-term success.

The Chair was independent on appointment and continues to demonstrate objective leadership of the Board. In line with the Code, the Board ensures that at least half of its members are independent Non-Executive Directors, and that key committees are chaired and majority-populated by independent members.

The Board benefits from a diverse range of professional backgrounds and sector expertise, including:

- Significant institutional knowledge of the Group, with one Director having served for more than five years, another for over 15 years, and two Directors for in excess of 20 years. This breadth of experience provides valuable insight into property cycles, risk management and the long term strategic development of the Group.
- Strategic, financial and commercial leadership experience across financial services and other commercial sectors.
- Strong accounting and financial reporting expertise, supporting robust oversight of financial controls and disclosures.
- International business leadership, contributing a global perspective to strategic decision-making.

Chairman's introduction to governance cont.

The Nominations Committee is responsible for regularly reviewing the balance of skills, knowledge, and experience on the Board, together with its structure, size, and composition, making recommendations to the Board on any adjustments considered necessary to ensure it remains well-equipped to support the Group's strategy.

The Board recognises the importance of diversity of thought and background. While no formal diversity targets are set, the Board considers a broad range of characteristics, including gender, ethnicity, socio-economic background, nationality and age when evaluating its composition and succession planning.

Directors maintain and enhance their skills through ongoing professional development and engagement with respected commercial organisations. Each Director commits sufficient time to the Group to discharge their responsibilities effectively.

All Directors are subject to retirement by rotation and re-election by shareholders, in accordance with the Company's Articles of Association (the "Articles").

Board meetings

The Board meets formally at least four times per year, with additional meetings convened as required to address urgent matters. A quorum for Board meetings is two Directors, and decisions taken outside scheduled meetings are ratified at the next formal session.

All Directors receive timely and comprehensive information on the Group's financial and operational performance, with relevant papers circulated in advance to support informed decision-making. Minutes are recorded and approved at subsequent meetings to ensure transparency and accountability.

Directors have unrestricted access to the Company Secretary, and may seek independent professional advice at the Company's expense to support the discharge of their duties.

The Board is committed to continuous improvement and regularly evaluates its performance, a process led by the Chair through structured discussions with individual Directors and with the Board as a whole. The evaluation covers Board dynamics, the effectiveness of decision-making, committee performance, nominations, and alignment with strategic objectives.

In line with the Code, the Board keeps under review the potential use of external facilitators to enhance the evaluation process. While currently deemed unnecessary, the Board recognises the value of periodic independent reviews and will consider external input where it may add meaningful insight.

Board attendance

During the year ended 31 March 2026, the Board convened four formal meetings, in addition to regular Committee sessions and informational calls.

All Directors were in attendance at each of the four meetings, reflecting a strong commitment to governance and oversight.

Outside of formal settings, Non-Executive Directors maintain unrestricted access to employees across all levels of the organisation. This open engagement supports the Board's understanding of the business and reinforces its ability to challenge and support management effectively.

The Board considers that its current meeting cadence and attendance levels are appropriate to ensure effective oversight and strategic guidance. Attendance records are reviewed annually and disclosed to promote transparency and accountability in line with the Code.

Business model and strategy

The Group's business model and strategy are set out in detail on pages 3 to 5, respectively. Together, they reflect our commitment to building a balanced and resilient business that delivers sustainable value for shareholders and wider stakeholders.

Our strategy centres on two complementary divisions:

- Fund Management; and
- Property Investing.

Both divisions are structured to generate recurring, contractual revenue streams with high forward visibility, supporting long-term financial stability and strategic agility.

This dual-focus model enables the Group to:

- Diversify income sources and mitigate cyclical risk.
- Leverage operational synergies across investment and asset management.
- Maintain a disciplined approach to capital allocation and growth.

The Board regularly reviews the Group's strategic objectives to ensure alignment with its corporate purpose, market dynamics, and stakeholder expectations. Strategic decisions are underpinned by a clear understanding of risk, opportunity, and long-term value creation.

Risk management

The Group's strategy is shaped by the Board's ongoing assessment of principal risks and uncertainties, considering both their likelihood and potential impact. These risks, along with the Group's mitigation strategies, are detailed on pages 15 and 16.

The Group operates within a robust corporate governance framework, which complements its internal controls and is supported by a suite of policies and procedures designed to safeguard the business and its stakeholders.

The Board and the Audit Committee maintain oversight of the Group's whistleblowing arrangements, ensuring that employees are empowered to raise concerns confidentially and without fear of reprisal. The Company's whistleblowing policy is reviewed regularly and forms a key part of its ethical culture and risk assurance framework.

In line with the Code, the Group's risk management approach now includes:

- Consideration of climate-related and ESG risks as part of strategic planning.
- Enhanced internal control disclosures, including auditor independence and assurance activities.
- Clear governance mechanisms for monitoring and responding to emerging risks.

The Board continues to refine its risk oversight processes to ensure they remain proportionate, forward-looking, and aligned with stakeholder expectations.

Members of the Board Committees

Name	Role	Committees (Audit, Remuneration, Nominations)
Alasdair Locke	Chairman & Non-Executive Director	Nominations – Chairman Audit – Member Remuneration – Member
Peter Moon	Non-Executive Director	Nominations – Member Audit – Chairman Remuneration – Chairman

Culture

We work hard to nurture our culture, and it is something we regularly monitor to ensure we keep it alive. We have a number of culture standards we wish to live by, such as:

- Diversity and inclusion, encouraging equity, respect and diverse perspectives;
- Diligence in risk management, embedding thoughtful and proactive approaches at all levels;
- Leadership excellence, setting the tone from the top with authenticity, empathy and responsibility;
- Integrity, maintaining transparency, ethical behaviour, and accountability; and
- Respectful behaviour, fostering trust, collaboration and psychological safety.

Our values are embedded across recruitment, performance management, and strategic planning. Cultural risks are considered alongside financial and operational risks in assurance activities.

Board Committees

The Board constitutes the following committees: Audit Committee, Remuneration Committee and Nominations Committee.

Audit Committee

The Audit Committee is responsible for monitoring the controls that are in force to ensure the integrity of information reported to shareholders.

The Audit Committee meets at least four times a year as part of the quarterly Board meetings and is responsible for ensuring that the Company's financial performance is properly monitored, controlled and reported. The Audit Committee met four times in the year.

The Audit Committee advises the Board on the appointment of external auditors and on their remuneration for both audit and non-audit work, and discusses the nature, scope and results of the audit with the external auditors.

The Committee reviewed the independence and objectivity of Cooper Parry, including consideration of non-audit services, partner rotation requirements and audit quality indicators, and concluded that the auditor remained independent and effective.

Audit Committee Report

During the year, the Audit Committee has continued to focus on the effectiveness of controls throughout the Group. Consideration was given to the audit plan and audit findings reports of the external auditors and these provided opportunities to review the accounting policies, internal controls and the financial information contained in both the annual and interim reports.

Chairman's introduction to governance cont.

Remuneration Committee

The role of the Remuneration Committee is to review the performance of the Executive Directors and to set the scale and structure of their remuneration, including any bonus arrangements, with due regard to the interest of shareholders.

The Remuneration Committee is responsible for determining if the Company should adopt any form of share option scheme, and considering the terms of the grant of options under any such scheme, ensuring that due regard is given to any relevant legal requirements, including the provisions and recommendations in the Listing Rules.

Remuneration Committee Report

During the year, the Committee continued to review the performance and remuneration of the Executive Directors. The Committee met once in the year.

Nominations Committee

The role of the Nominations Committee is to evaluate the Board of Directors and examine the skills and characteristics required of Board candidates to ensure the Company has a Board composition with a mix of skills, expertise and perspectives as well as paying attention to diversity, gender, ethnicity and other factors.

Nominations Committee Report

The Committee did not meet during the year as there was no change in the composition of the Board.

Further information on the Board Committees, including their formal written charters, is set out on the Company website at **www.fprop.com/plc-investors/board-committees-terms-of-reference.**

Board remuneration

The Board recognises that remuneration plays a critical role in supporting long-term value creation and aligning executive incentives with the Company's purpose, strategy and culture. In accordance with Principle 9 of the Code, we have established a remuneration policy that is transparent, proportionate and performance-linked.

Key features of our approach include:

- Alignment with strategic goals – remuneration structures are designed to reward delivery of long-term objectives and sustainable growth.
- Cultural consistency – pay practices reflect our values, including fairness, integrity and accountability.
- Shareholder engagement – whilst we don't seek shareholder approval for forward-looking remuneration policies at the AGM, we welcome dialogue with shareholders on executive remuneration, should a shareholder have any concerns.

Governance and oversight – the Remuneration Committee reviews pay arrangements annually, considering market benchmarks, risk implications and ESG performance.

While we support the intent of Principle 9 of the Code, we have not yet implemented clawback provisions for variable pay. This reflects the current scale and structure of our Executive remuneration. We will continue to monitor market practice and review this position annually.

We remain committed to evolving our remuneration practices in line with stakeholder expectations and regulatory developments.

The Annual General Meeting of the Group will take place on 24 September 2026. The Notice of this Meeting and the proposed Ordinary and Special Resolutions to be put to the meeting are included at the end of this Annual Report.

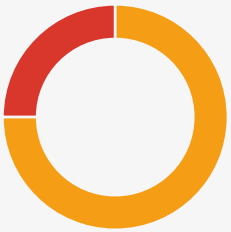
ALASDAIR LOCKE
Independent Non-Executive Chairman

14 August 2026

Read more on our website at **www.fprop.com/plc-investors/aim-rule-26**

Governance at a glance

Board composition



Board diversity

Male	75%
Female	25%

Board tenure

5-10 Years	25%
15-20 Years	25%
>20 Years	50%

Board composition

Non-Executive	50%
Executive	50%

Board – Roles and responsibilities

Group Chief Executive Ben Habib

Responsible for:

- Proposing and delivering the strategy as set by the Board.
- Leading the Group to deliver operational and financial performance.
- Representing the Group internally and externally to stakeholders, including shareholders.

Group Finance Director, Laura Howarth

Responsible for:

- Overseeing the Group's financial, management and tax reporting.
- Treasury management.
- Financial planning and analysis.

Independent Non-Executive Chairman, Alasdair Locke

Responsible for:

- Leadership of the Board.
- Ensuring effective relationships exist between the Non-Executive and Executive Directors.
- Ensuring that the views of all stakeholders are understood and considered appropriately in Board discussions.

Independent Non-Executive Director, Peter Moon

Responsible for:

- Active participation in Board decision-making.
- Advising on key strategic matters.
- Critiquing and challenging proposals and activities, and approving plans where appropriate.

Attendance

Board meetings

Director	Number of meetings attended/ meetings possible	Attendance %
Ben Habib	4/4	100
Laura Howarth	4/4	100
Alasdair Locke	4/4	100
Peter Moon	4/4	100

Audit Committee

Director	Number of meetings attended/ meetings possible	Attendance %
Alasdair Locke	4/4	100
Peter Moon	4/4	100

Remuneration Committee

Director	Number of meetings attended/ meetings possible	Attendance %
Alasdair Locke	1/1	100
Peter Moon	1/1	100

Board of Directors

1.
Ben Habib, MA (Cantab)
Group Chief Executive

Ben Habib has extensive experience of finance and the real estate sector.

Year appointed
2000

Education
Cambridge University

Previous experience
- 1987: Graduate Trainee in Corporate finance at Shearson Lehman Brothers
- 1989-1994: Finance Director of PWS Holdings Plc, a FTSE 350 Lloyds reinsurance broker
- 1994-2000: Managing Director of JKL Property Ltd, a private property development company

2.
Laura Howarth, ACA, BA (Hons)
Group Finance Director

Laura Howarth has extensive accounting and financial reporting experience.

Year appointed
2020

Education
University of Kent, Canterbury

Previous experience
- 2011: Qualified as a Chartered Accountant (ACA) with Moore Stephens LLP
- 2014-2020: Group Financial Controller for First Property Group plc

3.
Alasdair Locke, MA (Oxon)
Independent Non-Executive Chairman

Alasdair Locke has considerable experience of leading successful international businesses.

Year appointed
2000

Education
Oxford University

Previous experience
- 1974: Corporate Finance at Citigroup specialising in shipping and oil
- 1982: Established a Singapore-based business providing finance for and investing in shipping and offshore oil service companies, which was subsequently acquired by Henry Ansbacher & Co Ltd
- 1990: Established Abbot Group Plc which he took public in 1995
- 2008: Sold Abbot Group to private equity, at which point the Group was one of the leading oil drilling, engineering and contracting businesses in the world, with approximately 8,000 employees in over 20 countries and an annual turnover of circa USD1.8 billion
- 2008 founded Motor Fuel Group, now the biggest owner and operator of PFS (petrol forecourts) in the UK
- 2017 founded Well-Safe Solutions Ltd

External commitments
- Chairman of Motor Fuel Group
- Chairman of Well-Safe Solutions Ltd

Awards
- 1990 Scottish Business Achievement Awards Entrepreneur of the Year
- 1999 EY Overall and Master Entrepreneur of the year for Scotland
- 2000 International Business Achievement Award at Scottish Business Achievement Awards Trust
- 2001 Grampian Industrialist of the Year
- 2007 International Business Achievement Award from the Scottish Business Achievement Awards Trust

4.
Peter Moon, BSc (Econ)
Independent Non-Executive Director

Peter Moon has considerable experience of providing strategic, financial and commercial expertise to financial services and other commercial operations.

Year appointed
2010

Education
University College, London

Previous experience

Executive
- 1972-1985: Various Investment Manager positions at Central Board of Finance of the Church of England, Slater Walker and the National Provident Institution
- 1985-1992: Chief Investment Officer of British Airways Pensions
- 1992-2009: Chief Investment Officer of Universities Superannuation Scheme (USS)

Non-Executive
- 1990-1995: Member of the National Association of Pension Funds (NAPF) Investment Committee
- 1991-1995: Chairman of the NAPF Stock Exchange Sub-Committee
- 1995-2002: Adviser to Lincolnshire County Council
- 2004-2007: Non-Executive Director of MBNA Europe
- 2004-2012: Adviser to London Pension Fund Authority
- 2005-2022: Non-Executive Director, and Chairman (2016-2022) of Scottish American Investment Company P.L.C.
- 2010-2016: Non-Executive Director then Chairman of Arden Partners
- 2014-2017: Non-Executive Director of Gresham House Plc
- 2016-2026: Non-Executive Director of JPMorgan Asia Growth and Income Plc

External commitments
- Non-Executive Chairman of Bell Potter (UK) Ltd (since 2010)

Directors' report
for the year ended 31 March 2026

The Directors present their report and the audited financial statements for the year ended 31 March 2026.

Principal activities and review of the business
The principal activity of the Group is to earn fees from property fund management and to earn a return on the Group's own capital by making principal investments, usually by co-investing with fund management clients of the Group. The Group has operations in the United Kingdom and Central Europe (mainly in Poland).

The Consolidated Income Statement is set out on page 33.

A summary of likely future developments in the business of the Group is included in the Chief Executive's Statement.

Results and dividends
The Group made a total profit before taxation of £3.40 million (2025: £3.03 million). The total comprehensive profit for the year was £3.26 million (2025: £3.07 million).

The Directors have resolved to pay a final dividend of 0.25 pence per share (2025: 0.00 pence per share).

Subject to approval by shareholders at the Annual General Meeting to be held on 24 September 2026, the proposed final dividend will be paid on 29 September 2026 to shareholders on the register at the close of business on 28 August 2026. The shares will become ex-dividend on 27 August 2026.

The diluted net profit per share was 1.81 pence (2025: 1.64 pence).

The Group held cash of £6.95 million at 31 March 2026 (31 March 2025: £4.82 million) and had bank borrowings of £12.99 million (31 March 2025: £24.37 million). Net debt decreased to £6.04 million (31 March 2025: £19.55 million).

Section 172 Statement
This section of the Annual Report covers the Board's considerations and activities in discharging its duties under s172(1) of the Companies Act 2006, in promoting the success of the Company for the benefit of its members as a whole.

Please see our section 172 Statement in more detail in the Strategic Report on page 14.

Employees
The Group employed 41 staff on average during the year ended 31 March 2026 (2025: 43); of these, 32 employees were based in Poland (2025: 31) in the Group's Warsaw office providing essential service support to the properties located in Poland which it manages, with the remainder based in the Group's UK head office in London. Of the total average staff across the Group, 15 are male and 26 are female.

The Group's policy is to consult and discuss with employees, through regular meetings with subsidiary Company management, matters likely to affect employees' interests. The Group operates a discretionary cash bonus incentive scheme for which all employees qualify and is based on a combination of the employee's individual and the Group's overall performance.

The Group has a diversity and equal opportunities policy which commits it to promoting diversity and equality of opportunity for all staff and job applicants. It aims to create a flexible working environment in which all individuals are able to make best use of their skills, free from discrimination or harassment, and in which all decisions are based on merit. It does not discriminate against staff on the basis of age, disability, gender, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief. This policy applies to all aspects of the relationship with staff and to relations between staff members at all levels. This includes job advertisements, recruitment and selection, training and development, opportunities for promotion, conditions of service, pay and benefits, conduct at work, disciplinary and grievance procedures, and termination of employment.

Compliance and regulations
The Group is listed on the AIM segment of the London Stock Exchange. FPAM, a wholly owned subsidiary of the Group, is Authorised and Regulated by the Financial Conduct Authority (FCA) and is a full scope Alternative Investment Fund Manager ("AIFM"), allowing it to manage third-party funds with a value in excess of €500 million. FPAM is a provider of property fund management services to various property funds.

Risk management
The Group's economic and operational risks are identified and assessed on pages 15 and 16, together with a description of their impact and countermeasures to mitigate them.

Share capital
At 31 March 2026, the Company's share capital comprised 153,561,892 Ordinary Shares of 1 pence each (2025: 153,561,892), including 5,718,783 shares held in treasury. Each share ranks equally with the others, including the rights to receive dividends and vote (except that no votes are cast or dividends paid in respect of shares held in treasury). Except as set out in the Articles, there are no restrictions on the transfer of the Company's securities.

Directors' report cont.

for the year ended 31 March 2026

Directors and their interests

Directors are appointed and retire in accordance with the Articles of Association. In particular, each Director is to retire from office at the third Annual General Meeting after the meeting at which he or she was appointed or last appointed. Any Director who so retires may stand to be re-elected at that Annual General Meeting. Any Director who retires at an Annual General Meeting shall be deemed to have been re-elected at that meeting, unless (i) a Director is appointed by the Company in their place; (ii) it is expressly resolved not to fill the vacated office; or (iii) a resolution for that Director's re-election has been put to the meeting and failed.

The Directors are listed below.

The beneficial interests of the Directors in the share capital of the Company at 1 April 2025, 31 March 2026 and 16 July 2026, as recorded in the register maintained by the Company in accordance with the provisions of the Companies Act 2006, were as follows:

	Ordinary Shares of 1 pence			Option over Ordinary Shares of 1 pence		
	16/07/2026	31/03/2026	1/04/2025	16/07/2026	31/03/2026	1/04/2025
A J D Locke	14,720,341	14,720,341	14,720,341	–	–	–
P Moon	662,406	662,406	662,406	–	–	–
B N Habib	24,818,595	24,818,595	24,218,595	5,875,000	5,875,000	5,875,000
L B Howarth	–	–	–	1,875,000	1,875,000	1,875,000

Substantial shareholdings

At 16 July 2026 the Company had been notified in accordance with Chapter 5 of the Disclosure, Guidance and Transparency Rules Sourcebook published by the Financial Conduct Authority that the following persons had substantial interests in the voting rights of the Company.

	Percentage of issued Ordinary Shares of 1 pence held %
Peter Gyllenhammar AB/Galjaden Invest AB/Bronsstädet AB/Galjaden Holding AB/ Browallia Asset Management Ltd/Silversläggan Invest AB	29.06%
B N Habib	16.79%
A J D Locke	9.96%
Whitehall Associated SA	7.00%
Bjorn Saven	4.18%

Health and safety at work

The wellbeing of the employees is given the highest priority throughout the Group and it is the Group's policy not only to comply with Health & Safety measures, as required by law, but to act positively to prevent injury and ill health, and damage to the environment arising from its operations.

ESG

The Group aims to be a sustainable business, playing its part in tackling key social and environmental challenges. Details of the Group's ESG framework are included in the ESG section on page 10.

Political donations

The Group made no political donations and has incurred no political expenditure in the year (2025: £nil).

Directors' professional indemnity insurance

All Directors of the Company have the benefit of the indemnity provision contained in the Company's Articles of Association. The provision, which is a qualifying third-party indemnity provision, remains in force. The Group also purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its Directors and Officers, although no cover exists in the event Directors are found to have acted fraudulently or dishonestly.

Annual General Meeting

The notice convening the Annual General Meeting to be held on 24 September 2026, can be found on page 73.

The Board hopes that as many shareholders as possible will be able to attend the Annual General Meeting either in person or, for those who are unable to attend in person, via a live presentation and the Board invites shareholders to submit questions at any time in advance of the meeting or during the meeting using the online facility that will be provided. Details of how to access the live presentation and to ask questions will be published on the Company's website. Please note that shareholders will be required to register to access the live presentation via **www.investormeetcompany.com** and follow First Property Group plc. Please note that joining remotely will not constitute attendance and shareholders who join remotely will not be able to vote at the meeting. Shareholders are therefore asked to submit their votes by proxy.

To the extent shareholders wish to attend in person, the Board kindly requests that shareholders pre-register their intentions to attend by emailing the Company Secretary, Jill Aubrey, at **jill.aubrey@fprop.com**.

The notice convening the Annual General Meeting contains special resolutions empowering the Directors to:

1. Allot relevant securities pursuant to the authority provided by Resolution 7 up to a maximum nominal amount of £492,810 (representing 33.33% of the issued Ordinary Share capital of the Company as at 16 July 2026, less the number of Ordinary Shares held in treasury) outside the pre-emption provisions contained in the Companies Act 2006 and the Articles of Association, provided that such securities shall only be:

   (i) issued or transferred from treasury in connection with a rights offer (Resolution 8(a)); or

   (ii) issued or transferred from treasury otherwise than in connection with a rights issue where the aggregate nominal value of all Ordinary Shares so issued or transferred does not exceed £295,686 (representing 20% of the issued Ordinary Share capital of the Company as at 16 July 2026, less the number of Ordinary Shares held in treasury) (Resolution 8(b)).

The resolution being proposed is a means of ensuring that the Directors have the ability to take advantage of opportunities becoming available, rapidly and without undue transaction costs.

2. Purchase of up to 10% of its own issued Ordinary Shares of 1 pence each (Resolution 9).

   The Directors propose that the Company be authorised to purchase a maximum of 14,784,311 Ordinary Shares of 1 pence each (representing just under 10% of the Company's issued Ordinary Share capital as at 16 July 2026, less any treasury shares) within the limits described in Resolution 9 contained in the notice of the Annual General Meeting. It is intended that purchases will only be made on the AIM market of the London Stock Exchange. This should not be taken to imply that Ordinary Shares will be purchased. The Directors will only exercise the authority to purchase the Company's own Ordinary Shares if to do so would be in the best interests of its shareholders generally.

The Ordinary Shares acquired in this way would either be cancelled with a resultant reduction in the number of Ordinary Shares in issue, or the Directors may elect to hold them in treasury pursuant to the relevant provisions in the Companies Act 2006.

Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under a Company's employees' share scheme. Once held in treasury, a company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of the shares. Furthermore, no dividend or other distribution of a company's assets may be made to the company in respect of the treasury shares.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Chief Executive's Statement and the financial statements in accordance with applicable laws and regulations. The Directors are required by Company law of the United Kingdom to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial period and of the profit and loss of the Group for that period having regard to the commercial substance of transactions. The Directors are required by the AIM Rules of the London Stock Exchange to prepare Group financial statements in accordance with UK-adopted international accounting standards.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the Company's financial position and enable them to ensure compliance with the Companies Act 2006, for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that suitable accounting policies have been used and applied consistently in order to adopt new accounting standards, and that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 March 2026. The Directors also confirm that applicable accounting standards have been followed, that the financial statements have been prepared on a going concern basis and that the integrity of the Group's website has been maintained.

The Directors confirm that this Annual Report and these financial statements taken as a whole are fair, balanced and understandable and provide the necessary information for shareholders to assess the Company's performance, business model and strategy.

Information published on the internet is accessible in many countries with different legal requirements relating to the preparation and dissemination of financial statements. UK legislation governing the preparation and dissemination of financial statements may therefore differ from that in other jurisdictions.

Directors' report cont.

for the year ended 31 March 2026

Statement of disclosure to the auditor

The Board hereby confirms that each Director has taken the steps they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the auditors are aware of all such information. So far as each Director is aware, there is no relevant audit information of which the auditors are not aware.

The Strategic Report and Directors' Report, which has been prepared in accordance with the requirements of the Companies Act 2006, comprises the following sections: Chief Executive's Statement, Risks and Mitigation and ESG.

Auditors

The auditors, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Approved and signed on behalf of the Board.

LAURA HOWARTH
Group Finance Director

14 August 2026

Independent auditor's report

to the members of First Property Group plc

Opinion

We have audited the financial statements of First Property Group PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2026 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Cash Flow Statements, the Consolidated and Company Statements of Changes in Equity, and the related notes to the financial statements, including a summary of material accounting policies.

The financial reporting framework that has been applied in the preparation of the parent company and group financial statements is applicable law and UK adopted international accounting standards.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2026 and of the group's profit for the year then ended;
- the parent company and group financial statements have been properly prepared in accordance with UK adopted international accounting standards and;
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK-adopted international accounting standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed 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.

Our approach to the audit

We adopted a risk-based audit approach. We gained a detailed understanding of the group's business, the environment it operates in and the risks it faces.

The key elements of our audit approach were as follows:

In order to assess the risks identified, the engagement team performed an evaluation of the identified risks of the consolidated financial statements and considered the risk of material misstatement at the assertion level of the consolidated financial statements to determine the planned audit responses based on a measure of materiality.

The group audit was scoped by obtaining an understanding of the group and its environment, including the group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

The Group audit is conducted by a central audit team in the UK, directly responsible for the audit of the Company and all UK components, in conjunction with locally based auditors of the other in scope components based overseas. We performed a full scope statutory audit over the parent company and the UK component - First Property Asset Management. We performed specified procedures on one or more classes of transactions, account balances, or disclosures in relation to the Polish components: FP Poland sp. z o.o., Corp sp. z o.o., Ross sp. z o.o., Ross 2 sp. z o.o. and Ross 3 sp. z o.o. Taken together these components represent 72% of revenue and 73% of net assets.

We considered there to be a high degree of centralisation of financial reporting and commonality of controls, as well as similarity of the group's activities in the period in relation to consolidation, taxation and intercompany.

We therefore designed and performed procedures centrally in these areas.

Independent auditor's report cont.

to the members of First Property Group plc

Our involvement with component auditors:

For the work performed by component auditors over the Polish components, we determined the level of involvement needed in order to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the group financial statements as a whole. Work on the UK and parent company components and centralised audit procedures was performed by the group audit team in the UK.

Our involvement with component auditors included the following:

- Audit scoping and planning meetings with local component auditors;
- Provision of Group engagement instructions, containing information on the significant risks at Group and component level, materiality calculations, summary of significant audit and accounting issues, specific procedures and communications required, and considerations in respect of fraud and irregularities;
- Audit progress meetings with local component auditors;
- Review of Group reporting information provided;
- Review of local audit file; and
- Audit completion meeting with local component auditors.

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

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Audit response
Revenue recognition (see Notes 2 and 3) Group revenue is generated primarily from rental income, asset management fees and performance related fee income, as described more fully in the Group's accounting policy in Note 2 to the financial statements. Revenue generation was also diversified as a property was bought and sold in the current year, generating revenue via a new income stream. Given the material nature of revenue and the variety of methods it is generated through, the appropriateness of revenue recognition and management's application of the Group's revenue recognition accounting policies represents a key risk area of significant judgement in the financial statements. In particular, we consider that a significant risk arises on the occurrence of performance fees and other variable consideration revenue streams which depend on the use of estimates and judgements by management.	• We performed detailed testing of rental income for a sample of leases by agreeing the annual rent back to the terms of the lease agreements. • For a sample of leases, we tested that the rental income, including the treatment of lease incentives, is recorded on an appropriate basis and in accordance with relevant regulations. • We challenged management over the judgements and estimates used in the recognition of revenue for accelerated asset management fees arising on the sale of properties in certain funds. • We performed substantive procedures over the recognition of revenue for asset management and performance fees within the Fund Management division. • We performed substantive procedures over the income from property sales during the year, vouching to external confirmations and verifying proceeds received. • We performed cut-off procedures to test transactions around the year end and verified a sample of revenue to originating documentation to provide evidence that transactions were recorded in the correct year. • We assessed whether the revenue recognition policies adopted complied with UK adopted international accounting standards. Based upon the audit work performed no matters came to our attention to indicate that revenue is materially misstated.

Key audit matter	Audit response
Carrying Valuation of Investment Properties including Group investment properties and properties held by associated entities (see Notes 3, 14 and 18(a)) Whilst the Group's property portfolio is held primarily at cost, the valuation of investment properties is relevant in the context of the possible impairment of individual properties (including those held by the Group's associated entities). The valuation of the property portfolio is a significant judgement area and is underpinned by a number of estimates and assumptions, including capitalisation yields and future rental income. The Group uses professionally qualified external valuation experts to value the majority of the Group's property portfolio at regular intervals. The external valuers perform their work in accordance with relevant valuation standards and the requirements of International Accounting Standard 40 'Investment Property'. Any input inaccuracies or unreasonable assumptions used in these judgements could result in a material misstatement of the Statement of Comprehensive Income and Statement of Financial Position.	• We assessed management's process for reviewing and assessing the work of the external valuation experts. • We assessed the competence, objectivity and integrity of the valuation experts. • We obtained the external valuation reports and assessed and challenged the valuation process, the performance of the portfolio and the significant assumptions and critical judgement areas. • We performed audit procedures to assess the completeness and accuracy of a sample of the information provided to the valuation experts by agreeing that information to underlying lease agreements. • We reviewed management's impairment analysis for individual Group properties and those held by associated entities and tested the accuracy of market values for individual assets compared to the carrying values in the Group financial statements. In particular, we focused on testing management's calculations against external valuations and other supporting evidence. Based upon the audit work performed no matters came to our attention to indicate that the valuation of investment properties is materially misstated.
Related party transactions (see Notes 3 and 32) The Group has several classes of related parties by virtue of its structure and operating model. These include associated entities and funds managed by the Group, in some of which the Group holds direct financial investments. In addition, key management personnel hold personal investments in certain associated entities and funds, which are typically minority holdings. The Directors have an obligation to record, monitor and assess related party transactions in order to meet the Group's obligations under FCA regulations, the AIM Rules for Companies, corporate governance principles and the disclosure requirements of IAS 24 – Related Party Disclosures. Material related party transactions carry an increased a risk of non-compliance with laws and regulations. The existence of related party interests is also relevant to the Group's assessment of control over its subsidiaries, associated entities and managed funds, as described more fully in Note 3 to the financial statements.	• We obtained a listing of management's identified related party transactions arising in the year which we assessed for completeness and accuracy through a review of Board and Committee minutes, a review of public filings in relation to known related parties, inquiries with the Directors and management and the results of our wider audit procedures. • We inspected (on a sample basis) documentation in relation to the related party transactions disclosed in Note 32 to the financial statements. We obtained supporting evidence over the completeness and accuracy of these transactions and disclosures. Based upon the audit work performed no matters came to our attention to indicate that related party transactions are materially misstated.

Independent auditor's report cont.

to the members of First Property Group plc

Our application of materiality

We apply the concept of materiality in planning and performing our audit, in determining the nature, timing and extent of our audit procedures, in evaluating the effect of any identified misstatements, and in forming our audit opinion.

	Group financial statements	Parent financial statements
Overall materiality	£0.7m (2025: £0.8m)	£0.4m (2025: £0.4m)
Basis for determining materiality	1% gross assets (2025: 1% gross assets)	1% gross assets (2025: 1% gross assets)
Rationale for the benchmark applied	Key users of the Group financial statements are primarily focused on the valuation of the Group's assets, and consistent with industry practice.	This was determined with reference to the benchmark of the parent company's gross assets which we consider to be an appropriate measure for a holding company with investments in subsidiaries and associates.
Performance materiality	£0.5m	£0.3m
Basis for determining performance materiality	70% of materiality (2025: 80%)	70% of materiality (2025: 80%)
Rationale for the percentage applied for performance materiality	This was considered appropriate based on cumulative knowledge of the Group, degree of estimation in financial statements, historic misstatement levels, and level of aggregation.	

Component performance materiality was set at 70% of group performance materiality. We consider this appropriate to address the degree of aggregation risk in the Group.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £35,450 for the Group, and of £21,800 for the Company, which was determined as 5% of overall materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluated any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Conclusions relating to going concern

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

Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- reviewing management's cash flow forecasts for a period of 12 months from the date of approval of these financial statements;
- challenging management on key assumptions included in their forecast scenarios;
- considering the potential impact of various scenarios on the forecasts;
- reviewing results post year end to the date of approval of these financial statements and assessing them against original budgets; and
- reviewing management's disclosures in the financial statements.

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 ability to continue as a going concern for a period of at least 12 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.

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

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 period 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 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 25, 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 the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. 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.

Our assessment focused on key laws and regulations the Group and parent company have to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, AIM listing rules, UK adopted international accounting standards, the FCA regulations relevant to an authorised Alternative Investment Fund Manager and relevant tax legislation in the jurisdictions in which the Group operates. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Independent auditor's report cont.

to the members of First Property Group plc

Our approach is as follows to detecting irregularities, which is not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Group and parent company and how the Group and parent company is complying with that framework by making enquiries of management, those responsible for legal and compliance procedures and the Company Secretary. We corroborated our enquiries through review of Board minutes for instances of non-compliance;
- obtaining an understanding of the Group and parent company's policies and procedures and how the Group and parent company has complied with these, through discussions and evaluation;
- obtaining an understanding and evaluation of the Group and parent company's risk assessment process, including the risk of fraud;
- designing our audit procedures to respond to our risk assessment;
- performing audit testing over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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 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 non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

JUSTINE HUGHES
(Senior Statutory Auditor)
For and on behalf of Cooper Parry Group Limited
Statutory Auditors
Sky View
Argosy Road
Castle Donington
Derby
DE74 2SA

Consolidated income statement

for the year ended 31 March 2026

	Notes	Year ended 31 March 2026 Total results £'000	Year ended 31 March 2025 Total results £'000
Revenue	4	**8,719**	7,552
Cost of sales		**(2,881)**	(2,728)
Gross profit		**5,838**	4,824
Operating expenses		**(4,379)**	(4,317)
Operating profit		**1,459**	507
Share of associates' profit after tax	20a)	**1,719**	2,827
Share of associates' revaluation losses	20a)	**(155)**	(38)
Profit on the deconsolidation of Gdynia	16	**149**	–
Profit on sale of investment property	14	**268**	–
Investment income		**177**	422
Interest income	5	**274**	245
Interest expense	5	**(494)**	(695)
Loss from impairment of an investment property	14	**–**	(242)
Profit before tax		**3,397**	3,026
Tax charge	10	**(470)**	(684)
Profit for the year		**2,927**	2,342
Attributable to:			
Owners of the parent		**2,683**	2,139
Non-controlling interests		**244**	203
		2,927	2,342
Earnings per share:			
Basic	11	**1.81p**	1.65p
Diluted	11	**1.81p**	1.64p

The Notes on pages 39 to 72 form part of these financial statements.

Consolidated statement of comprehensive income

for the year ended 31 March 2026

	Year ended 31 March 2026 Total results £'000	Year ended 31 March 2025 Total results £'000
Profit for the year	**2,927**	2,342
Other comprehensive income		
Items that may subsequently be reclassified to profit or loss		
Exchange differences on retranslation of foreign subsidiaries	**460**	985
Net loss on financial assets at fair value through other comprehensive income	**(130)**	(258)
Taxation	**–**	–
Total comprehensive income for the year	**3,257**	3,069
Total comprehensive income for the year attributable to:		
Owners of the parent	**2,957**	2,759
Non-controlling interests	**300**	310
	3,257	3,069

Company Income Statement

The Company is taking advantage of the exemption in s.408 of the Companies Act 2006 not to present its individual Income Statement and related Notes that form a part of these approved financial statements.

Statement of financial position

as at 31 March 2026

	Notes	2026 Group £'000	2026 Company £'000	2025 Group £'000	2025 Company £'000
Non-current assets					
Investment properties	14	**35,155**	**–**	46,759	–
Right of use assets	17	**43**	**–**	–	–
Property, plant and equipment	18	**15**	**–**	15	–
Investment in Group undertakings	19	**–**	**15,369**	–	15,217
Investment in associates	20a)	**21,483**	**13,402**	20,064	13,702
Other financial assets at fair value through OCI	20b)	**988**	**988**	1,670	1,670
Other receivables	22b)	**–**	**2,900**	–	8,260
Goodwill	21	**153**	**–**	153	–
Deferred tax assets	27	**458**	**–**	1,117	–
Total non-current assets		**58,295**	**32,659**	69,778	38,849
Current assets					
Current tax assets		**157**	**–**	170	–
Right of use assets	17	**65**	**–**	–	–
Trade and other receivables	22a)	**4,427**	**2,236**	3,939	1,612
Cash and cash equivalents		**6,953**	**4,688**	4,824	1,817
Total current assets		**11,602**	**6,924**	8,933	3,429
Current liabilities					
Trade and other payables	23	**(2,164)**	**(8,215)**	(2,743)	(8,964)
Provisions	24	**(284)**	**–**	(332)	–
Lease liabilities	17	**(45)**	**–**	–	–
Financial liabilities	25	**(1,005)**	**–**	(5,143)	–
Other financial liabilities	26	**(1,017)**	**–**	(11,042)	–
Current tax liabilities		**(20)**	**–**	(22)	–
Total current liabilities		**(4,535)**	**(8,215)**	(19,282)	(8,964)
Net current assets		**7,067**	**(1,291)**	(10,349)	(5,535)
Total assets less current liabilities		**65,362**	**31,368**	59,429	33,314
Non-current liabilities					
Financial liabilities	25	**(8,038)**	**–**	(4,307)	–
Other financial liabilities	26	**(2,929)**	**–**	(3,875)	–
Lease liabilities	17	**(56)**	**–**	–	–
Deferred tax liabilities	27	**(3,621)**	**–**	(3,930)	–
Net assets		**50,718**	**31,368**	47,317	33,314
Equity					
Called up share capital	28	**1,536**	**1,536**	1,536	1,536
Share premium		**8,222**	**8,222**	8,222	8,222
Share based payment reserve		**1,221**	**1,221**	1,105	1,105
Foreign exchange translation reserve		**38**	**–**	(422)	–
Purchase of own shares reserve		**(2,440)**	**(2,440)**	(2,440)	(2,440)
Investment revaluation reserve		**(1,252)**	**(1,252)**	(2,451)	(2,451)
Retained earnings		**40,894**	**24,081**	39,540	27,342
Equity attributable to the owners of the parent		**48,219**	**31,368**	45,090	33,314
Non-controlling interests		**2,499**	**–**	2,227	–
Total equity		**50,718**	**31,368**	47,317	33,314
Net assets per share	11	**32.61p**		30.50p	

The Company's loss for the year was £1.93 million (2025: loss £1.23 million).

The financial statements were approved and authorised for issue by the Board of Directors on 14 August 2026 and were signed on its behalf by:

LAURA HOWARTH
Group Finance Director

Registered No. 02967020

Consolidated statement of changes in equity

for the year ended 31 March 2026

Group	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Foreign exchange translation reserve £'000	Purchase of own shares £'000	Investment revaluation reserve £'000	Retained earnings £'000	Non-controlling interests £'000	Total £'000
At 1 April 2025	**1,536**	**8,222**	**1,105**	**(422)**	**(2,440)**	**(2,451)**	**39,540**	**2,227**	**47,317**
Profit for the year	–	–	–	–	–	–	2,927	–	2,927
Net loss on financial assets at fair value through other comprehensive income	–	–	–	–	–	(130)	–	–	(130)
Exchange differences arising on translation of foreign subsidiaries	–	–	–	460	–	–	–	56	516
Change in the proportion held in non-controlling interests	–	–	–	–	–	–	–	–	–
Total comprehensive income	**–**	**–**	**–**	**460**	**–**	**(130)**	**2,927**	**56**	**3,313**
Share options charge	–	–	116	–	–	–	–	–	116
Movement in investment revaluation reserve	–	–	–	–	–	1,329	(1,329)	–	–
Non-controlling interests	–	–	–	–	–	–	(244)	244	–
Dividends paid	–	–	–	–	–	–	–	(28)	(28)
At 31 March 2026	**1,536**	**8,222**	**1,221**	**38**	**(2,440)**	**(1,252)**	**40,894**	**2,499**	**50,718**
At 1 April 2024	**1,166**	**5,635**	**815**	**(1,407)**	**(2,440)**	**(2,193)**	**37,401**	**1,954**	**40,931**
Profit for the year	–	–	–	–	–	–	2,342	–	2,342
Net loss on financial assets at fair value through other comprehensive income	–	–	–	–	–	(258)	–	–	(258)
Exchange differences arising on translation of foreign subsidiaries	–	–	–	985	–	–	–	107	1,092
Change in the proportion held in non-controlling interests	–	–	–	–	–	–	–	–	–
Total comprehensive income	**–**	**–**	**–**	**985**	**–**	**(258)**	**2,342**	**107**	**3,176**
Share issue	370	2,587	–	–	–	–	–	–	2,957
Share options charge	–	–	290	–	–	–	–	–	290
Non-controlling interests	–	–	–	–	–	–	(203)	203	–
Dividends paid	–	–	–	–	–	–	–	(37)	(37)
At 31 March 2025	**1,536**	**8,222**	**1,105**	**(422)**	**(2,440)**	**(2,451)**	**39,540**	**2,227**	**47,317**

Company statement of changes in equity

for the year ended 31 March 2026

Company	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Purchase of own shares £'000	Investment revaluation reserve £'000	Retained earnings £'000	Total £'000
At 1 April 2025	**1,536**	**8,222**	**1,105**	**(2,440)**	**(2,451)**	**27,342**	**33,314**
Loss for the year	–	–	–	–	–	(1,932)	(1,932)
Net profit/(loss) on financial assets at fair value through other comprehensive income	–	–	–	–	(130)	–	(130)
Total comprehensive income	**–**	**–**	**–**	**–**	**(130)**	**(1,932)**	**(2,062)**
Movement in investment revaluation reserve	–	–	–	–	1,329	(1,329)	–
Share options charge	–	–	116	–	–	–	116
Dividend paid	–	–	–	–	–	–	–
At 31 March 2026	**1,536**	**8,222**	**1,221**	**(2,440)**	**(1,252)**	**24,081**	**31,368**
At 1 April 2024	**1,166**	**5,635**	**815**	**(2,440)**	**(2,193)**	**28,576**	**31,559**
Loss for the year	–	–	–	–	–	(1,234)	(1,234)
Net profit/(loss) on financial assets at fair value through other comprehensive income	–	–	–	–	(258)	–	(258)
Total comprehensive income	**–**	**–**	**–**	**–**	**(258)**	**(1,234)**	**(1,492)**
Share issue	370	2,587	–	–	–	–	2,957
Share options charge	–	–	290	–	–	–	290
Dividend paid	–	–	–	–	–	–	–
At 31 March 2025	**1,536**	**8,222**	**1,105**	**(2,440)**	**(2,451)**	**27,342**	**33,314**

Foreign exchange translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign Group companies. This reserve is non distributable.

Share-based payment reserve

The Group grants certain of its employees rights to its equity instruments as part of its share-based payment incentive plans. The value of these rights has been charged to the Income Statement and has been credited to the share-based payment reserve (which is a distributable reserve).

Purchase of own Ordinary Shares

The cost of the Company's Ordinary Shares purchased by the Company for treasury purposes is held in this reserve. The reserve is non distributable.

Investment revaluation reserve

The change in fair value of the Group's financial assets measured at fair value through other comprehensive income is held in this reserve, and is non distributable.

Following the winding up of a fund, remaining balances are recycled to retained earnings.

Cash flow statements

for the year ended 31 March 2026

	Notes	2026 Group £'000	2026 Company £'000	2025 Group £'000	2025 Company £'000
Cash flows (used in)/from operating activities					
Operating profit/(loss)		**1,459**	**(2,985)**	507	(3,060)
Adjustments for:					
Depreciation of property, plant and equipment		**9**	**–**	24	–
Depreciation of investment property		**413**	**–**	417	–
Add back profit on sale of investment property		**(268)**	**–**	–	–
Add back profit on deconsolidation of Gdynia		**(149)**	**–**	–	–
Share options charge		**116**	**116**	290	290
Impairment loss on an investment in an associate/ (reversal of an impairment)		**–**	**155**	–	(979)
Add back loss on disposal of a subsidiary		**–**	**609**	–	–
Increase in provision against a subsidiary	19	**–**	**1,618**	–	–
(Increase)/decrease in trade and other receivables		**(465)**	**(113)**	217	4,356
(Decrease)/increase in trade and other payables		**(606)**	**(751)**	(506)	57
Other non-cash adjustments		**(166)**	**–**	101	–
Cash generated/(used in) from operations		**343**	**(1,351)**	1,050	664
Taxes paid		**(101)**	**–**	(194)	–
Net cash flow from/(used in) operating activities		**242**	**(1,351)**	856	664
Cash flow (used in)/from investing activities					
Capital expenditure on investment properties	14	**(430)**	**–**	(1,423)	–
Purchase of property, plant and equipment	18	**(12)**	**–**	(15)	–
Purchase of a trading property (after purchase costs)		**(574)**	**–**	–	–
Disposal of a trading property (after selling costs)		**1,480**	**–**	–	–
Disposal of an investment property (after selling costs)		**2,584**	**–**	–	–
Loan received from a subsidiary		**–**	**2,462**	–	–
Capital injection of new capital into subsidiaries	19	**–**	**(633)**	–	(2,947)
Investment in shares of an associate	20a)	**(24)**	**(24)**	–	–
Proceeds from investments in funds	20b)	**552**	**552**	695	695
Proceeds from investment in associates	20a)	**169**	**169**	–	–
Interest received	5	**274**	**230**	244	211
Investment Income		**177**	**1,466**	422	649
Net cash flow/(used in) from investing activities		**4,196**	**4,222**	(77)	(1,392)
Cash flow (used in)/from financing activities					
Gross proceeds from open offer		**–**	**–**	2,957	–
Repayment of bank loans		**(815)**	**–**	(831)	–
Repayment of deferred consideration		**(1,020)**	**–**	(1,970)	–
Interest paid	5	**(494)**	**–**	(694)	–
Dividends paid		**–**	**–**	–	–
Dividends paid to non-controlling interests		**(28)**	**–**	(37)	–
Net cash flow (used in) financing activities		**(2,357)**	**–**	(575)	–
Net increase/(decrease) in cash and cash equivalents		**2,081**	**2,871**	204	(728)
Cash and cash equivalents at the beginning of the year		**4,824**	**1,817**	4,628	2,559
Currency translation gains/(losses) on cash and cash equivalents		**48**	**–**	(8)	(14)
Cash and cash equivalents at the year end		**6,953**	**4,688**	4,824	1,817

Notes to the financial statements

for the year ended 31 March 2026

1. Basis of Preparation

The financial statements for both the Group and Company have been prepared in accordance with applicable UK-adopted International Financial Reporting Standards (IFRS) and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements have been prepared on the historical cost basis, except for items carried at fair value in accordance with IFRS 9. These financial statements are presented in GBP since that is the currency in which the Group and Company transact a substantial part of their business and it is the currency considered most convenient for its shareholders. The functional currencies adopted by the Group's foreign operations are set out in Note 31.

Going concern

The Directors have carried out an analysis to support their view that the Group is a going concern and under which basis these financial statements have been prepared.

Analysis and scenario testing, was carried out on the Group's main divisional income streams, being fund management fees from the Fund Management division, rental income from its five directly-owned Group Properties and cash returns from its Associates and Investments.

Fund Management Fee Income

Fund management fee income is derived from the Group's UK funds, whose investors are a mix of pension funds and registered charities. Fund management fees are invoiced monthly and are calculated based on a percentage of the latest valuation, which for the UK funds is performed quarterly.

Fund management fees on the Group's Polish and Romanian managed funds are also levied as a percentage of funds under management, with reference to the most recent valuations. These funds are established under the ownership of a UK limited company which in turn owns the company domiciled in the country that owns the property. Each of these local companies has borrowings secured against the property and is therefore ring fenced from the Group.

The longevity of this fund management fee income is determined by the fund's life which is fixed by agreement when each fund is first established. The weighted average unexpired fund management contract term is 4 years, 1 month.

At the financial year end, fund management fee income was being earned at an annualised rate of £1.30 million (31 March 2025: £1.40 million).

Rental income from Group Properties

The five Group Properties are located in Poland. These properties consist of two office blocks, a mini-supermarket, one multi-let property and ground-floor retail property. All were independently valued on 31 March 2026 at £44.98 million (31 March 2025: £56.04 million).

The rental income has been reviewed when setting the forecast revenues and no significant falls in collection rates are expected. The tenants are of good quality, as proven by excellent historic cash collection rates. Any renegotiation of rental payment terms that have been agreed are reflected in the forecasting analysis.

On 12 August 2022 the Group acquired 7,171 square metres in Blue Tower, an office building located in Warsaw for PLN 40.40 million (£7.20 million). The purchase resulted in the Group's interest in the building increasing from 48.2% to 80.3%. Some 5,159 square metres of this newly acquired space was vacant at purchase. At 31 March 2026, 1,690 square metres of the Group's interest in Blue Tower remains vacant, if this were leased in full the Group's net operating income would improve by some c.€431,000 per annum.

Income from Associates and Investments

Analysis was also conducted on the returns from the Group's investment in its five (2025: five) associates.

All bank loan covenants were reviewed and tested against future decreases in valuation and net operating income.

Dividend income from the Group's UK investments was also stress tested and found not to have a significant impact.

Liquidity

The Group has a deferred consideration liability of PLN 19.40 million (£3.95 million) in respect of the purchase in 2022 of an additional 32% or 7,171 square metres in Blue Tower, an office building located in Warsaw. Payment is due in instalments until August 2028. The debt itself is non-interest bearing and non-recourse to the Group. The August 2026 instalment of £1.00 million was paid prior to the signing of these financial statements.

The Group monitors overall debt requirements by reviewing current borrowing levels, debt maturity and interest rate exposure. The Group does not have any debt due for renewal within the next twelve months of the year end other than the deferred consideration payment referred to above.

A one percentage point increase in interest rates would increase the annual interest cost by £0.09 million per annum (31 March 2025: £0.09 million).

Notes to the financial statements cont.

for the year ended 31 March 2026

1. Basis of Preparation cont.

Going concern cont.

Liquidity cont.

Deposits of £0.32 million (31 March 2025: £0.31 million) are held by lending banks as security in respect of Debt Service Cover Ratio (DSCR) covenants relating to four bank loans (31 March 2025: four). Consequently, this cash was restricted as at 31 March 2026.

New standards and interpretations

Standards effective in the current year

No new standards, amendments or interpretations effective for the financial year beginning on 1 April 2025 had a material impact on the Group's statements.

Standards issued but not yet effective

There are new IFRS accounting standards and amendments to existing accounting standards effective for accounting periods beginning on or after 1 January 2026 but none of these are expected to have a material impact on the Group in the following financial period. These are as follows:

Accounting periods beginning on or after 1 January 2026

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)
- Annual Improvements to IFRS Accounting Standards – Volume 11

Accounting periods beginning on or after 1 January 2027

- IFRS 18 – Presentation and Disclosure in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures
- IAS 21 – The Effects of changes in Foreign Exchange Rates: Translation to Hyperinflationary Presentation Currency

2. Significant Accounting Policies

The principal accounting policies set out below have, unless otherwise stated, been applied consistently by the Group and the Company to each period presented in these financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary undertakings which it controls, made up to 31 March 2026. Intra-Group balances, sales and profits are eliminated fully on consolidation.

On acquisition of a subsidiary or business, all of the assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. The results of subsidiary undertakings have been included from the dates of acquisition and up to the dates of disposal, being the dates that control passes.

Investments in subsidiaries

In the Company Statement of Financial Position, investments in subsidiaries are held at cost less adequate provisions, where necessary, for impairments to value.

Investments in associates

Entities in which the Group is in a position to exercise significant influence but does not have the power to control are defined as associates. The Group accounts for its investments in associates using the equity method. The carrying value of the associates in the Group's Statement of Financial Position is subject to annual impairment reviews. The Group's share of the associate's profit or loss is included within the Consolidated Income Statement. To be consistent with the Group's accounting policy for investment properties it adopts the cost model in respect of the investment properties held by the associates, thus not recognising any property revaluations when assessing its share of the profit or loss after tax.

The Company's accounting policy is to include the interest in associates at cost subject to an annual impairment review and dividends received are credited to the Income Statement.

2. Significant Accounting Policies cont.

Other financial investments

Investment assets have been classified as fair value through other comprehensive income. Fair value has been arrived at by applying the Group's percentage holding in the investments of the fair value of their net assets.

Impairment

The carrying values of the Group's non-financial assets, excluding goodwill, are reviewed at each reporting date to determine whether there are any indications that an asset may be impaired. If there are any indications of impairment, the assets' recoverable value is estimated and any impairment loss, measured against its carrying value, is recognised in the Income Statement Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Property, plant and equipment

Property, plant and equipment are stated at their purchase cost, together with any incidental costs of acquisition, or fair value on acquisition, less accumulated depreciation and, where appropriate, provision for impairment. Depreciation is calculated so as to write off property, plant and equipment, less their estimated residual values, on a straight-line basis over the expected useful lives of the assets concerned.

The principal annual rates used for this purpose are:

	%
Computer equipment	33.33%
Office equipment	33.33%
Motor vehicles	25.00%
Short leasehold improvements	33.33%

The residual values and useful lives of all property, plant and equipment are reviewed and adjusted if appropriate at each financial year end.

Investment properties

Investment properties are properties held for long-term rental income or for capital appreciation or both. Acquisitions through direct asset purchases are initially held at cost including related transaction costs. The Group has adopted the cost model for investment properties so that after initial recognition, investment properties are measured at cost less any accumulated depreciation and any accumulated impairment losses. Where, in the Directors' opinion, a property's estimated residual value at the end of the period of ownership will be lower than the carrying value the property will be depreciated over the lease term.

Inventories – land and buildings

Trading properties held for resale are stated at the lower of purchase cost, together with incidental costs of acquisition and any subsequent development costs, and net realisable value. The latter is assessed by the Group having regard to suitable valuations performed by external valuers.

Lessee accounting

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives received.
- Variable lease payments that are based on an index or a rate.
- Amounts expected to be paid by the Company under residual value guarantees.
- Payments or penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Notes to the financial statements cont.

for the year ended 31 March 2026

2. Significant Accounting Policies cont.

Lessee accounting cont.

To determine the incremental borrowing rate, the Company, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Taxation

The tax expense represents the sum of the current tax payable and movements in deferred tax during the year.

Current taxation

The current tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income and expense that are taxable or deductible in other years or that may never be taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the reporting date.

Deferred taxation

Deferred taxation is provided in full, on all temporary differences which result in an obligation at the reporting date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they are recognised based on current tax rates and law. Temporary differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements.

A net deferred tax asset is regarded as recoverable and is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be sufficient taxable profits in the foreseeable future from which the reversal of the underlying temporary differences can be deducted. Management carry out a review of such items at the reporting date.

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 Income Statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Revenue recognition

Rental income arising under the Group's leases is recognised over the term of the lease on a straight-line basis and is adjusted for lease incentives such as rent-free periods and fit-out contributions such that their cost is apportioned evenly over the full lease term.

Turnover rents and other such contingent rents are recorded as revenue in the periods to which they relate.

The Group's revenue from contracts with customers, as defined in IFRS 15, includes service charge income and income from the sale of properties charged by the Group Properties division and fund management fees and performance related fees charged by the Group's Fund Management division.

Service charge income is recognised in the period in which the service is provided according to the terms of the individual lease agreement.

2. Significant Accounting Policies cont.

Revenue recognition cont.

Income from the sale of properties is recognised generally on transfer of control over the property being disposed and when there are no significant outstanding obligations between buyer and seller. This generally occurs on completion.

Fund management and administration fees are generated through investment management agreements and are generally based on an agreed percentage of the valuation of assets under management. Management fees are recognised as the service is provided and it is probable that the fee will be collected.

All revenue is classified in the revenue line of the Income Statement except for revenue from the sale of property which is netted off against costs and shown under profit on sale of property.

Interest income and expense are recognised on an accruals basis.

The above policies on revenue recognition result in both deferred and accrued income.

Lessor accounting

The Company does not own any properties itself directly. All commercial properties owned are held by subsidiary entities.

It is determined that these companies are not transferring the entire significant risk and benefits resulting from the ownership of the foresaid properties and therefore those leases are recognised as lease agreements.

Operating profit

Operating profit as stated in the Consolidated Income Statement is described as the profit derived from sales revenue less cost of sales, operating expenses and other items incurred during normal operating activities.

Defined contribution schemes

Contributions to the defined contribution pension scheme are charged to the Consolidated Income Statement in the period to which they relate.

Share-based payments

The Group issues options over the Company's equity to certain employees and these are professionally measured for fair value at the date of grant, using the Black-Scholes-Merton model. This fair value is fully expensed over the vesting period and is credited to the share-based payment reserve shown under equity and reserves in the Statement of Financial Position. Management's best estimates of leavers, price volatility and exercise restrictions have been used in the valuation method.

Foreign currencies

At entity level, transactions denominated in foreign currencies are translated into the functional currency at the exchange rate ruling on the date the transaction is recorded. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the reporting date and the resultant exchange differences are recognised in the Income Statement unless they form part of the net investment in which case they are recognised in the Statement of Comprehensive Income.

On consolidation the results of overseas subsidiaries are translated into GBP, the reporting currency, at the average exchange rate for the period and all their assets and liabilities are translated into GBP at the exchange rate ruling at the reporting date.

In the cash flow statement, cash flows denominated in foreign currencies are translated into GBP at the average exchange rate for the period.

On consolidation exchange differences arising from the translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve in equity. On disposal of a foreign operation these accumulated gains or losses are reclassified to profit or loss.

Notes to the financial statements cont.

for the year ended 31 March 2026

2. Significant Accounting Policies cont.

Financial instruments

The Group initially records all financial assets at fair value. The Group subsequently holds each financial asset at fair value ("fair value through profit or loss" ("FVTPL") or "fair value through other comprehensive income" ("FVOCI")) or at amortised cost. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants. Amortised cost is the amount determined based on moving the initial amount recognised for the financial instrument to the maturity value on a systematic basis using a fixed interest rate (effective interest rate), taking account of repayment dates and initial premiums or discounts.

Trade receivables

Trade receivables are measured at initial recognition at fair value. Subsequently, they are measured at amortised cost. The carrying value of amortised cost financial assets is adjusted for impairment under the expected loss model (see Note 22).

Investments

Investments in the Group's managed funds have been designated as fair value through other comprehensive income on adoption of IFRS 9. They are initially recognised at fair value with any changes to the fair value recognised in other comprehensive income and accumulated in a separate reserve in equity.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, term deposits and other short-term, liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities, except for borrowing costs incurred in respect of development and trading property, which are included in acquisition costs of the asset.

Bank borrowing

Interest bearing bank loans and overdrafts are recorded as the proceeds are received, net of direct issue costs. Interest charges are accounted for on an accruals basis in the Income Statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise. Borrowing costs incurred in respect of the purchase of qualifying trading properties are capitalised together with other acquisition costs of the property and are amortised over the period of the loan.

Trade payables

Trade payables are initially measured at fair value.

Equity instruments

Equity instruments issued by the Company are recorded as the proceeds which are received, net of direct issue costs.

Business combinations

Acquisitions of subsidiaries are accounted for using the purchase method. This method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities are included in the Consolidated Statement of Financial Position at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies.

Goodwill

Goodwill is stated at cost less, where appropriate, impairment in value. Under IAS 36 (para 10b), annual impairment tests are mandatory for goodwill and, as such, have been carried out. Goodwill arising on consolidation represents the excess of the fair value of the consideration over the fair value of the net assets acquired.

3. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with IFRS requires management to exercise judgement in applying the Group's accounting policies. The areas where the Group considers the judgements to be most significant involve assumptions or estimates in respect of future events, where actual results may differ from these estimates.

Critical accounting judgements

- The Directors have exercised judgement in respect of the assessment of control over its investments in its managed funds. Where the Group has significant influence but does not have the power to exercise control investments are accounted for as associates. Where the Directors judge that the Group has power, the investment vehicles are consolidated.
- Fprop Phoenix Limited (FPL) is recognised in the Group financial statements as an associate due to the Group's 23.78% holding in the company. Despite the combined interest of both the Group and Ben Habib in FPL being above 50%, the Group does not consider itself to have control of FPL. This is on the basis that Ben Habib, given his majority shareholding, has, in a personal capacity, significant influence over the decision making of FPL. As a result of this the Group continues to account for this investment as an associate.

Key sources of estimation uncertainty

- Valuation of the investment property requires the Group to assess their useful lives and residual values. In addition, the Group's investment properties are reviewed for indications of impairment. Where impairment assessments are performed estimates are made over the rental value and equivalent yield in assessing the value in use (Note 14).
- The Group's investments in its own funds are held at fair value, based on the net asset values of the funds. The Group's managed funds are invested in commercial properties which are valued by external experts, and are classified as Level 3 within the Group's fair value hierarchy (Note 20).
- The calculation of the Group's deferred tax balances requires a degree of estimation around the timing and amount of future taxable profits, in respect of which the Group does not recognise deferred tax assets (Note 27).

4. Segmental Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Directors and for which discrete financial information is available.

The Fund Management segment is organised into separate funds operating across all the Group's chosen geographic areas. It enjoys recurring income from managing commercial property on behalf of its various fund investors in the form of fund management fees and performance related fees when earned. It includes such fees from associates, but not Group Properties whose fees are eliminated at the Group level. A table of funds managed is listed in this report on page 9.

The Group Properties segment comprises the revenues and profits from the Group's trading in its own properties. Rental and service charge income from the properties owned by the Group is included in this segment. The profits and losses of trading in these properties can be volatile and, depending on the frequency and size of sale and by their nature, unpredictable. At the year end this division owned five properties held within investment properties.

The Associates and Investments segment includes the contributions to the Group's profit before tax from its investments in associates and other financial investments. The Group recognises its share of associates' profit after tax plus any fair value adjustments. Investment income is received from the Group's other financial investments.

Direct costs incurred by First Property Group plc relating to the cost of the Board and the related share listing costs are shown separately under unallocated central overheads. All other operating expenses are allocated on a percentage basis only across the Fund Management segment and the Group Properties segment.

All surplus cash is managed centrally and all bank interest receivable is disclosed within the unallocated central overheads segment.

All assets and liabilities that relate to Group central activities have not been allocated to business segments.

Notes to the financial statements cont.

for the year ended 31 March 2026

4. Segmental Reporting cont.

Segment reporting 2026

	Fund Management division	Group Properties division			
	Property fund management £'000	Group properties £'000	Associates and investments £'000	Unallocated central overheads £'000	**Total £'000**
Property sale	–	1,500	–	–	**1,500**
Rental income	–	4,008	–	–	**4,008**
Service charge income	–	1,605	–	–	**1,605**
Fund management fees	1,606	–	–	–	**1,606**
Total revenue	**1,606**	**7,113**	**–**	**–**	**8,719**
Depreciation and amortisation	(1)	(8)	–	–	**(9)**
Operating profit	323	2,194	–	(1,058)	**1,459**
Profit on the deconsolidation of GDY	–	149	–	–	**149**
Profit on the sale of an investment property Dr Felix	–	268	–	–	**268**
Share of results in associates	–	–	1,719	–	**1,719**
Fair value adjustment on associates	–	–	(155)	–	**(155)**
Investment income	–	–	177	–	**177**
Interest income	–	45	–	229	**274**
Interest payable	–	(494)	–	–	**(494)**
Profit/(loss) before tax	**323**	**2,162**	**1,741**	**(829)**	**3,397**
Analysed as:					
Underlying profit/(loss) before tax before adjusting for the following items:	403	960	1,266	(979)	**1,650**
Profit on sale of a trading property	–	906	–	–	**906**
Profit on sale of an investment property	–	268	–	–	**268**
Profit on deconsolidation of GDY entities	–	149	–	–	**149**
Interest received on deposits	–	–	–	229	**229**
Fair value adjustment on associates	–	–	(155)	–	**(155)**
One-off income generated from an associate	–	–	453	–	**453**
One-off distribution income from UK investments following property disposals	–	–	177	–	**177**
Staff incentives	(79)	(119)	–	–	**(198)**
Share option charge	–	–	–	(116)	**(116)**
Realised foreign currency (losses)/gains	(1)	(2)	–	37	**34**
Total	**323**	**2,162**	**1,741**	**(829)**	**3,397**
Assets – Group	509	41,599	988	5,318	**48,414**
Share of net assets of associates	–	–	21,483	–	**21,483**
Liabilities	(43)	(19,136)	–	–	**(19,179)**
Net assets	**466**	**22,463**	**22,471**	**5,318**	**50,718**
Additions to non-current assets					
Property, plant and equipment	–	12	–	–	**12**
Investment properties	–	430	–	–	**430**

Geographic analysis	Revenue		Non-current assets	
	2026 £'000	2025 £'000	**2026 £'000**	2025 £'000
United Kingdom	**1,893**	925	**22,471**	21,734
Poland	**6,391**	5,896	**35,213**	44,569
Romania	**435**	731	**–**	2,205
Total	**8,719**	7,552	**57,684**	68,508

4. Segmental Reporting cont.

Segment reporting 2025

	Fund Management division	Group Properties division			
	Property fund management £'000	Group properties £'000	Associates and investments £'000	Unallocated central overheads £'000	**Total £'000**
Rental income	–	3,578	–	–	**3,578**
Service charge income	–	1,712	–	–	**1,712**
Fund management fees	2,262	–	–	–	**2,262**
Performance related fee income	–	–	–	–	**–**
Total revenue	**2,262**	**5,290**	**–**	**–**	**7,552**
Depreciation and amortisation	(15)	(9)	–	–	**(24)**
Operating profit	1,040	853	–	(1,386)	**507**
Share of results in associates	–	–	2,827	–	**2,827**
Fair value adjustment on associates	–	–	(38)	–	**(38)**
Property impairment	–	(242)	–	–	**(242)**
Investment income	–	–	422	–	**422**
Interest income	–	38	–	207	**245**
Interest payable	–	(695)	–	–	**(695)**
Profit/(loss) before tax	**1,040**	**(46)**	**3,211**	**(1,179)**	**3,026**
Analysed as:					
Underlying profit/(loss) before tax before adjusting for the following items:	633	213	1,094	(941)	**999**
Interest received on loan to associates	–	–	–	207	**207**
Open offer costs	–	–	–	(142)	**(142)**
Fair value adjustment on associates	–	–	(38)	–	**(38)**
Property impairment	–	(242)	–	–	**(242)**
One-off income generated from an associate	91	–	1,733	–	**1,824**
One-off distribution income from UK investments	–	–	422	–	**422**
Payment in lieu of Management Fees	300	–	–	–	**300**
Share option charge	–	–	–	(290)	**(290)**
Realised foreign currency (losses)/gains	16	(17)	–	(13)	**(14)**
Total	**1,040**	**(46)**	**3,211**	**(1,179)**	**3,026**
Assets – Group	993	50,590	1,670	5,394	**58,647**
Share of net assets of associates	–	–	20,064	–	**20,064**
Liabilities	(49)	(31,345)	–	–	**(31,394)**
Net assets	**944**	**19,245**	**21,734**	**5,394**	**47,317**
Additions to non-current assets					
Property, plant and equipment	–	15	–	–	**15**
Investment properties	–	1,423	–	–	**1,423**

Geographic analysis	Revenue		Non-current assets	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
United Kingdom	**925**	1,610	**21,734**	19,898
Poland	**5,896**	5,569	**44,569**	43,599
Romania	**731**	672	**2,205**	2,214
Total	**7,552**	7,851	**68,508**	65,711

Notes to the financial statements cont.

for the year ended 31 March 2026

5. Interest Income/(Expense)

	2026 Group £'000	2025 Group £'000
Interest income – bank deposits	**116**	104
Interest income – other	**158**	141
Total interest income	**274**	245

	2026 Group £'000	2025 Group £'000
Interest expense – property loans	**(479)**	(617)
Interest expense – bank and other	**(15)**	(78)
Total interest expense	**(494)**	(695)

6. Profit on Ordinary Activities Before Taxation

	2026 Group £'000	2025 Group £'000
Profit on ordinary activities before taxation is stated after charging:		
– Depreciation charge on property, plant and equipment (Note 18)	**12**	31
– Depreciation on investment properties (Note 14)	**413**	417
– Net foreign exchange (gains)/losses (Note 4)	**(34)**	14
– Staff costs (Note 7)	**2,888**	2,712
– Rental income from investment properties (Note 14)	**4,008**	3,578
– Direct operating expenses arising from investment property that generated rental income during the period	**4,005**	4,722
– Direct operating expenses arising from investment property that did not generate rental income	**405**	703

7. Employee Information

The average monthly number of persons (including Directors) employed during the year was:

	2026 Number	2025 Number
Management	**9**	10
Property operations	**8**	6
Technical operations	**24**	27
	41	43

An analysis of staff costs is set out below:

	2026 Group £'000	2025 Group £'000
Wages and salaries	**2,421**	2,360
Social security costs	**354**	327
Defined contribution pension costs	**25**	25
Annual bonus	**88**	–
Share-based payments	**–**	–
Total staff costs	**2,888**	2,712

The Company employs two Executive Directors and two Non-Executive Directors. Analysis of these costs can be found in Note 8.

8. Directors' Remuneration and Emoluments

The remuneration of the Directors was as follows:

	2026 £'000	2025 £'000
Basic pay	**497**	518
Pension	**6**	6
Fees	**66**	66
Benefits	**19**	17
Annual bonus	**13**	–
Total Directors' remuneration	**601**	607

	Salary and benefits £'000	Annual bonus £'000	Fees £'000	2026 £'000	2025 £'000
A J D Locke	**–**	**–**	**33**	**33**	33
P Moon	**–**	**–**	**33**	**33**	33
B N Habib	**361**	**–**	**–**	**361**	378
L B Howarth	**161**	**13**	**–**	**174**	163
	522	**13**	**66**	**601**	607

The Group remunerates and incentivises its executives via a mixture of salary and discretionary bonuses. The latter is decided by the Remuneration Committee based on the level of profits earned by the Group (excluding the non-controlling interest) in the year under consideration.

There are £nil retirement benefits accruing to Directors (2025: £nil) under money purchase pension schemes run by the Company.

9. Audit Fees

	2026		2025	
	Group auditor £'000	Other auditors £'000	Group auditor £'000	Other auditors £'000
Audit fees				
– Audit of parent company and consolidated financial statements	**65**	**–**	62	–
– Audit of subsidiary undertakings	**49**	**34**	32	41
Non-audit fees				
– Other services	**–**	**18**	2	12
Total fees	**114**	**52**	96	53

Notes to the financial statements cont.

for the year ended 31 March 2026

10. Tax Expense

	2026 Group £'000	2025 Group £'000
Analysis of tax charge for the year		
Current tax	**(115)**	(127)
Deferred tax (see Note 27)	**(355)**	(557)
Total tax charge for the year	**(470)**	(684)

The tax charge includes current and deferred tax for continuing operations.

As in prior years, brought forward and current UK tax losses have not been recognised as a deferred tax asset due to insufficient foreseeable taxable income being earned in the UK.

Factors affecting the tax charge for the period

The effective rate of tax applicable to the profit in the period is lower than the standard rate of corporation tax. The differences are explained as follows:

	2026 £'000	2025 £'000
Profit on ordinary activities before tax	**3,397**	3,026
Profit on ordinary activities multiplied by the standard rate of 25% (2025: 25%)	**849**	757
Effect of:		
Expenses not deductible for tax purposes	**283**	–
Income not taxable	**(530)**	(106)
Depreciation in excess of capital allowances on plant and equipment	**–**	–
Fair value adjustments	**–**	70
Prior year adjustments	**(102)**	–
Movement on deferred tax unprovided	**(62)**	(592)
Effect of overseas mainstream tax rates	**(323)**	–
Other adjustments including overseas tax allowable deprecation on property	**–**	(2)
Total current tax charge for the period	**115**	127

Unrecognised deferred tax

	2026		2025	
	Group £'000	Company £'000	Group £'000	Company £'000
Depreciation in excess of capital allowances	**12**	**–**	14	–
Tax losses carried forward	**2,864**	**2,680**	2,375	2,041
Unrecognised deferred tax asset	**2,876**	**2,680**	2,389	2,041

The Directors have concluded that there is insufficient evidence to support the recoverability of this asset from future taxable profits and therefore have not recognised this asset in the Statement of Financial Position. UK deferred tax has been calculated at a rate of 25% for 2026 and 25% for 2025.

11. Earnings/NAV per Share

	2026	2025
Basic earnings per share	**1.81p**	1.65p
Diluted earnings per share	**1.81p**	1.64p

The following earnings have been used to calculate both the basic and diluted earnings per share:

	£'000	£'000
Basic earnings	**2,683**	2,139
Notional interest on share options assumed to be exercised	**2**	3
Diluted earnings assuming full dilution	**2,685**	2,142

The following numbers of shares have been used to calculate the basic and diluted earnings per share and the net assets and adjusted net assets per share:

	2026 Number	2025 Number
Weighted average number of Ordinary Shares in issue (used for basic earnings per share calculation)	**147,843,109**	130,020,926
Number of share options	**500,000**	500,000
Total number of Ordinary Shares used in the diluted earnings per share calculation	**148,343,109**	130,520,926

For the purpose of calculating diluted earnings per share, the number of Ordinary Shares was the weighted average number of Ordinary Shares, plus the weighted average number of Ordinary Shares that would be issued on the conversion of all the dilutive potential Ordinary Shares into Ordinary Shares. Options have a dilutive effect only when the average market price of the Ordinary Shares during the period exceeds the exercise price of the options and thus they are "in the money".

	2026	2025
Net assets per share	**32.61p**	30.50p
Adjusted net assets per share	**38.57p**	35.72p

The following numbers have been used to calculate both the net assets and adjusted net assets per share:

	2026 £'000	2025 £'000
For net assets per share		
Net assets excluding non-controlling interests	**48,219**	45,090

Number of shares	2026 Number	2025 Number
Number of shares in issue at the year end	**147,843,109**	147,843,109
Number of shares assumed to be exercised	**500,000**	500,000
Total	**148,343,109**	148,343,109

The adjusted net assets is a measure based on IFRS net assets to include the fair value of i) financial instruments, ii) debt and iii) deferred taxes. The metric adjusts for the dilutive impact of share options. The calculation assumes only the share options which are in the money will have a dilutive impact.

	2026 £'000	2025 £'000
For adjusted net assets per share		
Net assets excluding non-controlling interests	**48,219**	45,090
Investment properties at fair value net of deferred tax	**7,366**	6,966
Investments in associates and other financial investments	**1,568**	872
Other items	**58**	58
Total	**57,211**	52,986

Adjusted net assets per share are calculated using the fair value of all investments.

Notes to the financial statements cont.

for the year ended 31 March 2026

12. Parent Company Result for the Year

As permitted by section 408 of the Companies Act 2006, the Company's Income Statement has not been included in these financial statements. The Company's loss for the year was £1.93 million (2025: loss £1.23 million).

13. Dividend on Ordinary Shares

	2026 £'000	2025 £'000
Interim dividend paid during the year ended 31 March 2026: nil pence per Ordinary Share (2025: nil pence per Ordinary Share)	–	–
Final dividend paid for the year ended 31 March 2025: nil pence per Ordinary Share (2024: nil pence per Ordinary Share)	–	–
Total	**–**	–

The total dividend for the current year ended 31 March 2026 of 0.25 pence per Ordinary Share (2025: nil pence per Ordinary Share) will be subject to shareholder approval at the Annual General Meeting to be held on 24 September 2026 and if approved will be paid on 29 September 2026 to shareholders on the register at the close of business on 28 August 2026. The shares will become ex-dividend on 27 August 2026.

14. Investment Properties

i. Investment properties:

	2026 Group £'000	2025 Group £'000
Investment properties		
At 1 April	**46,759**	45,756
Impairment	**–**	(242)
Disposals	**(2,254)**	–
Loss of control	**(10,042)**	–
Capital expenditure	**430**	1,423
Depreciation	**(413)**	(417)
Foreign exchange translation	**675**	239
At 31 March	**35,155**	46,759

Investment properties owned by the Group are stated at cost less depreciation and any accumulated impairment in value. The properties were valued at the Group's financial year end at €51.48 million (31 March 2025: €66.97 million), the Sterling equivalent at closing foreign exchange rates being £44.98 million (31 March 2025: £56.04 million).

Due to the impact of placing Fprop Gdynia Sp Zoo into administration on 30 April 2025 and the resulting deconsolidation of this entity from the accounts, the Group lost control of the investment property. The carrying value of the investment property at this time was £10.04 million. See further information in Note 16.

During the year the Group sold one investment property being the office block in Bucharest, Romania Dr Felix. This property was sold for €3.05 million (£2.67 million) and generated a profit of £0.27 million. The sale boosted the Group's cash balance by £2.58 million after selling costs. There was no debt secured against this property.

At the year end the Group held five properties.

ii. Amounts recognised in the income statement:

	2026 Group £'000	2025 Group £'000
Rental income from operating leases	**4,008**	3,578

14. Investment Properties cont.

iii. Leasing arrangements where the Group is a lessor:

	2026 Group £'000	2025 Group £'000
Minimum lease receipts under non-cancellable operating leases to be received:		
Not later than one year	**2,449**	3,422
Later than one year and not later than five years	**5,864**	7,084
Later than five years	**3,182**	3,747
Total	**11,495**	14,253

Investment properties comprise commercial properties leased to approximately 51 tenants. These leases vary but typically are for five years. The weighted average lease length was 3 years and 11 months (31 March 2025: 4 years and 10 months). No contingent rents are charged.

15. Trading Properties

	2026 Group £'000	2025 Group £'000
At 1 April	**–**	–
Purchases	**574**	–
Capital expenditure	**–**	–
Disposals	**(574)**	–
At 31 March	**–**	–

The Group purchased a property in the UK for £0.57 million. The Group subsequently sold the property for £1.48 million (net of selling costs), generating a profit for the Group of £0.91 million.

16. Loss of Control

As announced by RNS ("Regulatory News Service") on 30 April 2025 the decision was taken to place Fprop Gdynia sp. z o.o. ("GDY") into administration following the Company's failure to agree restructuring terms with its principal creditor. As a result of this action, it was deemed the Group had lost control of this entity and its assets and liabilities were deconsolidated from the accounts of the Group.

On 31 July 2025, the Group sold GDY Property (1) Ltd (formerly Fprop Gdynia Podolska Limited) and GDY Property (2) Ltd (formerly Fprop Gdynia Limited), the joint shareholders of GDY, for a consideration of £1 respectively.

As a result of the loss of control of these entities, the Group recognised a one-off gain on disposal of £0.15 million.

Net liabilities/(assets) disposed:	**£'000**
Investment property	**(10,042)**
Debtors	**(919)**
Trade creditors	**53**
Deferred consideration	**10,042**
Other creditors	**1,015**
Gain on disposal of subsidiaries	**149**

Notes to the financial statements cont.

for the year ended 31 March 2026

17. Leases and Right-of-Use Assets

This note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, see Note 14.

The amounts recognised in the financial statements in relation to the leases are as follows:

i. Amounts recognised in the balance sheet:

	31 March 2026 £'000	31 March 2025 £'000
Right-of-use assets		
Current	**65**	–
Non-current	**43**	–

	31 March 2026 £'000	31 March 2025 £'000
Lease liabilities		
Current	**45**	–
Non-current	**56**	–

ii. Amounts recognised in the Income Statement:

	2026 £'000	2025 £'000
Depreciation/Rent charge of right-of-use assets		
Buildings	**29**	68
Total	**29**	68

	2026 £'000	2025 £'000
Interest expense		
Buildings	**32**	68
Total	**32**	68

iii. Summary of the Group's leasing activity:

The Group has reviewed the terms of its leases and has identified one lease, it being in respect of the Group's headquarters in the UK, located on 32 St James's Street, London, SW1A 1HD. The lease term runs to 1 July 2028.

As at 31 March 2026 the Group recognised a lease liability under IFRS 16 of £0.10 million (31 March 2025: £nil) and a right of use asset of £0.11 million (31 March 2025: £Nil). The net credit to the Income Statement was £2,530.

18. Property, Plant and Equipment

Group 2026	Computer equipment £'000	Office equipment £'000	Motor vehicles £'000	Short leasehold improvements £'000	Total £'000
Cost					
At 1 April 2025	346	73	32	37	488
Foreign currency translation	2	1	1	–	4
Additions	11	1	–	–	12
Disposals	–	–	–	–	–
At 31 March 2026	**359**	**75**	**33**	**37**	**504**
Depreciation					
At 1 April 2025	341	70	25	37	473
Foreign currency translation	2	1	1	–	4
Charge for year	5	2	5	–	12
Disposals	–	–	–	–	–
At 31 March 2026	**348**	**73**	**31**	**37**	**489**
Net book value at 31 March 2026	**11**	**2**	**2**	**–**	**15**

Group 2025	Computer equipment £'000	Office equipment £'000	Motor vehicles £'000	Short leasehold improvements £'000	Total £'000
Cost					
At 1 April 2024	340	77	45	37	499
Foreign currency translation	1	–	–	–	1
Additions	15	–	–	–	15
Disposals	(10)	(4)	(13)	–	(27)
At 31 March 2025	**346**	**73**	**32**	**37**	**488**
Depreciation					
At 1 April 2024	320	69	33	37	459
Foreign currency translation	1	–	–	–	1
Charge for year	21	5	5	–	31
Disposals	(1)	(4)	(13)	–	(18)
At 31 March 2025	**341**	**70**	**25**	**37**	**473**
Net book value at 31 March 2025	**5**	**3**	**7**	**–**	**15**

The Company had £nil property, plant or equipment (2025: £nil). The Group holds no property, plant and equipment under a finance lease.

19. Investment in Group Undertakings

	2026		2025	
	Group £'000	**Company £'000**	Group £'000	Company £'000
Investment in consolidated subsidiaries				
At 1 April	**–**	**15,217**	–	8,109
Additional investment	**–**	**–**	–	2
Additions – capital injection	**–**	**633**	–	2,947
Additions – capitalisation of loans	**–**	**4,208**	–	11,445
Liquidation of a subsidiary	**–**	**(3,071)**	–	–
Sale of two subsidiaries	**–**	**(8,578)**	–	–
Reversal of impairments following sales	**–**	**8,578**	–	–
Reallocation of impairment	**–**	**–**	–	(6,391)
Reversal of previously recognised impairment	**–**	**–**	–	2,001
Additional impairments	**–**	**(1,618)**	–	(2,896)
At 31 March	**–**	**15,369**	–	15,217

Notes to the financial statements cont.

for the year ended 31 March 2026

19. Investment in Group Undertakings cont.

On 31 July 2025, the Company sold GDY Property (1) Ltd (formerly Fprop Gdynia Podolska Limited) and GDY Property (2) Ltd (formerly Fprop Gdynia Limited), the joint shareholders of GDY, for a consideration of £1 respectively. These two subsidiaries had no carrying value as they had been fully impaired.

In December 2025 the Company liquidated its 100% holding in Felix Development SRL following the sale of the last remaining property (Dr Felix). The shares in this subsidiary were held for £3.07 million.

During the year the Company invested additional capital of £0.63 million (2025: £2.95 million) into its investment in subsidiaries.

During the year £4.21 million (2025: £11.45 million) of shareholder loans that had been previously advanced to subsidiaries and dividend debtors, were converted into capital and included as part of the Company's cost of investment in these companies.

The carrying value of these investments have been subjected to an impairment review carried out by the Directors. During this impairment review which is conducted on an entity by entity basis the Directors have identified four entities where there are indicators of impairment. The main indicators of impairment identified were negative net assets, forecasted losses and a temporary default position on an outstanding liability. As a result of the impairment review, additional impairment losses of £1.62 million (2025: £2.90 million) has been recognised in the profit and loss during the period.

20. Investments in Associates and Other Financial Investments

The Group has the following investments:

	2026		2025	
	Group £'000	**Company £'000**	Group £'000	Company £'000
a) Associates				
At 1 April	**20,064**	**13,702**	17,275	12,722
Additions	**24**	**24**	–	–
Shareholder loan repayments	**(169)**	**(169)**	–	–
Share of associates' profit after tax	**1,719**	**–**	2,827	–
Share of associates' revaluation losses	**(155)**	**(155)**	(38)	–
Reversal of impairment of associate	**–**	**–**	–	980
At 31 March	**21,483**	**13,402**	20,064	13,702

The Group's investments in associated companies are held at cost plus its share of post-acquisition profits less dividends received, adopting the cost model for accounting for investment properties under IAS 40, and comprises the following:

	2026		2025	
	Group £'000	**Company £'000**	Group £'000	Company £'000
Investments in associates				
Fprop Galeria Corso Ltd	**3,418**	**814**	3,211	983
Fprop Krakow Ltd	**778**	**807**	962	962
Fprop Cluj Ltd	**636**	**330**	676	330
Fprop Phoenix Ltd	**1,832**	**1,022**	1,733	998
Fprop Opportunities plc	**14,819**	**10,429**	13,482	10,429
	21,483	**13,402**	20,064	13,702

If the Group had adopted the alternative "fair value" model for accounting for investment properties, the carrying value of the investments in associates would have increased to £23.05 million (31 March 2025: £20.94 million).

20. Investments in Associates and Other Financial Investments cont.

Associates that are material to the Group:

Fprop Opportunities plc (FOP) is considered by the Group to be its only material associate. FOP is involved in the investment in commercial property located in Poland. Its principal place of business is 32 St James's Street, London, SW1A 1HD. The Group's ownership interest in the associate is 45.71% and Ben Habib (the Group's CEO) has a personal interest of 1.20% giving a combined interest of 46.91%. Based on this combined shareholding being below 50% the Group does not consider it has control of FOP and therefore accounts for the Group's investment as an associate, measured using the equity method. There were no dividends or capital loan repayments received in the year to 31 March 2026 and a financial summary of FOP in the year to 31 March 2026 is as follows:

	Year ended 31 March 2026 £'000
Current assets	**4,722**
Non-current assets	**64,859**
Current liabilities	**6,137**
Non-current liabilities	**30,612**
Net assets	**32,832**
Revenue	**8,636**
Profit after tax from continuing operations	**2,512**

	2026		2025	
	Group £'000	Company £'000	Group £'000	Company £'000
b) Other financial investments				
At 1 April	**1,670**	**1,670**	2,623	2,623
Additions	**–**	**–**	–	–
Disposal	**–**	**–**	–	–
Repayments	**(552)**	**(552)**	(695)	(695)
Decrease in fair value during the year	**(130)**	**(130)**	(258)	(258)
At 31 March	**988**	**988**	1,670	1,670

The Group holds four (2025: four) unlisted investments in funds managed by it. Each is designated at fair value through "other comprehensive income" (OCI) as per IFRS 9. The Directors consider their fair value to be not materially different from their carrying value. Fair value has been calculated by applying the Group's percentage holding in the investments to the fair value of their net assets.

The Group's investments are:

- The UK Pension Property Portfolio LP, a fund established in February 2010, in which the Group had a 0.9% interest, this fund was wound up in June 2026;
- Fprop Offices, a fund established in July 2017, in which the Group has a 1.6% interest, a fund which expired in June 2024;
- Fprop Fulcrum Property LP, a fund established in August 2021 in which the Group has a 1.3% interest; and
- Fprop UK Special Opportunities LP, a fund established in January 2017 in which the Group has an 11.1% interest.

Notes to the financial statements cont.

for the year ended 31 March 2026

20. Investments in Associates and Other Financial Investments cont.

Associates that are material to the Group cont.

The principal investments of the Group at 31 March 2026 were as follows:

	Principal activities	% of Ordinary Shares held by	
		Company %	Subsidiary %
Group undertakings			
United Kingdom			
First Property Asset Management Ltd	Property asset management	100	–
Fprop Corktree Limited	Property holding company	100	–
Fprop Corktree II Limited	Property holding company	100	–
Regional Property Trading Limited	Property holding company	100	–
E and S Estates Limited	Property holding company	100	–
5th Property Trading Limited	Property fund	47	–
Fprop Company 1 Limited	Property holding company	100	–
Fprop UK General Partner Limited	General partner of property fund	100	–
First Property Sterling General Partner Limited	General partner of property fund	100	–
Fprop Offices General Partner Limited	General partner of property fund	100	–
Fprop Fulcrum General Partner Limited	General partner of property fund	100	–
SIPS Property Nominee Limited	Nominee	100	–
Fprop Company 2 Limited	Property holding company	100	–
Fprop JV General Partner Limited	General partner of property fund	100	–
Poland			
First Property Poland sp. z o.o.	Property investment and management	100	–
Ross sp. z o.o.	Property holding company	100	–
Corp sp. z o.o.	Property services management	–	90
Ross 2 sp. z o.o.	Property holding company	100	–
Ross 3 sp. z o.o.	Property holding company	100	–
Corktree sp. z o.o.	Property holding company	–	100
Corktree Fprop sp. z o.o.	Property holding company	–	100
First Property Solutions sp. z o.o.	Service management company	100	–
First Property Services sp. z o.o. (liquidated 31 July 2025)	Service management company	100	–
E and S Estates Poland sp. z o.o.	Property holding company	–	100
5th Property Trading Poland sp. z o.o.	Property holding company	–	47

20. Investments in Associates and Other Financial Investments cont.

Associates that are material to the Group cont.

	Principal activities	% of Ordinary Shares held by	
		Company %	Subsidiary %
Romania			
First Property Asset Management Romania SRL	Property asset manager	90	10
Associates and other investments			
United Kingdom			
The UK Pension Property Portfolio LP	Property fund	1	–
Fprop Galeria Corso Ltd	Property fund	29	–
Fprop Krakow Limited	Property fund	18	–
Fprop UK Special Opportunities LP	Property fund	11	–
Fprop Offices LP	Property fund	2	–
Fprop Fulcrum Property LP	Property fund	1	–
Fprop Cluj Limited	Property fund	21	–
Fprop Phoenix Limited	Property fund	24	–
Fprop Phoenix Nominee 1 Limited	Property holding company	–	23
Fprop Phoenix Nominee 2 Limited	Property holding company	–	23
Fprop Opportunities plc	Property fund	46	–
Fprop Opportunity Lodz Limited	Property holding company	–	46
Fprop Opportunity Krasnystaw Limited	Property holding company	–	46
Fprop Opportunities Lodz II Limited (dissolved 1 April 2025)	Property holding company	–	46
Fprop Opportunity Lublin Limited	Property holding company	–	46
Fprop Opportunity Ostrowiec Limited	Property holding company	–	46
Fprop Zinga Limited	Property holding company	–	46
Fprop JV LP	Property Fund	30	–
Poland			
Galeria Corso sp. z o.o.	Property holding company	–	29
Fprop Krakow sp. z o.o.	Property holding company	–	18
Fprop Lodz sp. z o.o.	Property holding company	–	46
Fprop Krasnystaw sp. z o.o.	Property holding company	–	46
Lublin Zana sp. z o.o.	Property holding company	–	46
Galeria Ostrowiec sp. z o.o.	Property holding company	–	46
Fprop Ostrowiec sp. z o.o.	Property holding company	–	46
Zinga Fprop sp. z o.o.	Property holding company	–	46
Zinga Poland sp. z o.o.	Property holding company	–	46
Zinga Fprop Poland sp. z o.o.	Property holding company	–	46
Sucha Development sp. z o.o.	Property holding company	–	23
Sucha Rondo Investment sp. z o.o. (sold 30 June 2026)	Property holding company	–	23

Notes to the financial statements cont.

for the year ended 31 March 2026

20. Investments in Associates and Other Financial Investments cont.

Associates that are material to the Group cont.

	Principal activities	% of Ordinary Shares held by	
		Company %	Subsidiary %
Romania			
Fprop CJ SRL	Property holding company	–	21
Dormant nominee companies in which the Group has no beneficial interest			
First Property Sterling General Partner (Nominee 2) Limited (dissolved 1 July 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 5) Limited (dissolved 1 July 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 6) Limited (dissolved 7 October 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 8) Limited (dissolved 1 July 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 9) Limited (dissolved 1 July 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 11) Limited (dissolved 1 July 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 12) Limited (dissolved 1 July 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 13) Limited (dissolved 1 July 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 15) Limited (dissolved 1 July 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 16) Limited (dissolved 1 July 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 17) Limited (dissolved 7 October 2025)	Nominee	–	100
First Property Sterling General Partner (Nominee 24) Limited (dissolved 1 July 2025)	Nominee	–	100
Fprop UK GP (Nominee) 1 Limited	Nominee	–	100
Fprop UK GP (Nominee) 2 Limited	Nominee	–	100
Fprop UK GP (Nominee) 3 Limited (dissolved 3 June 2025)	Nominee	–	100
Fprop UK GP (Nominee) 4 Limited (dissolved 12 May 2026)	Nominee	–	100
Fprop UK GP (Nominee) 5 Limited (dissolved 19 May 2026)	Nominee	–	100
Fprop UK GP (Nominee) 6 Limited	Nominee	–	100
Fprop UK GP (Nominee) 7 Limited	Nominee	–	100
Fprop Offices (Nominee) 1 Limited (dissolved 4 May 2026)	Nominee	–	100
Fprop Offices (Nominee) 2 Limited (dissolved 27 May 2025)	Nominee	–	100
Fprop Offices (Nominee) 4 Limited	Nominee	–	100
Fprop Offices (Nominee) 5 Limited	Nominee	–	100
Fprop Offices (Nominee) 6 Limited (dissolved 27 May 2025)	Nominee	–	100

20. Investments in Associates and Other Financial Investments cont.

Associates that are material to the Group cont.

	Principal activities	% of Ordinary Shares held by	
		Company %	Subsidiary %
Fprop Offices (Nominee) 7 Limited (dissolved 27 May 2025)	Nominee	–	100
Fprop Offices (Nominee) 8 Limited (dissolved 4 May 2026)	Nominee	–	100
Fprop Fulcrum GP Nominee 1 Limited	Nominee	–	100
Fprop Fulcrum GP Nominee 2 Limited	Nominee	–	100
Fprop Fulcrum GP Nominee 3 Limited	Nominee	–	100
Fprop Fulcrum GP Nominee 4 Limited	Nominee	–	100
Fprop Fulcrum GP Nominee 5 Limited	Nominee	–	100
Fprop Fulcrum GP Nominee 6 Limited	Nominee	–	100
Fprop Fulcrum GP Nominee 7 Limited	Nominee	–	100
Fprop Fulcrum GP Nominee 8 Limited	Nominee	–	100
Fprop Fulcrum GP Nominee 9 Limited	Nominee	–	100
Fprop Fulcrum GP Nominee 10 Limited	Nominee	–	100
Fprop Fulcrum GP Nominee 11 Limited	Nominee	–	100
Fprop JV Nominee 1 Limited	Nominee	–	100
Fprop JV Nominee 2 Limited	Nominee	–	100
Warmely Corum Management Limited	Property management company	–	100

Notes to the financial statements cont.

for the year ended 31 March 2026

20. Investments in Associates and Other Financial Investments cont.

Associates that are material to the Group cont.

All companies located in the UK are registered at 32 St James's Street, London, SW1A 1HD with the exception of Warmely Corum Management Limited, which is registered at Vintry Building, Wine Street, Bristol, England, BS1 2BD.

The registered address for Galeria Ostrowiec sp. z o.o. and Fprop Ostrowiec sp. z o.o. is ul. Adama Mickiewicza 30, 27-400 Ostrowiec Swietokrzyski. All other Polish companies are registered at Plac Bankowy 2, Warsaw 00-095, Poland.

The Romanian companies are as follows:

First Property Asset Management Romania SRL – Office 37, 1st floor, 24 Burnitei Street, District 3 Bucharest, Romania;
Fprop CJ SRL – Ground Floor Office ap. 4 at Reception, 104 Blvd. 21 Decembrie 1989, Cluj Napoca, Romania.

First Property Sterling General Partner Limited, SIPS Property Nominee Limited, Fprop UK General Partner Limited, Fprop Fulcrum General Partner Limited and Fprop JV General Partner Limited have not been consolidated for the reason that they are not material to the Group.

21. Goodwill

	2026 Group £'000	2025 Group £'000
At 1 April	**153**	153
At 31 March	**153**	153

The existing goodwill arose on the acquisition of Corp sp. z o.o., the management company of Blue Tower, in 2009. The amount represents the excess paid above the percentage share relating to the fair value of the net assets.

The Directors have carried out an annual impairment test by reviewing the cash generating unit in Corp sp. z o.o. and concluded that no impairment write down is necessary because the estimated recoverable amount was higher than the value stated. The estimated recoverable amount was determined using the "value in use" basis. The "value in use" basis was calculated by applying a price earnings multiple of four to the average of the past three years' earnings and next year's forecast earnings, which is based on information consistent with external sources.

22. Trade and Other Receivables

	2026		2025	
	Group £'000	**Company £'000**	Group £'000	Company £'000
a) Current assets				
Trade receivables	**1,345**	**243**	1,312	115
Less provision for impairment of receivables	**(305)**	**–**	(109)	–
Trade receivables net	**1,040**	**243**	1,203	115
Other receivables	**2,611**	**1,961**	1,948	1,462
Prepayments and accrued income	**776**	**32**	788	35
At 31 March	**4,427**	**2,236**	3,939	1,612

The estimated fair values of receivables are the amount of the estimated future cash flows expected to be received and approximate to their carrying amounts.

There is no significant concentration of credit risk with respect to trade receivables as the Group has a large number of tenants and the perceived overall credit quality is considered good.

The Group performs an expected credit loss ("ECL") assessment for all trade receivables to calculate a provision for ECL, based on historical credit loss information, current conditions and forecasts of future economic conditions. The simplified approach is used in accordance with IFRS 9. A provision for uncollected receivables is recognised for amounts not expected to be recovered and all amounts over three months old. There are no unimpaired trade debts greater than three months old. Movements in the accumulated impairment losses on trade receivables were as overleaf:

22. Trade and Other Receivables cont.

	2026		2025	
	Group £'000	**Company £'000**	Group £'000	Company £'000
Accumulated impairment losses as at 1 April	**(109)**	**–**	(220)	–
Increase in provision	**(506)**	**–**	(551)	–
Provision used	**22**	**–**	47	–
Release of provision	**284**	**–**	619	–
Effect of translation on presentation currency	**4**	**–**	(4)	–
Accumulated impairment losses as at 31 March	**(305)**	**–**	(109)	–

	2026		2025	
	Group £'000	**Company £'000**	Group £'000	Company £'000
b) Non-current assets				
Amounts owed by subsidiaries and other undertakings	**–**	**2,900**	–	8,260

Other receivables of £2.90 million held by the Company comprise loan and dividend balances due from subsidiaries and associates (2025: £8.26 million). Loans and dividends in subsidiaries and associates are stated at cost less provision for impairment. The provision for impairment is calculated as an ECL on the balance in accordance with IFRS 9.

An accumulated provision of £nil (31 March 2025 £nil) is being carried in the Company accounts at the year-end in respect of the recoverability of these loans. Details of this movement in provision are below as follows:

	2026 Company £'000	2025 Company £'000
Accumulated impairment losses as at 1 April	**–**	6,391
Increase in provision	**–**	–
Provision used	**–**	–
Reallocation of impairment	**–**	(6,391)
Release of provision	**–**	–
At 31 March	**–**	–

23. Trade and Other Payables

	2026		2025	
	Group £'000	**Company £'000**	Group £'000	Company £'000
Current liabilities				
Trade payables	**1,300**	**5**	1,839	27
Amounts due to subsidiary undertakings and associates	**–**	**8,096**	–	8,843
Other taxation and social security	**220**	**17**	178	14
Other payables and accruals	**608**	**97**	631	80
Deferred income	**36**	**–**	95	–
At 31 March	**2,164**	**8,215**	2,743	8,964

Amounts due to subsidiary undertakings and associates of £8.10 million (2025: £8.84 million) are interest free and repayable on demand.

Deferred income of £36,000 (2025: £95,000) is in respect of rental and service charge income on Group Properties invoiced in advance. The income is subsequently credited to the Consolidated Income Statement in the period to which it relates. All deferred income is deemed to be current.

Notes to the financial statements cont.

for the year ended 31 March 2026

24. Provisions

	2026 Group £'000	2025 Group £'000
Current liabilities		
At 31 March	**284**	332

Movements in the provisions were as follows:

	2026		2025	
	Group £'000	**Company £'000**	Group £'000	Company £'000
Provisions as at 1 April	**332**	**–**	125	–
Increase in provision	**60**	**–**	190	–
Provision used	**(7)**	**–**	–	–
Release of provision	**(105)**	**–**	–	–
Effect of translation on presentation currency	**4**	**–**	17	–
At 31 March	**284**	**–**	332	–

The provisions relate to contractual obligations regarding challenged property taxes in Poland and interest relating to a settled liability.

25. Financial Liabilities

	2026		2025	
	Group £'000	**Company £'000**	Group £'000	Company £'000
Current liabilities				
Bank loan	**1,005**	**–**	5,143	–
At 31 March	**1,005**	**–**	5,143	–
Non-current liabilities				
Bank loans	**8,038**	**–**	4,307	–
At 31 March	**8,038**	**–**	4,307	–

	2026		2025	
	Group £'000	**Company £'000**	Group £'000	Company £'000
Total obligations under bank loans				
Repayable within one year	**1,005**	**–**	5,143	–
Repayable within one and five years	**7,352**	**–**	3,218	–
Repayable after five years	**686**	**–**	1,089	–
At 31 March	**9,043**	**–**	9,450	–

Four bank loans all denominated in Euros and totalling £9.04 million (31 March 2025: £9.45 million), included within financial liabilities, are secured against investment properties owned by the Group. The reduction was largely due to capital repayments totalling £0.82 million and an unfavourable foreign exchange movement of £0.41 million. These bank loans are otherwise non-recourse to the Group's assets.

See financial instruments Note 31 for information on any covenant breaches in respect of these financial liabilities.

26. Other Financial Liabilities

	2026 Group £'000	2025 Group £'000
Current liabilities	**1,017**	11,042
Non-current liabilities	**2,929**	3,875
At 31 March	**3,946**	14,917

All non-current liabilities are repayable within one and five years.

Other financial liabilities decreased to £3.95 million (31 March 2025: £14.92 million). The reduction was largely due to Fprop Gdynia sp. z o.o. ("GDY") being put into administration following the Company's failure to agree restructuring terms with its principal creditor, as announced by RNS on 30 April 2025. This resulted in the entity being deconsolidated from the accounts of the Group. See Note 16 for further information.

The balance of £3.95 million relates to the Group's additional investment in Blue Tower, Warsaw, which was originally financed by deferred consideration totalling £7.20 million (debt denominated in Polish Zloty, PLN 40.40 million). This liability, which is non-interest bearing, is payable in seven instalments, the first four instalments have been paid. The August 2026 instalment of £1.00 million was paid prior to the signing of these financial statements.

During the year to 31 March 2026 Sterling weakened against the Polish Zloty by 1.8% which increased our liability in respect of Blue Tower by £0.09 million.

27. Deferred Tax

Deferred tax assets and liabilities are attributable to the following items:

	2026			2025		
	Group net assets £'000	**Group assets £'000**	**Group liabilities £'000**	Group net assets £'000	Group assets £'000	Group liabilities £'000
Accrued interest payable	**173**	**191**	**(18)**	214	214	–
Accrued income	**(14)**	**17**	**(31)**	(7)	11	(18)
Foreign bank loan	**6**	**20**	**(14)**	(590)	147	(737)
Investment properties and inventories	**(3,387)**	**5**	**(3,392)**	(2,431)	446	(2,877)
Other temporary differences	**59**	**225**	**(166)**	1	299	(298)
At 31 March	**(3,163)**	**458**	**(3,621)**	(2,813)	1,117	(3,930)

Relevant Group companies are making taxable profits.

The movement in deferred tax assets and liabilities during the year:

	2026			2025		
	Group net assets £'000	**Group assets £'000**	**Group liabilities £'000**	Group net assets £'000	Group assets £'000	Group liabilities £'000
At 1 April	**(2,813)**	**1,117**	**(3,930)**	(2,237)	992	(3,229)
Additions	**–**	**–**	**–**	–	–	–
Deconsolidation of Gdynia	**82**	**(776)**	**858**	–	–	–
(Charge)/credit in the year	**(355)**	**107**	**(462)**	(557)	117	(674)
Foreign exchange translation	**(77)**	**10**	**(87)**	(19)	8	(27)
At 31 March	**(3,163)**	**458**	**(3,621)**	(2,813)	1,117	(3,930)

The Directors have exercised their judgement in assessing the amounts to recognise as deferred tax assets. Where there is doubt as to the future recoverability of the asset, they have restricted the asset to the value of the deferred tax liability of the relevant entity based on the reasonable expectation of that entity making realisable taxable profits over the foreseeable future.

Notes to the financial statements cont.

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28. Called-Up Share Capital

	2026 £'000	2025 £'000
Authorised		
240,000,000 (2025: 240,000,000) Ordinary Shares of 1 pence each	**2,400**	2,400
Issued and fully paid		
153,561,892 (2025: 153,561,892) Ordinary Shares of 1 pence each of issued share capital, of which 5,718,783 Ordinary Shares of 1 pence each (2025: 5,718,783) are held in treasury	**1,536**	1,536

	Ordinary Shares number	Treasury Shares number	Share options number
1 April 2025	147,843,109	5,718,783	12,560,000
Purchase of shares into treasury	–	–	–
Exercise of share options	–	–	–
Issue of new shares	–	–	–
Issue of share options	–	–	–
Lapse of share options	–	–	–
31 March 2026	**147,843,109**	**5,718,783**	**12,560,000**

	Ordinary Shares number	Treasury Shares number	Share options number
1 April 2024	110,882,332	5,718,783	12,560,000
Purchase of shares into treasury	–	–	–
Exercise of share options	–	–	–
Issue of new shares	36,960,777	–	–
Issue of share options	–	–	–
Lapse of share options	–	–	–
31 March 2025	**147,843,109**	**5,718,783**	**12,560,000**

For the year to 31 March 2026, there are 500,000 shares with an exercise price of 11.50 pence which are included in diluted earnings per share calculation. The weighted average share price at the date of exercise of these shares was 11.50 pence. The weighted average contractual life of the share options is 35 months.

For the other share options the average market price of the Ordinary Shares did not exceed the exercise price and therefore these options were not included in the diluted earnings per share calculation.

Year of grant	Exercise price (p)	Exercise period	2026 Numbers	2025 Numbers
2008/09	11.50	Feb 2011 to Feb 2029	**500,000**	500,000
2009/10	16.50	Dec 2011 to Dec 2029	**1,610,000**	1,610,000
2022/23	23.50	Mar 2024 to Mar 2033	**3,482,985**	3,482,985
2022/23	23.50	Mar 2025 to Mar 2033	**3,482,985**	3,482,985
2022/23	23.50	Mar 2026 to Mar 2033	**3,484,030**	3,484,030

All share options are issued under the Company's Unapproved Share Option Scheme.

29. Share-based Payments

The Company has one unvested share-based payment arrangement scheme in place, which is described below:

Date of grant	31 March 2023
Number granted	10,450,000
Contractual life	10 years to 31 March 2033
Vesting conditions	The options vest as follows: • 33.3% on the first anniversary of grant; • 33.3% on the second anniversary of grant; and • the remainder on the third anniversary of grant.

The estimated fair value of each share option granted has been calculated using the Black-Scholes pricing model. The model inputs were the share price at grant date and the exercise price based on the mid-market closing price on 30 March 2023 of 23.5 pence per Ordinary Share, expected volatility of 30%, a dividend yield of 1%, a contractual life of 10 years and a risk-free interest rate of 4.25%.

	2026 Group £'000	2025 Group £'000
Expenses arising from share-based payments	**116**	290

30. Contractual Commitments

At 31 March 2026, the Group has contractual commitments relating to the development of investment properties amounting to £nil million (2025: £0.60 million) which are expected to be expended over the next 12 months.

31. Financial Instruments and Risk Management

The Group and Company's financial instruments comprise or have comprised cash and liquid resources, including trade receivables, trade payables and short-term deposits derived from its operations. The primary objective of these financial instruments is to finance the Group and Company's operations.

Objective, policies and strategies

As outlined on pages 15 and 16 the main areas of the Group and Company's exposure to economic and operational risk are interest rates, liquidity, capital management, foreign exchange and credit.

Interest rate risk

The Group and Company is exposed to interest rate risk on their short-term cash balances, deposits and also their bank borrowings.

The Group and Company regularly review market rates of interest to ensure that beneficial rates are secured on its cash and short-term deposits, so that maximum returns are being achieved.

The Group and Company's policy is to consider on a case-by-case basis whether or not to enter into interest rate swaps, options and forward rate agreements to manage interest rate exposures, in the event that long-term or short-term finance is in place. Interest rate fixes and caps are utilised to mitigate this risk on both bank loans and finance leases if they are not a requirement of the borrowing agreement at the outset of the agreement.

The Group's policy does not permit entering into speculative trading of financial instruments and this policy has continued to be applied throughout the year.

Liquidity risk

The liquidity risk is related to the repayment of financial liabilities. Long-term loans are incurred in the same currency used to value the property asset. Most loans are subject to loan-to-value and Debt Service Cover Ratio ("DSCR") restrictions.

The Group and Company prepare monthly budgets, cash flow analyses and forecasts, which enable the Directors to assess the levels of borrowings required in future periods. This detail is used to ensure that appropriate facilities are put in place to finance the future planned operations of the Group.

Budgets and projections will be used to assess any future potential investment and the Group/Company will consider the existing level of funds held on deposit as part of the process to assess the nature and extent of any future funding requirement.

Deposits of £0.32 million (31 March 2025: £0.31 million) are held by lending banks in respect of four bank loans as security for DSCR covenants, of which €113,000 (31 March 2025: €111,000) are accounted for as prepayments.

Notes to the financial statements cont.

for the year ended 31 March 2026

31. Financial Instruments and Risk Management cont.

Capital management

The Group and Company monitor the capital structure by combining actions aimed at evaluating investment projects and disposal processes, management of financial expenses, risk monitoring, solvency control and verification of the key financial ratios. The main actions undertaken by the Company include: forecasting cash flows, monitoring the interest coverage ratio and debt service ratio, verification of the debt to security ratio and guaranteeing sufficient capital to fulfil the contracted obligations. The Group's capital is made up of share capital, retained earnings and other reserves.

Market risk

Currency risk

The Group and Company is exposed to currency risk through their overseas operations. Wherever possible, overseas investment is financed in the local currency so that exposure to currency markets is limited. The Group/Company regularly reviews the pertinent currency rates and calculates and reports the currency exposure on a monthly basis.

The tables below show the extent to which the Group has residual assets and liabilities in currencies other than GBP at the year-end date. Foreign exchange differences on translation of these assets and liabilities are taken to the foreign exchange translation reserve in the Statement of Financial Position.

	Net foreign currency monetary assets/liabilities			
	EUR, Poland and Romania £'000	PLN, Poland £'000	Romanian Leu ("RON"), Romania £'000	Total £'000
2026				
Sterling equivalent	**8,018**	**3,979**	**70**	**12,067**
2025				
Sterling equivalent	(2,736)	1,525	375	(836)

All UK Group companies use GBP as their functional currency, all Polish companies use the PLN as their functional currency and the Romanian companies use the Romanian New Leu as their functional currency.

Sensitivity analysis

The following table illustrates the effect on the Income Statement and items that are recognised directly in equity that would result from possible movements in interest rates and foreign exchange rates before the effect of tax.

	2026 Income Statement £'000	2025 Income Statement £'000	**2026 Equity £'000**	2025 Equity £'000
Interest rate sensitivity analysis				
UK interest rate +1%	**52**	28	**52**	28
EURO interest rate +1%	**(79)**	(80)	**(79)**	(80)
RON interest rate +1%	**1**	–	**1**	–
PLN interest rate +1%	**6**	6	**6**	6
	(20)	(46)	**(20)**	(46)
Foreign currency sensitivity analysis				
EURO exchange rate +5%	**52**	17	**938**	505
RON exchange rate +5%	**–**	5	**4**	19
PLN exchange rate +5%	**8**	(37)	**269**	666
	60	(15)	**1,211**	1,190

The interest rate sensitivity analysis has been determined based on the exposure to interest rates for cash, bank loans and finance leases. The analysis is prepared assuming the amounts at the Statement of Financial Position date were outstanding for the whole year.

The foreign currency sensitivity analysis includes all foreign currency Statement of Financial Position items and adjusts their translation at the period end for a 5% change in foreign currency rates.

31. Financial Instruments and Risk Management cont.

Market risk cont.

Credit risk

The Group and Company's principal financial assets are bank deposits, bank current account balances, and trade and other receivables which represent the Group and Company's maximum exposure to credit risk in relation to financial assets. It is the policy of the Group and Company to present the amount for trade and other receivables net of allowances for doubtful debts, estimated by the Group's management based on prior experience and making due allowance for the prevailing economic environment. See Note 22 for the Group's process for provisioning for trade receivables.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The Group uses a number of banks thereby spreading this exposure over a number of counterparties.

Financial assets

The interest rate profile of the Group's financial assets at 31 March 2026 and 31 March 2025 was as follows:

	Fixed rate financial assets £'000	Floating rate financial assets £'000	Non-interest bearing £'000	Total £'000
Other receivables due after one year	–	–	–	–
Cash	–	1,804	–	1,804
Short-term deposits	4,826	–	323	5,149
At 31 March 2026	**4,826**	**1,804**	**323**	**6,953**
Other receivables due after one year	–	–	–	–
Cash	–	2,200	–	2,200
Short-term deposits	2,314	–	310	2,624
At 31 March 2025	**2,314**	**2,200**	**310**	**4,824**

The fair value of the financial assets is considered to be their book value.

Floating rate financial assets earn interest at floating rates based on the central bank rate in the country where the assets are held.

Fixed rate short-term deposits at 31 March 2026 were £4.83 million (31 March 2025: £2.31 million).

Financial liabilities

The interest rate profile of the Group's financial liabilities at 31 March 2026 and 31 March 2025 was as follows:

	Floating rate financial liabilities £'000	Non-interest bearing £'000	Total £'000
Bank loans	9,043	–	9,043
Other financial liabilities	–	3,946	3,946
At 31 March 2026	**9,043**	**3,946**	**12,989**
Bank loans	9,450	–	9,450
Other financial liabilities	–	14,917	14,917
At 31 March 2025	**9,450**	**14,917**	**24,367**

Notes to the financial statements cont.

for the year ended 31 March 2026

31. Financial Instruments and Risk Management cont.

Financial liabilities cont.

The Group's debt maturity other than short-term trade creditors and accruals at 31 March 2026 and 31 March 2025 was as follows:

	Bank loans £'000	Other financial liabilities £'000	Total £'000
In one year or less	1,005	1,017	2,022
Between one and five years	7,352	2,929	10,281
Over five years	686	–	686
Total at 31 March 2026	**9,043**	**3,946**	**12,989**
In one year or less	5,143	11,042	16,185
Between one and five years	3,218	3,875	7,093
Over five years	1,089	–	1,089
Total at 31 March 2025	**9,450**	**14,917**	**24,367**

Four bank loans all denominated in Euros and totalling £9.04 million (2025: £9.45 million), included within financial liabilities, are secured against investment properties owned by the Group. These bank loans are otherwise non-recourse to the Group's assets. There are no loan to value covenant breaches based on the current market values. The reduction was largely due to capital repayments totalling £0.82 million and an unfavourable foreign exchange movement of £0.41 million.

Other financial liabilities also include £3.95 million (PLN 19.40 million) of deferred consideration for the Group's purchase in 2022 of an additional 32% or 7,171 square metres in Blue Tower, an office building located in Warsaw. Payment is due in instalments until August 2028. The debt itself is non-interest bearing and non-recourse to the Group. The August 2026 instalment of £1.00 million was paid prior to the signing of these financial statements.

During the year to 31 March 2026 Sterling weakened against the Polish Zloty by 1.8% which increased the Group's liability in respect of Blue Tower by £0.09 million.

In the year to 31 March 2026 there were no defaults in respect of any of the Group's borrowings.

Bank loans £'000	Matures	Denominated		Capital Repayments	Interest Repayments	Secured
1,346	2030	Euro	Non-recourse	€4,800 per month	2.80% over one-month EURIBOR and 60% of the loan secured with an IRS rate of 2.40%	One property in Praga, a suburb of Warsaw, Poland
4,555	2027	Euro	Non-recourse	€44,000 per month	Annualised rate of three-month EURIBOR plus a margin of 2.40%.	28% share of Blue Tower office building
487	2028	Euro	Non-recourse	€17,000 per month	Annualised rate of three-month EURIBOR plus a margin of 2.60%	20% share of Blue Tower office building
2,655	2032	Euro	Non-recourse	€34,000 per month	Annualised rate of three-month EURIBOR plus a margin of 2.75%.	Three properties in Poland
Total bank loans £9,043						

Borrowing facilities

At 31 March 2026 the Group had £nil committed borrowing facilities available (31 March 2025: £nil).

32. Related Party Transactions

First Property Group plc is the Parent Company of the Group and the ultimate controlling party. The Parent Company incurs the costs of the Board of Directors and other unallocated central costs and also provides finance for funding to member companies of the Group on an unsecured basis.

During the year, Group companies entered into the following transactions with the Parent Company, its subsidiaries and its associates.

Related party transactions for the Group	2026 £'000	2025 £'000
Property management fees to associates	**995**	916
Property management fees to funds	**285**	475
Amounts owed by associates at year end	**2,097**	1,481
Amounts owed by funds at year end	**23**	31
Related party transactions for the Company	**£'000**	£'000
Management charge to subsidiaries	**120**	200
Management charge paid to subsidiaries	**–**	–
Dividends received from subsidiaries during the year	**1,288**	227
Net funding transactions with subsidiaries and associates	**633**	2,947
Shareholder loan interest receivable from subsidiaries during the year	**–**	–
Shareholder loan interest payable to subsidiaries during the year	**18**	–
Amounts owed by subsidiaries at year end	**2,900**	8,260
Amounts owed to subsidiaries at year end	**8,096**	8,843
Amounts owed by associates at year end	**3,527**	3,703
Key management compensation		
Short-term employee benefits (see Note 8)	**601**	607

Key managers are the Group Directors. Key management personnel hold personal investments in Fprop funds and associates. None are controlling other than Ben Habib's 72.71% interest in FPL as at 31 March 2026.

All transactions were made in the ordinary course of trading or funding of the Group's continuing activities.

All loans made by the Company to UK subsidiary companies totalling £nil (2025: £0.01 million) are unsecured and are interest free. All loans made by UK subsidiary companies to the Company totalling £7.99 million (2025: £8.18 million) are unsecured and are interest free.

All loans made by the Company to non-UK subsidiaries totalling £1.37 million (2025: £1.97 million) are unsecured but interest bearing at commercial rates of interest.

Notes to the financial statements cont.

for the year ended 31 March 2026

33. Five Year Financial Summary

	2026 £'000	2025 £'000	2024 £'000	2023 £'000	2022 £'000
Continuing operations					
Profit/(loss) before tax	**3,397**	3,026	(4,409)	2,488	7,080
Performance related fee income	**–**	–	–	(372)	578
Net (borrowings)/cash	**(6,036)**	(19,543)	(22,989)	(22,008)	(17,243)
Net cash flow from operating activities	**242**	855	398	3,478	(1,441)
Net assets (excluding non-controlling interest)	**48,219**	45,090	38,977	43,442	42,765*
Total assets under management	**£189m**	£220m	£274m	£454m	£559m
Earnings/(loss) per share	**1.81p**	1.64p	(4.04p)	1.70p	6.14p
Dividend per share	**0.25p**	–	–	0.50p	0.50p
Dividend cover	**7.2x**	–	–	3.4x	12.3x
Adjusted net asset value per share	**38.57p**	35.72p	39.41p	46.50p	46.07p*

* Restated

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING (the "**Meeting**") of FIRST PROPERTY GROUP PLC (the "**Company**") will be held at the Company's Registered office of 32 St James's Street, London, SW1A 1HD on 24 September 2026 at noon for the following purposes:

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass the following resolutions, each of which will be proposed as an Ordinary Resolution:

1. To receive and adopt the Directors' Report and Accounts for the year ended 31 March 2026.
2. To declare and approve a total final dividend of 0.25 pence per Ordinary Share of 1 pence each ("**Ordinary Share**") for the year.
3. To re-appoint Alasdair Locke as a Director who retires in accordance with Article 97 of the Articles of Association (the "**Articles**") and is eligible for re-appointment in accordance with Article 97 of the Articles.
4. To re-appoint Laura Howarth as a Director who retires in accordance with Article 97 of the Articles and is eligible for re-appointment in accordance with Article 97 of the Articles.
5. To re-appoint Cooper Parry as Auditors of the Company to hold office from the conclusion of the meeting until the conclusion of the next General Meeting of the Company at which accounts are laid.
6. To authorise the Directors to determine the remuneration of the Auditors.
7. That the Directors be and are hereby generally and unconditionally authorised and empowered pursuant to and in accordance with Section 551 of the Companies Act 2006 ("**Act**") to exercise all the powers of the Company to allot shares and/or grant rights to subscribe for or to convert any security into shares ("**Rights**") up to an aggregate nominal amount of £492,810 (being 33.33% of the issued share capital of the Company as at 16 July 2026, less shares in treasury), such authority to expire on the earlier of the next Annual General Meeting of the Company held after the date on which this resolution is passed and the date 15 months after the passing of this resolution, save that the Company may at any time before such expiry make an offer or enter into an agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

   This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot shares or grant Rights but without prejudice to any allotment of shares or grant of Rights already made, offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTIONS

To consider and, if thought fit, pass the following resolutions, each of which will be proposed as a Special Resolution:

8. That, subject to the passing of Resolution 7 above, the Directors be and are hereby generally authorised in accordance with Sections 570 and 573 of the Act to allot equity securities (as defined in Section 560 of the Act) of the Company pursuant to the authority conferred by Resolution 7 above (including by way of a sale of treasury shares) as if Section 561(1) of the Act did not apply to any such allotment or sale, provided that this authority shall be limited to:

   a. the allotment of equity securities in connection with an offer by the way of rights in favour of the holders of equity securities in proportion (as nearly as may be possible) to the respective number of Ordinary Shares held by them, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems in respect of overseas holders or otherwise; and

   b. the allotment of equity securities for cash or sale by the Company of treasury shares (otherwise than pursuant to Resolution 8 (a)) up to a maximum aggregate nominal amount of £295,686;

and this authority shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company held after the date on which this resolution is passed and the date 15 months after the passing of this resolution save that the Company may make an offer or enter into an agreement before such expiry which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to such offer or agreement as if the authority conferred hereby had not expired.

This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot equity securities but without prejudice to any allotment of equity securities already made, offered or agreed to be made pursuant to such authorities.

Notice of Annual General Meeting cont

9. That in accordance with Article 57 of the Articles and Chapter 4 of Part 18 of the Act and subject to the following provisions of this resolution, the Company be and is hereby generally and unconditionally authorised (pursuant to Section 701 of the Act) to make market purchases (within the meaning of Section 693(4) of the Act) of any of its own Ordinary Shares on such terms and in such manner as the Directors may from time to time determine provided that:

   a. the maximum number of Ordinary Shares authorised to be acquired is 14,784,311 (representing just under 10% of the Company's issued Ordinary Share capital as at 16 July 2026 less shares in treasury);

   b. the minimum price which may be paid for each Ordinary Share is 1 pence (exclusive of expenses);

   c. the maximum price (exclusive of expenses) which may be paid for each Ordinary Share shall not exceed, in respect of a share contracted to be purchased on any day, the higher of:

      (i) 5% above the average of the middle market quotation of an Ordinary Share of the Company taken from the AIM Appendix to The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the contract of purchase is made; and

      (ii) the higher of the price of the last independent trade and the highest current independent bid for the Company's shares on the market where the purchase is carried out;

   d. the Company may enter into one or more contracts to purchase Ordinary Shares under this authority before this authority expires which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts;

this authority will (unless renewed, varied or revoked) expire at the conclusion of the next Annual General Meeting of the Company held after the date on which this resolution is passed or, if earlier, on the date 15 months from the date of passing this resolution.

By Order of the Board

JILL AUBREY
Company Secretary

14 August 2026

Registered Office:
32 St James's Street
London
SW1A 1HD

Notes to the Notice of Annual General Meeting

Please note First Property Group plc no longer uses a hard copy proxy form; please see below for instructions on how to lodge your vote.

1. To facilitate shareholder engagement, the Company will be providing a facility to enable shareholders to join remotely via a live presentation for those shareholders who are unable to attend in person and we invite shareholders to submit questions at any time in advance of the meeting or during the meeting using the online facility that will be provided. Details of how to access the live presentation and to ask questions will be published on the Company's website. Please note that shareholders will be required to register for free to access the live presentation via **www.investormeetcompany.com** and follow First Property Group plc. Please note that joining remotely will not constitute attendance and shareholders joining remotely will not be able to vote at the meeting. Shareholders are therefore asked to submit their votes by proxy.
2. To the extent shareholders wish to attend in person, the Board kindly requests that shareholders pre-register their intentions to attend by emailing the Company Secretary, Jill Aubrey, at **jill.aubrey@fprop.com**.
3. A member entitled to attend and vote at the meeting may appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. However, they must attend the meeting in person for the member's vote to be counted. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member. If a member wishes to appoint more than one proxy they may do so via the Investor Centre app or by accessing the web browser, at **uk.investorcentre.mpms.mufg.com.**
4. To be effective, the proxy vote must be submitted via the Investor Centre app or, at **uk.investorcentre.mpms.mufg.com** so as to have been received by the Company's Registrar not less than 48 hours before the time appointed for the meeting or any adjournment of it. Investor Centre is a free app for smartphone and tablet provided by MUFG Corporate Markets (the Company's Registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below. Alternatively, you may access the Investor Centre via a web browser, at **uk.investorcentre.mpms.mufg.com.**

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   Any power of attorney or other authority under which the proxy is submitted must be returned to the Company's Registrars, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. If a paper form of proxy is requested from the Registrar, it should be completed and returned to MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL to be received not less than 48 hours before the time of the meeting.
5. Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 (as amended), the Company has specified that only those members registered on the register of members of the Company at close of business on 22 September 2026 (the Specified Time) (or, if the meeting is adjourned to a time more than 48 hours after the Specified Time, by close of business on the day which is two days prior to the time of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. If the meeting is adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via **www.euroclear.com**). The message, regardless of whether it constitutes the appointment of a proxy, or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's Registrar (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in Note 4 above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

Notes to the Notice of Annual General Meeting cont.

8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (**www.euroclear.com**).
9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
10. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to **www.proxymity.io**. Your proxy must be lodged by noon on 22 September 2026 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
11. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
12. Any electronic address provided either in this Notice or in any related documents (including the Form of Proxy) may not be used to communicate with the Company for any purposes other than those expressly stated.
13. Submission of a Proxy vote shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof.
14. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion or withhold from voting.
15. If you need help with voting online, or require a paper proxy form, please contact our Registrar, MUFG Corporate Markets, by email at **shareholderenquiries@cm.mpms.mufg.com**, or you may call on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Lines are open between 09:00 and 17:30, Monday to Friday excluding public holidays in England and Wales.
16. As at midday on 16 July 2026, the Company's issued share capital comprised 147,843,109 Ordinary Shares of 1 pence each and 5,718,783 treasury shares. Each Ordinary Share (except the treasury shares) carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company at midday on 16 July 2026 is 147,843,109.
17. Resolution 8 is a special resolution to renew the Directors' authority to allot shares for cash without first offering them to existing shareholders on a pro-rata basis. Although there is currently no intention to make use of this authority, the Directors consider that it is in the interests of the Company, in certain circumstances, for the Directors to have limited flexibility so as to be able to allot shares without having first to offer them to existing shareholders.

    The authority sought in Resolution 8(b) is restricted (other than in relation to any rights issue, open offer or other pre-emptive issue pursuant to Resolution 8(a)), to shares having an aggregate nominal value of £295,686, which corresponds to 20% of the issued share capital of the Company (less the number of Ordinary Shares held in treasury) at 16 July 2026.

COMMUNICATION

18. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):

- calling the MUFG Corporate Markets shareholder helpline on 0371 664 0300. From overseas, +44 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. The helpline is open between 09:00 and 17:30, Monday to Friday excluding public holidays in England and Wales. Alternatively, you can email at **shareholderenquiries@cm.mpms.mufg.com**.

  or

- First Property Group plc on 020 7340 0270 and ask to speak to Jill Aubrey, the Company Secretary.

  You may not use any electronic address provided either:

- in this Notice of Annual General Meeting; or
- in any related documents (including the proxy form), to communicate with the Company for any purposes other than those expressly stated.

Directors and advisers

Directors
Alasdair J D Locke
(Independent Non-Executive Chairman)

Peter G Moon
(Non-Executive Director)

Benyamin N Habib
(Group Chief Executive)

Laura B Howarth
(Group Finance Director)

Company Secretary
Jill A Aubrey

Registered Office of First Property Group plc
32 St James's Street
London
SW1A 1HD
Registered No. 02967020
Incorporated in England and Wales

Website: **www.fprop.com**

Bankers
Barclays Bank plc
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1 Churchill Place
London
E14 5HP

Nominated adviser & broker
Allenby Capital Limited
5 St. Helen's Place
London
EC3A 6AB

Legal advisers
Mills & Reeve LLP
24 King William Street
London
EC4R 9AT

Registered auditors
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Sky View
Argosy Road
Castle Donington
Derby
DE74 2SA

Registrar
MUFG Corporate Markets
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