WORSLEY INVESTORS LIMITED

Half Year Report and Condensed Unaudited Consolidated Financial Statements

For the six months ended 30 September 2023

WORSLEY INVESTORS LIMITED

Contents

WORSLEY INVESTORS LIMITED

Performance Summary

	30 September 2023	31 March 2023	**% change**
Net Asset Value ("NAV") per share	**42.59p**	43.92p	**-3.03%**
Share price[1]	**27.40p**	28.00p	**-2.14%**
Share price discount to NAV	**35.33%**	36.25%	

	Six month period ended 30 September 2023	Six month period ended 30 September 2022
Earnings per share[2]	**-1.03p**	-0.62p

Total return	**Six month period ended 30 September 2023**	Six month period ended 30 September 2022
NAV Total Return[3]	**-3.03%**	0.83%
Share price Total Return[4]		
- Worsley Investors Limited	**-2.14%**	-16.25%
- FTSE All Share Index	**1.42%**	-8.31%
- FTSE Real Estate Investment Trust Index	**-5.28%**	-33.24%

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

Past performance is not a guide to future performance.

[1] Mid-market share price (source: Shore Capital and Corporate Limited).

[2] Earnings per share based on the net loss for the period of £0.393 million (30 September 2022: net profit for the period of £0.209 million) and the weighted average number of Ordinary Shares in issue during the period of 33,740,929 (30 September 2022: 33,740,929).

[3] On a *pro forma* basis, which includes adjustments as necessary to take account of the effect of capital alterations during the period. NAV Total Return is a measure showing how the NAV per share has performed over a period of time, taking into account both capital returns and any dividends paid to shareholders.

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

Source: Worsley Associates LLP and Shore Capital and Corporate Limited.

Chairman's Statement

The Half Year to 30 September 2023 was in some ways rather dull. The Company over the six months generated a negative NAV net return of 3.03%, which was broadly in the range between the wider market in UK smaller companies as represented by the FTSE Small Capitalisation Index which had a total return of 1.68% and the real estate sector which continued to struggle under rising interest rates. The FTSE Real Estate Investment Trust Index, as proxy for the latter, generated a negative return of 5.28%. Within our overall figure, the return on the capital invested in our equity portfolio was negative 3.8% and the other major component was our Curno cinema which generated a positive cashflow of €529,870 before expenses but was marked down by €300,000 or 3.9% in local currency by the independent property valuer. Associated property management and structural expenses together with an adverse foreign exchange movement over the six months gave a net positive result in pounds sterling of 0.7% for Curno. Corporate expenses were equivalent to 1.4% of opening Net Assets.

Against this backdrop, our share price also drifted sideways with the period end discount narrowing very marginally to 35.33% from 36.35% in March.

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

The salient details of the Curno lease are amongst the information set out in the Investment Advisor's Report. It appears that there have been few (if any) transactions in Italian cinemas in recent quarters partly, no doubt, due to the scarcity of finance and partly due to the operational time lags throughout the cinema industry as it recovers from the Covid pandemic shutdowns. At least in that latter regard the availability of interesting new film releases has continued post the period end with the effect that attendance volumes are now only very slightly below those immediately prior to Covid-19. Given the lack of observable and comparable transactional evidence, the valuer has increased the capitalisation rate applied to the rental stream to 13.46% which means that the index-linked passing rental yield is now 14.29% p.a. on a good quality tenant covenant with 9.5 years to run to the tenant break option and 16.5 years of full term unexpired. At these levels, the prospective returns compare very favourably with expectations of long-term equity market averages even if they are somewhat below the historical outcomes achieved by the Worsley strategy over such time periods.

I am also pleased to note the continuing improvements to operational and financial performance at our largest equity investment, Smiths News plc, although the market recognition of that occurred after our reporting period ended on 30 September and indeed (and frustratingly) its shares underperformed during the half year.

We are at a juncture where, absent unforeseen extraneous events, it would appear that we are very close to the peak of this interest rate cycle and in some sectors such as the UK residential mortgage market, the cost of medium-term funding is already beginning to fall. When rates are rising and markets have not formed a consensus on where they will peak, it is difficult for the equity market as a whole to make significant sustained progress and, depending upon the moving balance between optimism and pessimism, prices can be volatile and subject to downward moves affecting the share prices even of well-performing companies. In the short term, the capacity for negative surprises remains but it does seem that the consensus is building that the peak is not far off both in level and timing and although market indices could still be described as range-bound, they would appear to be levelling off, a necessary precursor to a broader advance in valuations. That said, Worsley Investments runs a concentrated portfolio of investments each of which has the capacity either of its own volition or with encouragement to generate significant shareholder value in absolute terms. One of the effects of such concentration is that depending on the timing of events in relation to such investees and conversely those in relation to the principal constituents of such indices, performance can diverge from wider market moves from reporting period to reporting period even when investees' underlying commercial performance is significantly better than market averages. A prime example of this is the post period end re-rating of Smiths News plc's share price.

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

William Scott

Chairman
13 December 2023

WORSLEY INVESTORS LIMITED

Investment Advisor's Report

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

In the period under review, the equities portfolio remained close to fully invested, and the Investment Advisor has concentrated on its further development and oversight of the management of the Curno cinema, investor interest in which has been adversely affected by European lenders being more cautious in their approach to lending decisions and substantially higher borrowing costs .

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

The cinema lease documentation remains as amended in June 2020.

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

Base Rent
1 January 2023 to 31 December 2023 - €1,057,094 per annum.

Base rental is indexed annually to 100% of the Italian ISTAT Consumer Index on an upwards-only basis. In the ten months to 31 October the index has increased 0.8%.

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

Tenant Guarantee
The lease benefits from a rental guarantee of an initial €13 million, reducing over 15 years to €4.5 million, given by a U.K. domiciled intermediate holding company for the UCI group's European operations, United Cinemas International Acquisitions Limited, which has latest published shareholders' funds of £291.2 million.

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

Trading
The cinema was open throughout the half.

On the back of a film slate which including a slew of 'blockbuster' movies, and, in particular, the *Barbenheimer* phenomenon, Curno ticket sales in the half were 75% up on those for 2022 period, and are continuing their improvement towards pre COVID-19 levels.

In October, immediately after the period end, there was somewhat of a gap in openings, but since the beginning of November, with the release of the Italian smash hit, *C' E' Ancora Domani (There's Still Tomorrow),* Italian cinema ticket sales have been extremely strong, reaching some 92% of *November 2019* levels.

The Curno cinema has continued to benefit from substantial increases in total revenue per customer.

Rentals remained current throughout the period.

Valuation
As at 30 September 2023, the Group's independent asset valuer, Knight Frank LLP, fair valued the Curno cinema at €7.4 million (31 March 2023: €7.7 million), and this figure has been adopted in these Financial Statements.

Since the June 2020 lease amendment, the Board's expectation has been that the valuation of the Curno cinema would increase once the enhanced rental began to be generated by the property from 1 March 2021 onwards. The current rental is some 27% higher than the pre amendment level.

Curno Cinema Complex, **continued**

Valuation, continued

In response to higher European interest rates, the valuer during half chose to increase the yield at which it capitalised the rental stream from 12.97% to 13.46%, which has had the effect of reducing the valuation by some 3.9%. This particularly cautious approach reflects the European Central Bank having continued to increase interest rates in efforts to curb inflation levels and consequent expectations of further outward pressure on yields.

Given the increasingly strong Italian box office takings seen since the beginning of April, conditions are now much more conducive to a return of investor appetite once European banks revert to more normal levels of property lending. The Group will retain the Curno cinema until a disposal can be effected at a price which the board believes properly reflects its medium term prospects.

Investment Strategy

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

Since the publication of the Annual Report in early July, the U.K. stock market, as measured by the FTSE All-Share Index, has been range bound between the 3930 and 4200 levels. US monetary policy developments have become the largest influence on the British market, eclipsing prospects for the U.K. economy, with the conflict in Gaza also an important factor.

The US Federal Reserve at its June monetary meeting had surprised investors with a suggestion that two further rises could be in the pipeline over the rest of the year, triggering an abrupt 3% drop in the London stock market. However, mid-July first the U.K. Producer Price Index ('PPI') came in well down and then the US CPI and PPI were both well below expectations, and the market retraced most of its fall.

The release of better than expected U.K. June CPI figures then saw the British market steam ahead, hitting a period high at the end of July. As it had foreshadowed in June, the US Fed at its July meeting duly raised its Federal Funds rate to 5.25% - 5.50%, the highest level for 22 years.

August began with equity markets worldwide in retreat as Fitch downgraded the US's issuer default rating from AAA to AA+. Strong U.K. second quarter GDP figures, robust wage growth and sticky core CPI all signalled further increases in U.K. base rates, and, exacerbated by rising US and Chinese bond yields, sentiment weakened with the result that the London market hit a low on the 21st, at which point US 10-year Treasury bond yields were at their highest since 2007.

Over the following month, however, U.K. equities tested their high for the period on generally positive U.K. economic news, the announcement of substantial economic stimulation in China, a view emanating out of the US Jackson Hole economic symposium that the US Fed would pause interest rates, and slower inflation in the US and U.K..

From that point something of a slide ensued, on fears that there would be one more US Fed rate rise and that rates would remain higher for longer, the financial distress of the Chinese property giant, Evergrande, and higher bond yields. However, early in October a modest recovery commenced on stronger US economic data, good August U.K. GDP figures and as the US Fed commented that higher bond yields might aid the fight against inflation, tempered somewhat by concerns about the conflict in Gaza.

By mid-October, tensions in Gaza had gained the ascendency, exacerbated by some hawkish signals from the US Fed and bond yields rising further. The last of these then fed into concerns regarding the stretched level of US technology stock valuations, with the result that British market closed on the 27 October at its low point since our March year end and the lowest level for almost a year.

Since then, the overall direction of the U.K stock market has been gradually upward. This was initially on expectations, subsequently proven correct, that the US Fed and Band of England would hold interest rates at their respective meetings on 2 and 3 November. Despite further hawkish warnings from the US Fed that markets should not assume rates had peaked, much lower October inflation figures in the US and the U.K. saw bond yields fall and the British market advance, the All-Share Index reaching 4088 on the 17th. In subsequent weeks, the market has drifted, reflecting uncertain prospects for the U.K. economy and mixed Chinese economic data.

Investment Advisor's Report, continued

Investment Strategy, continued
The outlook for interest rates in the U.K. and US has improved since the Annual Report, with a peak level for both of around 5.5% now foreseen, a reduction in expectations of circa 25 bps since June.

In the Company's target universe of British smaller companies, the total return over the six months to 30 September was 1.68%. Share prices in this section of the market, after a sharper fall in the last week of September and most of October than the overall market, have recovered more strongly, ending up approximately 0.6% over the last two and a half months.

The Company's portfolio has remained quite fully invested during the half. This includes a previously undisclosed holding, now representing some 2.3% of the Group's Net Assets, in **LMS Capital plc** ('LMS'). LMS is an English investment company whose shares are listed on the London Stock Exchange's Main Market. It has a market capitalisation of £19.4 million and as at 30 September its net cash balance was £16.0 million. At that same date LMS owned an historic portfolio of very predominantly US and U.K. unlisted investments, valued by its directors at £16.65 million, net of related liabilities. In the past two years, LMS has pursued a new investment strategy, under which it has made one material investment, an unquoted Romanian oil and gas production business, valued by directors at £10.1 million. The shares at 24p sell at a very substantial discount to their stated NAV/share as at 30 September of some 52p.

The largest portfolio position remains our shareholding of in excess of 4% in **Smiths News plc**, England's major distributor of newspapers and magazines. In early November, Smiths News published its 2023 preliminary results, which were particularly strong, with *increased* revenue and operating profit, albeit boosted by the 'Royal Succession' and the 2022 World Cup. Significant inflationary pressures were substantially mitigated by the ongoing cost reduction programme. Average net debt for 2023 was £25m, down from £50m in 2022. The shares, after early strength, were flat in the first three months of our reporting period, but for most of the second quarter underperformed, ending the period down almost 13%. Post period end the shares have recovered well, being up circa 24% from their recent low.

The holding in **Amedeo Air Four Plus Limited** ('AA4') is largely unchanged. The AA4 group's income stream is underpinned by its lease of six A380 and two B777-300ER aircraft to the airline, Emirates. Post the end of the half, AA4, in an update to the market, noted that Emirates continued to extol the virtues of the A380 and had recently purchased two out of service A380s for $35m each. Notwithstanding that, subsequent to going ex the most recent quarterly dividend the shares have weakened significantly, and at current levels not only do not reflect the recent uplift in residual values of A380s but also the considerable equity value inherent in the group's four A350-900 aircraft leased to Thai Airways.

The **Northamber plc** shareholding was increased further in the half year, after the shares had weakened on the company posting an increased loss for its 2023 half year, and that in **Shepherd Neame Limited** was also topped up. During the half, we also added to another three holdings and two new positions were initiated. Preliminary (less than 2% of Net Assets) holdings are held in 9 other companies.

Following a strong recovery since 30 September, the Company's portfolio as at 30 November 2023 had a total cost of £5.30 million, a combined market value of £8.27 million, and comprised 17 stocks. The surplus on the portfolio was a little over 56% of cost, and the *annualised* return on capital invested since the new strategy was adopted remains very acceptable, at a little under 27%.

Results for the six months period
Cash revenue from Curno for the period to 30 September 2023 was €529,900 (£458,000) (30 September 2022: €474,900 (£405,000)). The increase reflected the inflationary rental adjustment, from 1 January 2023, which applied throughout the current half.

Property expenses, mainly local Curno property taxes, of some €113,000 (£98,000) ((30 September 2022: €86,000 (£73,000)), were incurred. The increase in the current half was almost entirely owing to anomalous expenses of circa €35,000 in respect of disputed assessments for Italian registration tax, since resolved in our favour.

General and administrative expenses of £282,000 (30 September 2022: £260,000) were above the 2022 run rate, but only slightly above expectations. Administration expenses were flat period on period, but Group general expenses were somewhat higher, and included circa €9,000 (£8,000) in unbudgeted interest and penalties on the disputed Italian registration tax. In addition, registry costs continued to be elevated. As foreshadowed in the 2023 Annual Report, increased Net Assets led to an increase in AUM-based fees compared to the corresponding half in 2022.

Investment Advisor's Report, continued

Results for the six months period, continued
Transaction charges incurred on equity acquisitions were £2,000 (30 September 2022: £4,000), reflecting lower activity than the more usual level in the corresponding half last year.

We continue to believe that the Group's ongoing operating costs for the full year will be somewhat higher than the 2023 level, principally the consequence of higher AUM-based costs. Prior to the ultimate sale of Curno there remains little scope for significant reduction in the overall cost base.

The equities portfolio recorded a small upturn in the first quarter before suffering a significant reduction in the second (since fully recovered), resulting for the half as a whole in a £430,000 net investment mark-to-market reduction (30 September 2022: £446,000 reduction). Investment income for the half, entirely dividends, was £229,000 and net investment gains *realised* added £13,000. In consequence, the total return on capital invested in the portfolio over the half came out at minus 3.8%.

Taxation is payable on an ongoing basis on Italian income and in Luxembourg. For the half, an Italian operating tax charge of circa £50,000 (30 September 2022: £36,000) was incurred. In addition, irrecoverable VAT in Luxembourg of some £3,000 was paid. Following a review by the Company's auditor, elimination of deferred taxation, previously posted in respect of lease incentive balance, resulted in a tax credit of £75,000.

In the remainder of the year, the increased Curno rental will be offset by a return to a more normal tax rate at our Italian subsidiary, Multiplex, and the incurrence of higher AUM-based fees, with the expectation remaining that *operating* cash flow (that is prior to allowance for equity income and net purchases) will be modestly positive.

Financial Position
Net Assets at 30 September 2023 were £14.369 million, which compares with the £14.819 million contained in the 31 March 2023 Annual Report. The decrease arose from the loss in the half of £348,000, of which £260,000 (€300,000) related to the reduction in the Euro valuation of the Curno property, further exacerbated by a £102,000 decrease in the pounds sterling fair value of Euro-denominated assets, principally the property.

The Group's liquidity reduced slightly in the period, reflecting net portfolio purchases of £328,000, with £400,000 in cash held at 30 September 2023 and no debt. However, given the ample secondary liquidity of the equity portfolio and positive ongoing cash flows, the Group's financial position continues to be strong.

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

Euro
As at 31 September 2023, some 45% of Total Assets were denominated in Euros, of which the Curno property was circa 44% of Total Assets, similar to the 44% as at 31 March 2023. The pound sterling Euro cross rate moved some 1.5% during the period from 1.137 as at 31 March 2023 to 1.154 as at 30 September 2023. This cross rate will remain a potentially significant influence on the level of Group Net Assets until Curno's disposal.

Outlook
After the first two months of 2023 had been buoyant, U.K. stock market prices, whilst variable, as a result of a strong dichotomy between investor hopes for lowered interest rates and central banks' determination to drive inflation down to target levels, now stand at just above their opening level.

This is in line with the view expressed in the Annual Report that economic uncertainty appeared set to continue for at least the remainder of 2023. Given the inherent delays in the impact of tighter U.K. monetary policy, and in particular higher borrowing costs, the prospects for U.K. company earnings in the first half of 2024 remain subdued.

It is pleasing to note that 2023's much more normal slate of movie releases, including most recently new Italian titles, has continued to drive greatly improved Italian cinema attendances.

Even so, there remains a dearth of Italian medium term debt finance available, undermining investor demand, the consequence being that retention of our Curno cinema is the most likely scenario in the immediate future. While that is not our preferred course, the multiplex will remain the source of substantial, inflation protected, cash flow for the Group.

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

Investment Advisor's Report, continued

Outlook, continued

The interim profit figures for British companies released in the period came in broadly in line with previously diminished expectations. Against that, once again a multitude of stocks with capitalisations below £150 million have seen their prices drop abruptly.

In the preponderance of instances these falls are the consequence of a substantial worsening in the outlook for the relevant sector, natural resources being a familiar example. Nevertheless, a proportion of the prices of well-founded companies also tend to fall prey to such sentiments and, inevitably, some come to be gravely mispriced and as such prospective investees.

The Worsley equity portfolio is well established and, in spite of a somewhat gloomy prognosis for the U.K. economy, the Company remains well placed to continue to deliver respectable returns.

Worsley Associates LLP
12 December 2023

Interim Management Report

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

Statement of principal risks and uncertainties

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

The principal risks assessed by the Board relating to the Company were disclosed in the Annual Financial Report for the year ended 31 March 2023. The principal risks disclosed include investment risk, operational risk, accounting, legal and regulatory risk, financial risks and foreign exchange risk. A detailed explanation of these can be found on page 18 of the Annual Financial Report. The Board and Investment Advisor do not consider these risks to have materially changed during the six months ended 30 September 2023 and they are not expected to change in the remainder of the financial year.

Going concern

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

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

Interim Report is Unaudited

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

Responsibility Statement

We confirm to the best of our knowledge that:

- the Condensed Unaudited Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'; as required by Disclosure Guidance & Transparency Rule ("DTR") 4.2.4R of the UK's Financial Conduct Agency ("FCA"); and

- the Interim Management report includes a fair review of the information required by:

  (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events which have occurred during the first six months of the financial year and their impact on the condensed set of Financial Statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions which have taken place in the first six months of the current financial year and which have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last Annual Report which could do so.

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

On behalf of the Board

W. Scott
Chairman
13 December 2023

WORSLEY INVESTORS LIMITED

Condensed Unaudited Consolidated Statement of Comprehensive Income
For the six months ended 30 September 2023

	Notes	**For the six month period to 30 September 2023 (Unaudited) £000s**	For the six month period to 30 September 2022 (Unaudited) £000s
Gross property income	3 & 6	**394**	380
Property operating expenses	3 & 6	**(98)**	(73)
Net property income		**296**	307
Net loss on investments at fair value through profit or loss	7	**(188)**	(75)
Unrealised valuation loss on investment property		**(260)**	(170)
Lease incentive movement	3	**64**	25
General and administrative expenses	4	**(282)**	(260)
Operating loss		**(370)**	(173)
Loss before tax		**(370)**	(173)
Income tax expense		**(53)**	(36)
Tax credit		**75**	-
Loss for the period		**(348)**	(209)
Other comprehensive income			
Foreign exchange translation (loss)/gain		**(102)**	320
Total items which are or may be reclassified to profit or loss		**(450)**	111
Total comprehensive (loss)/profit for the period		**(450)**	111
Basic and diluted loss per ordinary share (pence)	5	**(1.03)**	(0.62)

The accompanying notes on pages 14 to 22 form an integral part of these Financial Statements

WORSLEY INVESTORS LIMITED

Condensed Unaudited Consolidated Statement of Changes in Equity

For the six months ended 30 September 2023

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

For the six months ended 30 September 2022

	Revenue reserve (Unaudited) £000s	Distributable reserve (Unaudited) £000s	Foreign currency reserve (Unaudited) £000s	Total equity (Unaudited) £000s
Balance at 1 April 2022	**(45,477)**	**47,263**	**11,680**	**13,466**
Loss for the period	(209)	-	-	(209)
Other comprehensive income	-	-	320	320
Balance at 30 September 2022	**(45,686)**	**47,263**	**12,000**	**13,577**

The accompanying notes on pages 14 to 22 form an integral part of these Financial Statements

WORSLEY INVESTORS LIMITED

Condensed Unaudited Consolidated Statement of Financial Position

As at 30 September 2023

	Notes	30 September 2023 (Unaudited) £000s	31 March 2023 (Audited) £000s
Non-current assets			
Investment property	6	**5,750**	6,033
Lease incentive	6	**663**	737
Total non-current assets		**6,413**	6,770
Current assets			
Cash and cash equivalents		**400**	541
Investments held at fair value through profit or loss	7	**7,750**	7,839
Trade and other receivables	8	**31**	54
Tax receivable		**23**	29
Total current assets		**8,204**	8,463
Total assets		**14,617**	15,233
Non-current liabilities			
Deferred tax payable		**-**	75
Total non-current liabilities		**-**	75
Current liabilities			
Trade and other payables	9	**153**	178
Tax payable		**95**	161
Total current liabilities		**248**	339
Total liabilities		**248**	414
Total net assets		**14,369**	14,819
Equity			
Revenue reserve		**(44,794)**	(44,446)
Distributable reserve		**47,263**	47,263
Foreign currency reserve		**11,900**	12,002
Total equity		**14,369**	14,819
Number of ordinary shares		**33,740,929**	33,740,929
Net asset value per ordinary share (pence)	11	**42.59**	43.92

The Financial Statements on pages 10 to 22 were approved by the Board of Directors and authorised for issue on 13 December 2023. They were signed on its behalf by:

W. Scott
Chairman

The accompanying notes on pages 14 to 22 form an integral part of these Financial Statements

WORSLEY INVESTORS LIMITED

Condensed Unaudited Consolidated Statement of Cash Flows

For the sixth months ended 30 September 2023

	Notes	**For the six month period to 30 September 2023 (Unaudited) £000s**	For the six month period to 30 September 2022 (Unaudited) £000s
Operating activities			
Loss before tax		**(370)**	(173)
Adjustments for:			
Net loss on investments held at fair value through profit or loss	7	**188**	75
Investment income		**229**	203
Unrealised valuation loss on investment property		**196**	170
Decrease/(increase) in trade and other receivables		**97**	(32)
Decrease in trade and other payables		**(25)**	(42)
Purchase of investments held at fair value through profit or loss	7	**(352)**	(533)
Sale of investments held at fair value through profit or loss	7	**24**	412
Net cash from operations		**(13)**	80
Tax paid		**(125)**	(27)
Net cash (outflow)/inflow from operating activities		**(138)**	53
Effects of exchange rate fluctuations		**(3)**	47
(Decrease)/increase in cash and cash equivalents		**(141)**	100
Cash and cash equivalents at start of the period		**541**	576
Cash and cash equivalents at the period end		**400**	676

The accompanying notes on pages 14 to 22 form an integral part of these Financial Statements

1. Operations

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

The Condensed Unaudited Consolidated Financial Statements (the "Financial Statements") of the Company for the period ended 30 September 2023 comprise the Financial Statements of the Company and its Subsidiaries (together referred to as the "Group").

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

Please refer to the Investment Policy on page 24 and 25. The Company's registered office is included on page 26.

2. Significant accounting policies

Basis of preparation
These Financial Statements have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' as required by DTR 4.2.4R, the Listing Rules of the London Stock Exchange and applicable legal and regulatory requirements. They do not include all the information and disclosures required in Annual Financial Statements and should be read in conjunction with the Company's last Annual Report and Audited Consolidated Financial Statements for the year ended 31 March 2023.

The same accounting policies and methods of computation are followed in the Interim Financial Report as compared with the most recent Annual Financial Statements for the year ended 31 March 2023.

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

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

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

3. Gross property income

Gross property income for the period ended 30 September 2023 amounted to £0.394 million (30 September 2022: £0.380 million). The Group leases out its investment property under an operating lease which is structured in accordance with local practices in Italy. The Group's lease agreement in place as at 30 September 2023 was unchanged from that disclosed in the Company's Audited Annual Financial Statements for the year ended 31 March 2023.

Property income

	30 September 2023 £000s (Unaudited)	30 September 2022 £000s (Unaudited)
Property income received (net of lease incentives)	**458**	405
Straight-lining of lease incentives	**(64)**	(25)
Property income	**394**	380

3. Gross property income, continued

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

	30 September 2023 £000s (Unaudited)	30 September 2022 £000s (Unaudited)
Property expenses arising from investment property which generates income	**98**	73
Total property operating expenses	**98**	73

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

4. General and administrative expenses

	30 September 2023 £000s (Unaudited)	30 September 2022 £000s (Unaudited)
Administration fees	**54**	54
General expenses	**48**	37
Audit fees	**27**	25
Legal and professional fees	**10**	9
Directors' fees (note 13)	**25**	23
Insurance costs	**13**	14
Corporate broker fees	**12**	13
Investment Advisor fees (note 13)	**93**	85
Total	**282**	260

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

The basic and diluted earnings per share for the Group is based on the net loss for the period of £0.393 million (30 September 2022: net loss of £0.209 million) and the weighted average number of Ordinary Shares in issue during the period of 33,740,929 (30 September 2022: 33,740,929). There are no instruments in issue which could potentially dilute earnings or loss per Ordinary Share.

6. Investment property

	6 months ended 30 September 2023 (Unaudited) £000s	Year ended 31 March 2023 (Audited) £000s
Valuation of investment property before lease incentive adjustment at beginning of period/year	**6,770**	7,328
Fair value adjustment	**(260)**	(862)
Foreign exchange translation	**(97)**	304
Independent external valuation	**6,413**	6,770
Adjusted for: Lease incentive*	**(663)**	(737)
Fair value of investment property at the end of the period/year	**5,750**	6,033

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

6. Investment property, continued

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

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

	30 September 2023 (Unaudited)	31 March 2023 (Audited)
Euro / GBP	**1.1538**	1.1374

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

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

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

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

Significant assumptions	**30 September 2023 (Unaudited)**	31 March 2023 (Audited)
Gross estimated rental value per square metre p.a.	€114.00	€114.00
Equivalent yield	13.46%	12.97%

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

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

If market rental increases by 10% then property value increases by 1.88%, being €139,120 (31 March 2023: 1.85%, being €142,817).
If market rental decreases by 10% then property value decreases by 1.88% being €139,120 (31 March 2023: 1.85%, being €142,817).

If yield increases by 1% then property value decreases by 5.74%, being €424,760 (31 March 2023: 5.91%, being €456,044).
If yield decreases by 1% then property value increases by 6.66%, being €492,840 (31 March 2023: 6.89%, being €532,021).

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

6. Investment property, continued

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

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

	6 months ended 30 September 2023 £000s (Unaudited)	Year ended 31 March 2023 £000s (Audited)
Opening book cost	**4,908**	3,983
Total unrealised gains at beginning of period	**2,931**	1,990
Fair value of investments at FVTPL at beginning of period	**7,839**	5,973
Purchases	**352**	1,223
Sales	**(24)**	(563)
Realised gains	**13**	264
Unrealised (losses)/gains	**(430)**	942
Total investments at FVTPL	**7,750**	7,839
Closing book cost	**5,249**	4,908
Total unrealised gains at end of period	**2,501**	2,931
Total investments at FVTPL	**7,750**	7,839

	30 September 2023 £000s (Unaudited)	30 September 2022 £000s (Unaudited)
Realised gains	**13**	168
Unrealised losses	**(430)**	(446)
Total losses on investments at FVTPL	**(417)**	(278)
Investment income	**229**	203
Total losses on financial assets at FVTPL	**(188)**	(75)

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

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

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

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

30 September 2023	**Level 1 £000s**	**Level 2 £000s**	**Level 3 £000s**	**Total £000s**
Fair value through profit or loss				
- Investments	**5,244**	**2,506**	**-**	**7,750**

As at 30 September 2023, within the Company's financial assets classified as Level 2, securities totalling £1,424,323 are traded on the London Stock Exchange or AIM, with securities of £1,081,500 being traded on the Aquis Exchange. The Level 2 securities are valued at the traded price as at the period end and no adjustment has been deemed necessary to these prices. However, although these are traded, they are not regularly traded in significant volumes and hence have been classified as level 2.

31 March 2023	**Level 1 £000s**	**Level 2 £000s**	**Level 3 £000s**	**Total £000s**
Fair value through profit or loss				
- Investments	5,847	1,992	-	7,839

As at 31 March 2023, within the Company's financial assets classified as Level 2, securities totalling £1,162,559 were traded on the London Stock Exchange or AIM Market and securities of £829,100 were traded on the Aquis Exchange. The Level 2 securities were valued at the traded price as at the year end and no adjustment were deemed necessary to these prices. However, although these were traded, they were not regularly traded in significant volumes and hence were classified as level 2.

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

8. Trade and other receivables

	30 September 2023 £000s (Unaudited)	31 March 2023 £000s (Audited)
Prepayments	**31**	54
Total	**31**	54

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

9. Trade and other payables

	30 September 2023 £000s (Unaudited)	31 March 2023 £000s (Audited)
Investment Advisor's fee (note 13)	**16**	15
Administration fees	**38**	18
Audit fee	**24**	42
Directors' fees payable (note 13)	**-**	2
Other	**75**	101
Total	**153**	178

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

10. Share capital

	6 months ended 30 September 2023 Number of shares (Unaudited)	Year ended 31 March 2023 Number of shares (Audited)
Shares of no par value issued and fully paid		
Balance at the start of the period/year	**33,740,929**	33,740,929
Balance at the end of the period/year	**33,740,929**	33,740,929

	6 months ended 30 September 2023 £000s (Unaudited)	Year ended 31 March 2023 £000s (Audited)
Balance at the start of the period/year	**14,819**	13,466
(Loss)/profit for the period/year and other comprehensive (loss)/ income	**(450)**	1,353
Balance at the end of the period/year	**14,369**	14,819

No shares were issued by the Company during the period (31 March 2023: none).

11. Net asset value per ordinary share

The Net Asset Value per Ordinary Share at 30 September 2023 is based on the net assets attributable to the ordinary shareholders of £14.369 million (31 March 2023: £14.819 million) and on 33,740,929 (31 March 2023: 33,740,929) ordinary shares in issue at the Consolidated Statement of Financial Position date.

12. Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's Audited Annual Financial Statements for the year ended 31 March 2023.

13. Related party transactions

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

Mr Nixon, a Director of the Company, is also Founding Partner and a Designated Member of Worsley Associates LLP ("Worsley"). The total charge to the Consolidated Income Statement during the period in respect of Investment Advisor fees to Worsley was £92,722 (30 September 2022: £85,450) of which £15,657 (31 March 2023: £15,277) remained payable at the period end.

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

The Directors who served on the Board during the period, together with their beneficial interests at 30 September 2023 and at 31 March 2023, were as follows:

	30 September 2023		31 March 2023	
	Ordinary shares	**% of shareholdings**	Ordinary shares	% of shareholdings
Blake Nixon	10,083,126	29.88%	10,083,126	29.88%
William Scott	718,811	2.13%	678,811	2.01%
Robert Burke	-	-	-	-

13. Related party transactions, continued

The aggregate remuneration and benefits in kind of the Directors and directors of its subsidiaries in respect of the Company's period ended 30 September 2023 amounted to £24,690 (30 September 2022: £22,975) in respect of the Group of which £17,500 (30 September 2022: £17,500) was in respect of the Company. No mounts were payable at the period end (31 March 2023: £1,912).

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

14. Capital commitments and contingent liability

As at 30 September 2023 the Company has no capital commitments (31 March 2023: no commitments).

15. Segmental analysis

As at 30 September 2023, the Group has two segments (31 March 2023: two).

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

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

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

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

(a) Group's reportable segments

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

15. Segmental analysis, continued

	Continuing Operations		
30 September 2022	**Property Group**	**Parent Company**	**Total**
	£000	**£000**	**£000**
External revenue			
Gross property income	**380**	**-**	**380**
Property operating expenses	**(73)**	**-**	**(73)**
Net loss on investments at fair value through profit or loss	**-**	**(75)**	**(75)**
Unrealised valuation loss on investment property	**(170)**	**-**	**(170)**
Lease incentive movement	**25**	**-**	**25**
Total segment revenue	**162**	**(75)**	**87**
Expenses			
General and administrative expenses	**(63)**	**(197)**	**(260)**
Total operating expenses	**(63)**	**(197)**	**(260)**
Profit/(loss) before tax	**99**	**(272)**	**(173)**
Income tax charge	**(36)**	**-**	**(36)**
Profit/(loss) after tax	**63**	**(272)**	**(209)**
Profit/(loss) for the period	**63**	**(272)**	**(209)**
Total assets	**7,789**	**6,216**	**14,005**
Total liabilities	**269**	**159**	**428**

(b) Geographical information
The Company is domiciled in Guernsey. The Group has subsidiaries incorporated in Europe.

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

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

	Revenue from External Customers For the six months ended 30 September 2022 £000	**Non-Current Assets 31 March 2023 £000**
Europe	380	6,770
	380	6,770

16. Net asset value reconciliation

The following is a reconciliation of the net asset value per share attributable to ordinary shareholders as presented in these Financial Statements to the net asset value per share reported to the London Stock Exchange:

30 September 2023	**NAV per Ordinary Share** (pence)
Net Asset Value reported to London Stock Exchange (unaudited)	42.37
Increase in current assets	0.22
Net Assets Attributable to Shareholders per Financial Statements (unaudited)	**42.59**

17. Subsequent events

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

WORSLEY INVESTORS LIMITED

Portfolio statement (unaudited)
as at 30 September 2023

	Currency	Fair value £'000	% of Group Net Assets
Property			
UCI Curno	EUR	6,413	44.63%
Less: lease incentive	EUR	(663)	(4.61%)
Total		**5,750**	**40.02%**
Securities			
Smiths News Plc	GBP	4,299	29.92%
Northamber Plc	GBP	667	4.64%
Amedeo Air Four Plus Limited	GBP	637	4.43%
Shepherd Neame Limited	GBP	580	4.04%
Daniel Thwaites PLC	GBP	502	3.49%
J. Smart & Co (Contractors) PLC	GBP	256	1.78%
LMS Capital plc	GBP	151	1.05%
		7,092	49.35%
Total disclosed securities			
Other securities (none greater than 2% of Net Assets)	GBP	658	4.58%
Total securities		**7,750**	**53.93%**
Total investments		**13,500**	**93.95%**

Investment Policy

Investment Objective and Policy Change

Investment Objective

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

Investment Policy

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

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

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

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

- not more than 30 per cent. of the Gross Asset Value at the time of investment will be invested in the securities of a single issuer (such restriction does not, however, apply to investment of cash held for working capital purposes and pending investment or distribution in near cash equivalent instruments including securities issued or guaranteed by a government, government agency or instrumentality of any EU or OECD Member State or by any supranational authority of which one or more EU or OECD Member States are members);

- the value of the four largest investments at the time of investment will not constitute more than 75 per cent of Gross Asset Value;

- the value of the Group's exposure to securities not listed or admitted to trading on any stock market will not exceed in aggregate 35 per cent. of the Net Asset Value;

- the Group may make further direct investments in real estate but only to the extent such investments will preserve and/or enhance the disposal value of its existing real estate asset. Such investments are not expected to be material in relation to the portfolio as a whole but in any event will be less than 25 per cent. of the Gross Asset Value at the time of investment. This shall not preclude Property Trust Luxembourg 2 SARL and Multiplex 1 SRL (the "Subsidiaries") from making such investments for operational purposes;

- the Company will not invest directly in physical commodities, but this shall not preclude its Subsidiaries from making such investments for operational purposes;

Investment Policy, continued

Investment Policy, continued

- investment in the securities, units and/or interests of other collective investment vehicles will be permitted up to 40 per cent. of the Gross Asset Value, including collective investment schemes managed or advised by the Investment Advisor or any company within the Group; and

- the Company must not invest more than 10 per cent. of its Gross Asset Value in other listed investment companies or listed investment trusts, save where such investment companies or investment trusts have stated investment policies to invest no more than 15 per cent. of their gross assets in other listed investment companies or listed investment trusts.

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

Borrowing and Leverage

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

WORSLEY INVESTORS LIMITED

Corporate Information

Directors (All non-executive)
W. Scott (Chairman)
R. H. Burke
B. A. Nixon

Registered Office
1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey, GY1 2HL

Investment Advisor
Worsley Associates LLP
First Floor
Barry House
20 – 22 Worple Road
Wimbledon, SW19 4DH
United Kingdom

Administrator and Secretary
Sanne Fund Services (Guernsey) Limited
1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey, GY1 2HL

Financial Adviser
Shore Capital and Corporate Limited
Cassini House
57 St James's Street
London, SW1A 1LD
United Kingdom

Corporate Broker
Shore Capital Stockbrokers Limited
Cassini House
57 St James's Street
London SW1A 1LD
United Kingdom

Independent Auditor
BDO Limited
Place du Pré
Rue du Pré
St Peter Port
Guernsey, GY1 3LL

Registrar
Computershare Investor Services (Guernsey) Limited
1st Floor
Tudor House
Le Bordage
St Peter Port
Guernsey, GY1 1DB

Registration Number
43007