

**British & American Investment Trust PLC**

Annual Financial Report  
for the year ended 31 December 2025

Registered number: 00433137

**Directors**

David G Seligman (Chairman)  
Jonathan C Woolf (Managing Director)  
Alex Tamlyn (Non-executive)  
Julia Le Blan (Non-executive and Chair of the Audit Committee)

**Registered office**

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1 Chesham Street  
Telephone: 020 7201 3100  
Registered in England  
No.00433137  
29 April 2026

This is the Annual Financial Report as required to be published under DTR 4 of the UKLA Listing Rules.

**Financial Highlights**

For the year ended 31 December 2025

	2025			2024		
	Revenue return £000	Capital return £000	Total £000	Revenue return £000	Capital return £000	Total £000
(Loss)/profit before tax – realised	(265)	(2,236)	(2,501)	438	(690)	(252)
(Loss)/profit before tax – unrealised	-	(1,169)	(1,169)	-	2,270	2,270
(Loss)/profit before tax – total	(265)	(3,405)	(3,670)	438	1,580	2,018
Earnings per £1 ordinary share – basic*	(2.35)p	(13.62)p	(15.97)p	0.49p	6.32p	6.81p
Earnings per £1 ordinary share – diluted*	(2.35)p	(13.62)p	(15.97)p	0.49p	4.51p	5.87p
Net assets			2,310			5,953
Net assets per ordinary share – deducting preference shares at fully diluted net asset value**			7p			17p
– diluted			7p			17p
Diluted net asset value per ordinary share at 22 April 2026			8p			
Dividends declared or proposed for the period:						
per ordinary share						
– interim paid			0.0p			1.75p
– final proposed			0.0p			0.0p
per preference share			0.0p			1.75p

\*Calculated in accordance with International Accounting Standard 33 'Earnings per Share'. The cumulative convertible non-redeemable preference shares are anti-dilutive relating to the calculation of diluted EPS on the revenue return and capital return (Note 3).

\*\*Basic net assets are calculated using a value of fully diluted net asset value for the preference shares.

## Chairman's Statement

I report our results for the year ended 31 December 2025.

### Revenue

The loss on the revenue account before tax amounted to £0.3 million (2024: £0.4 million profit). This loss compared to the profit in the previous year is due to the lower level of dividends received from our subsidiary company. Dividends received from our subsidiary company have in previous years arisen from film income and gains related to our US investments, the latter of which were not available in the current year.

Gross revenues totalled £0.1 million (2024: £0.9 million). In addition, film income of £117,000 (2024: £112,000) was received in our subsidiary company. In accordance with IFRS10, this income stream is not included within the revenue figures noted above because consolidated financial statements are not prepared.

The total return before tax, comprising revenue and capital return, amounted to a loss of £3.7 million (2024: £2.0 million profit), representing net revenue of £0.3 million loss, a realised loss of £2.2 million and an unrealised loss of £1.2 million. The revenue loss per ordinary share was 2.3p (2024: 0.5p earnings) on an undiluted basis.

During the year, steps have been taken to reduce substantially the running costs of the company to respond to current circumstances. As a result, general costs have been reduced by approximately 25 percent in the current year and this reduction will be taken forward into future years.

### Net Assets and Performance

Net assets at the year end were £2.3 million (2024: £6.0 million), a decrease of 61.2 percent. This compares to an increase in the FTSE 100 index of 21.5 percent and to an increase in the UK All Share index of 19.8 percent over the period. With no dividends paid during the year, the total return on assets is the same.

While representing a slight improvement from the interim stage, these results are most disappointing, particularly after the out-performance of 35 percent in the previous year, and are due entirely to the large and unexpected fall of 65 percent in the value of our largest US investment Geron Corporation in the first half of the year. This fall was exacerbated by significant weakness in the US dollar which fell by 7.5 percent against sterling during the year. By contrast, the value of our second largest US investment, Lineage Cell Therapeutics increased by over 200 percent over the year.

As set out in the interim report, the large and unexpected fall in Geron's share price which occurred in February 2025 came after the FDA had granted approval of its haematological cancer drug, Rytelo, the company's first such approval, in the previous year and the commencement of sales in the second half of 2024. The immediate cause of the fall was static quarterly sales over the 2024 Christmas period, considered a disappointing result from a newly launched product, which unnerved the market.

The long-serving CEO left the company soon afterwards to be replaced by a new and highly experienced CEO in the third quarter. A major re-calibration of the sales team and strategy was implemented in the second half with a view to re-invigorating sales and achieving break even in 2026. Most importantly, as a result of these changes, the company felt able for the first time to issue a sales forecast for 2026 which called for a current year increase in sales of approximately 30 percent. While Geron's share price did not recover appreciably during the past year, the current year sales forecast as recently re-confirmed by the company could be expected, using standard market valuation metrics, to result in a significant re-rating of the stock to over twice its current valuation when applied even to the lower end of the sales projections range. More detailed comments on the performance and valuation of Geron are set out in the Managing Director's report below.

The year 2025 and the opening months of 2026 have been a time of significant upheaval, bringing turbulence to financial, trade and commodity markets alike and to global affairs and geopolitics generally. The underlying factors giving rise to this upheaval can be summed up in three words: Volatility, Resilience and Re-Alignment.

The volatile character and erratic decision-making of the current US President, un-checked by a compliant cabinet and a seemingly powerless Congress, has translated into periods of substantial volatility and instability in markets over the period.

This was initially seen in financial and trade markets in the second and third quarters of 2025 following the 'Liberation Day' imposition of ultra-high and indiscriminate international trade tariffs by the USA on 2nd April. The subsequent chaotic and partial reversal of these unrealistic tariffs over the following months only served to exacerbate and extend this volatility into the remainder of the year.

Equity markets had entered 2025 with ongoing strength as interest rates world-wide continued their downward path. However, this strength began to be steadily eroded in the early months of the year following the inauguration of the new President in January, declining by 7.5 percent in the USA in the first quarter. The markets were then severely tested by the tariff announcement in April, causing the US and UK equity markets to fall almost immediately by a further 11 percent in the USA and by 12 percent in the UK.

However, these falls were quickly reversed as the tariffs themselves were substantially reduced. Equity markets in the US – and even in the UK despite its growing domestic problems – then continued their upward trajectory, finishing the year with gains of 20 percent. It should be noted, however, that much of this upward movement, particularly in the US market, was attributable to those high growth businesses, the so-called 'Magnificent 7', involved in artificial intelligence programming and associated industries. This effect lasted through to the fourth quarter when some of these companies began to lose favour as the market began to appreciate the huge scale of their investment programmes.

This strength in equities continued despite the numerous politically-motivated and unpredictable initiatives emanating from the White House over the second half of 2025, such as the regime-changing attack on Venezuela, US territorial aspirations towards Canada and Greenland, a seemingly acquiescent attitude to Russia's territorial designs on Ukraine and the vehement US criticism and even potential abandonment of NATO. All of which had the increasing effect of undermining the USA's credibility and respect internationally and contributed to a significant weakening of the US dollar index which fell by 10 percent over the year.

Moving into 2026, the outbreak of hostilities between the USA and Iran in February of this year has so far only served to repeat the pattern from 2025, with financial markets falling sharply on the event and then reacting erratically in response to the daily pronouncements and unpredictable actions of the US President as this unpopular war has unfolded.

On this particular occasion, however, volatility has additionally spread to the commodities markets as a significant portion of global oil supply has been interrupted by the closure of the Strait of Hormuz. With the outcome of the war still unclear, the volatility in the oil price, which has risen to levels not seen since the Russian invasion of Ukraine in 2022, continues. In the absence of a quick re-establishment of shipments through the Persian Gulf and given the damage already inflicted on energy infrastructure in the Gulf and the associated production of downstream products,

a significant reduction in global supply of crude oil and refined products over the longer term is in prospect, potentially resulting in price increases not seen since the oil embargo of 1973, when the oil price quadrupled compared to the less than doubling seen so far in the current crisis.

As has recently been noted in a special report by the IMF, any long-term and substantial increase in energy and derivative products prices caused by this war is likely to put significant downward pressure on global growth going forward, with the inevitable accompanying negative effects on financial markets and investment. The IMF also noted that the UK was particularly vulnerable to these pressures, not just because of the UK's reliance on imported energy but because of the generally weak position of the UK's economy in terms of growth, borrowing costs and tax burden, the political causes of which were examined in some detail in our interim statement.

Associated with these financial and commodity market upheavals has been the political and strategic reaction to the erratic and in many cases unprecedented policy decisions made by the current US administration since its inauguration.

Many countries, particularly the long-term allies of the USA in the West, have begun to realise that the return of American isolationism has edged out the age of American exceptionalism and that they must therefore become more prepared for a world and challenges without American support. This has started a major process of political, strategic and indeed financial re-alignment throughout the world which is likely to have long-lasting and consequential geopolitical and strategic effects. What this re-alignment might lead to over time is impossible to predict, but given the great disappointment and shock felt by many countries at this unprecedented and counter-productive shift in US domestic and global policy, such countries are unlikely to want to rely on an eventual change in American administration and policy to return the West to the status quo ante, when unrivalled American power – both hard and soft - and a competitive but rational and forward-looking engagement with the rest of the world was instrumental in producing the long era of prosperity, relative peace and well-being which the developed world has enjoyed over the many decades since the Second World War.

### **Dividend**

As a result of the large and unexpected decline in the market value of our largest investment in 2025, we will not pay an interim or final dividend for the year. We intend to resume the payment of dividends upon the return of valuation levels closer to those prevailing in the previous year.

### **Recent events and outlook**

Despite the continued and surprising resilience in equity markets over the period, it will be evident from the remarks made above that the general background to financial markets and investment has become even more turbulent, uncertain and difficult to gauge than it has been for many years.

As previously noted in our interim report, the massive uncertainties caused by the often outlandish and unpredictable initiatives emanating from the USA and the many anti-business and economically disruptive policies being introduced in both the USA and the UK, plus more recently with the outbreak of a regional war in the Middle East with its seriously negative global implications, do not bode well for ensuring the stable and predictive background in which businesses can thrive and be profitable.

With respect to our own particular portfolio, given that our investments have over the last year become concentrated on a specific sector, US biotechnology which has its own unique dynamic and particularly given the current

circumstances of the investments in question, it could be said that our portfolio is somewhat less exposed to the general vicissitudes of the broader market, as has indeed been seen over the last year. We remain convinced that developments expected in both of our main US investments will bear fruit in terms of increased value over the forthcoming period, enabling us to re-establish a broader range of investments in the portfolio as market conditions at the time permit.

As at 22 April 2026, our net assets had increased to £2.7 million, an increase of 15.4 percent since the beginning of the calendar year. This is equivalent to 7.6 pence per share (prior charges deducted at fully diluted value) and 7.6 pence per share on a diluted basis. Over the same period the FTSE 100 increased 5.5 percent and the All Share Index increased 5.1 percent.

David Seligman

29 April 2026

## **Managing Director's report**

As noted above in the Chairman's statement, US and UK equity markets demonstrated high levels of both volatility and resilience over the past year. By year end, these markets had recovered their all time high levels despite the plethora of the otherwise disruptive events and negative conditions which prevailed over the period.

This can to some extent be explained by the weight of liquidity seeking a home as interest rates and inflation continued to recede from their post-Covid highs and the effects of the energy price shock following the Russian invasion of Ukraine. Additionally, there was an unprecedented rush of investment into AI related companies which drove up the indices and also into gold, the latter increasing by 100 percent over the year in US dollar terms to never before seen values as central banks, particularly in China, India and Brazil, increased their holdings significantly as a counterweight to their US treasury investments.

By contrast, the US dollar, US treasuries, UK gilts and the property sector came under sustained pressure as medium to long-term interest rates reflected the poor longer-term political and economic outlook of many Western countries faced with stubborn levels of inflation, weak growth and growing government debt and debt servicing burdens.

This was particularly the case in the UK as the misguided political, fiscal and financial initiatives of the new Labour government continued to have a negative impact on its vaunted ambitions to achieve sustained growth, reduce inflation and observe fiscal rectitude. These policy mis-steps were detailed in the interim statement and their combined effects have left the UK in a weakened position to deal with the additional pressures now caused by the hostilities in Iran, as the IMF has recently pointed out.

Despite this, however, the UK equity market remained firm over the year, although it should be noted that while the UK FTSE 100 index of large capitalisation companies - reflecting the activities of mainly international companies with foreign earnings - grew by 20 percent in 2025, the FTSE 250 index of mid-capitalisation companies - which better represents the domestic activities of UK companies - grew by the lower amount of 9 percent. Reflecting this and the weak underlying condition of the UK economy and its prospects, the pound sterling, while gaining by 10 percent against a weak US dollar, lost 4 percent against the Euro over the year.

As the equity concentration of our portfolio has narrowed considerably with the planned disposal last year of many of our UK-based stocks, the substantial downward movement in the price of our largest US investment, Geron Corporation, and also in the US dollar, has had a disproportionately negative effect on the portfolio's overall value, as previously noted in our interim statement and in the Chairman's statement above. The 200 percent recovery over the year in the share price of our second largest US investment, Lineage Cell Therapeutics, when coupled with the 10 percent fall in the US dollar, was not sufficient to prevent the large decline in the value of our portfolio overall, as set out in the Chairman's statement above. Since the year end, however, the price of Geron has recovered by 17 percent with further advances expected this year as the company's sales start to reflect the increases recently forecast by the company, as explained in more detail below.

### **Geron Corporation**

Geron's share price fell by 75 percent in 2025 from the high levels achieved in 2024 which reflected the solid and long-awaited progress achieved in that year; namely, approval received from the FDA of its haematology drug, Imetelstat (marketed as 'Rytelo'), and the commencement of commercial sales. The severe reversal in 2025 was quite unexpected and, as previously explained in the interim statement, followed static sales in the Christmas quarter of 2024 when such first year sales of a newly launched drug are expected to follow a steadily rising pattern.

In response, the long-serving CEO departed, a new and experienced CEO was appointed in the summer and a significant restructuring of the sales team and its focus was carried out. Its aim was to enhance sales quickly and

reduce costs with a view to achieving break-even in the second half of 2026. Additionally, and most importantly, the company for the first time issued a sales forecast for 2026 which called for a current year increase in sales of approximately 30 percent, the sort of early-year sales trajectory which a newly released and ground-breaking drug would expect to enjoy.

Despite these substantial and forward-looking operational adjustments, the company's share price remained subdued during the year, valuing the company significantly below its comparators when applying standard market sales-based metrics to the sales actually achieved in the USA in the year, let alone prospective sales expected to be generated in the current year, in line with the recently announced sales forecasts. This sales-related market valuation methodology applicable to such early-stage biotechnology company as Geron was fully explained in our interim statement.

Furthermore, the current valuation also fails to take any account of a number of the company's other important value drivers. These include:

- expected break-even this year,
- European sales following EMEA approval in Europe last year. Although the commencement of these sales has been delayed by the US administration's recent imposition of Most Favoured Nation rules on US drug company pricing, the management is actively seeking European partners to collaborate with under this new regime and limited exceptional sales are already underway in Germany,
- a second disease indication (MF - Myelofibrosis) currently in advanced Phase 3 trials with a larger addressable market than the current disease indication currently being commercialised (MDS - Myelodysplastic Syndrome),
- significant levels of cash with little debt, and
- potential interest from big pharma companies. The sector has seen considerably increased levels of corporate activity over the recent year, not to address the perennial issue of patent expiry but in response to widespread industry concern caused by the damaging price and trade tariff changes introduced by the White House.

Because of this current disconnect between market valuation and the underlying value of the company's sales and prospects, we fully expect the market to re-rate the company in the near term, particularly if the first quarter results to be announced next month confirm the trajectory of significantly higher sales projected by the company for 2026. We are therefore committed to retaining this investment until such time as its prior and indeed a properly representative market value is realised. At which time, we will be able to rebalance the portfolio back to a more traditional structure and recommence the payment of dividends.

### **Feature film rights**

In 2025, our film company subsidiary changed the basis valuation of its feature film rights to reflect more accurately the market value of these assets, in line with third-party professional valuations obtained in previous years and re-confirmed in 2025.

Previously, these films and their long-term world-wide copyrights had been valued using a financial proxy methodology based on historical revenues, including discounted cash flow, comparable price earnings and market yield calculations.

The resulting valuations using this method were considerably lower than the valuation range determined by the professional valuation which captured not only the income-based value noted above but also the open-market sale values of both the films themselves and the ancillary value associated with the long copyright world-wide rights to these titles, including for example valuable feature film and TV series remake rights and licensing. Work is currently ongoing to exploit these ancillary rights in relation to two titles.

As a result, an upward revaluation of these assets of £1.7 million has been included in this year's results to a level which itself has been conservatively capped at a discount of approximately 40 percent to the low end of the range determined by the professional valuation to take account of uncertainty and the long time-frame involved in film making.

Jonathan Woolf

29 April 2026

## Income statement

For the year ended 31 December 2025

	2025			2024		
	Revenue return £ 000	Capital return £ 000	Total £ 000	Revenue return £ 000	Capital return £ 000	Total £ 000
<b>Investment income (note 2)</b>	106	-	106	939	-	939
Holding (losses)/gains on investments at fair value through profit or loss	-	(1,169)	(1,169)	-	2,270	2,270
Losses on disposal of investments at fair value through profit or loss	-	(1,033)	(1,033)	-	(198)	(198)
Losses on provision for liabilities and charges	-	(884)	(884)	-	(254)	(254)
Foreign exchange gains/(losses)	31	(164)	(133)	(7)	41	34
Expenses	(373)	(143)	(516)	(436)	(246)	(682)
<b>(Loss)/profit before finance costs and tax</b>	<b>(236)</b>	<b>(3,393)</b>	<b>(3,629)</b>	<b>496</b>	<b>1,613</b>	<b>2,109</b>
Finance costs	(29)	(12)	(41)	(58)	(33)	(91)
<b>(Loss)/profit before tax</b>	<b>(265)</b>	<b>(3,405)</b>	<b>(3,670)</b>	<b>438</b>	<b>1,580</b>	<b>2,018</b>
Tax	27	-	27	35	-	35
<b>(Loss)/profit for the year</b>	<b>(238)</b>	<b>(3,405)</b>	<b>(3,643)</b>	<b>473</b>	<b>1,580</b>	<b>2,053</b>
<b>Earnings per share</b>						
Basic - ordinary shares*	(2.35)p	(13.62)p	(15.97)p	0.49p	6.32p	6.81p
Diluted - ordinary shares*	(2.35)p	(13.62)p	(15.97)p	0.49p	4.51p	5.87p

The company does not have any income or expense that is not included in the profit/(loss) for the year. Accordingly, the '(Loss)/profit for the year' is also the 'Total Comprehensive Income for the year' as defined in IAS 1 (revised) and no separate Statement of Comprehensive Income has been presented.

The total column of this statement represents the Income Statement, prepared in accordance with IFRS. The supplementary revenue return and capital return columns are both prepared under guidance published by the Association of Investment Companies. All items in the above statement derive from continuing operations.

All profit and total comprehensive income is attributable to the equity holders of the company.

\*Calculated in accordance with International Accounting Standard 33 'Earnings per Share'. The cumulative convertible non-redeemable preference shares are anti-dilutive relating to the calculation of diluted EPS on the revenue return and capital return.

## Statement of changes in equity

For the year ended 31 December 2025

	Share capital	Capital reserve	Retained earnings	Total
	£ 000	£ 000	£ 000	£ 000
<b>Balance at 31 December 2023</b>	35,000	(30,709)	221	4,512
<b>Changes in equity for 2024</b>				
Profit for the period	-	1,580	473	2,053
Ordinary dividend paid (note 4)	-	-	(437)	(437)
Preference dividend paid (note 4)	-	-	(175)	(175)
<b>Balance at 31 December 2024</b>	35,000	(29,129)	82	5,953
<b>Changes in equity for 2025</b>				
Loss for the period	-	(3,405)	(238)	(3,643)
Ordinary dividend paid (note 4)	-	-	-	-
Preference dividend paid (note 4)	-	-	-	-
<b>Balance at 31 December 2025</b>	35,000	(32,534)	(156)	2,310

Registered number: 00433137

## Balance Sheet

At 31 December 2025

	2025	2024
	£ 000	£ 000
<b>Non-current assets</b>		
Investments - at fair value through profit or loss	1,078	5,678
Investment in subsidiaries - at fair value through profit or loss	8,185	7,359
	<u>9,263</u>	<u>13,037</u>
<b>Current assets</b>		
Receivables	61	20
Derivatives - at fair value through profit or loss	1	11
Cash and cash equivalents	1	249
	<u>63</u>	<u>280</u>
<b>Total assets</b>	<u>9,326</u>	<u>13,317</u>
<b>Current liabilities</b>		
Trade and other payables	936	1,884
Bank credit facility	658	942
	<u>(1,594)</u>	<u>(2,826)</u>
<b>Total assets less current liabilities</b>	<u>7,732</u>	<u>10,491</u>
<b>Non - current liabilities</b>	<u>(5,422)</u>	<u>(4,538)</u>
<b>Net assets</b>	<u>2,310</u>	<u>5,953</u>
<b>Equity attributable to equity holders</b>		
Ordinary share capital	25,000	25,000
Convertible preference share capital	10,000	10,000
Capital reserve	(32,534)	(29,129)
Retained revenue earnings	(156)	82
<b>Total equity</b>	<u>2,310</u>	<u>5,953</u>

Approved: 29 April 2026

## Cash flow statement

For the year ended 31 December 2025

	Year ended 2025 £ 000	Year ended 2024 £ 000
<b>Cash flows from operating activities</b>		
(Loss)/profit before tax	(3,670)	2,018
Adjustments for:		
Losses/(gains) on investments	3,086	(1,818)
Proceeds on disposal of investments at fair value through profit and loss	1,152	832
Purchases of investments at fair value through profit and loss	(99)	(236)
Interest received	(52)	(5)
Operating cash flows before movements in working capital	417	791
(Increase)/decrease in receivables	(58)	331
Decrease in payables	(68)	(172)
<b>Net cash from operating activities before interest</b>	291	950
Interest paid	(23)	(67)
<b>Net cash from operating activities</b>	268	883
<b>Cash flows from financing activities</b>		
Dividends paid on ordinary shares	(137)	(300)
Dividends paid on preference shares	(95)	(80)
<b>Net cash used in financing activities</b>	(232)	(380)
<b>Net increase in cash and cash equivalents</b>	36	503
<b>Cash and cash equivalents at beginning of year</b>	(693)	(1,196)
<b>Cash and cash equivalents at end of year</b>	(657)	(693)
Cash and cash equivalents	1	249
Bank credit facility	(658)	(942)
<b>Cash and cash equivalents at end of year</b>	(657)	(693)

Purchases and sales of investments are considered to be operating activities of the company, given its purpose, rather than investing activities. Cash and cash equivalents at year end shows net movement on the bank facility.

## **1 Basis of preparation and going concern**

The financial information set out above contains the financial information of the company for the year ended 31 December 2025. The company has prepared its financial statements in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements have also been prepared as far as applicable and relevant to the company in accordance with the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts (SORP), reissued in July 2022 by the Association of Investment Companies (AIC).

The financial statements have been prepared on a going concern basis adopting the historical cost convention except for the measurement at fair value of investments, derivative financial instruments and subsidiaries.

The information for the year ended 31 December 2025 is an extract from the statutory accounts to that date. Statutory company accounts for 2024, which were prepared in accordance with UK-adopted international accounting standards, have been delivered to the registrar of companies and company statutory accounts for 2025, prepared under IFRS as adopted by the UK, will be delivered in due course.

The auditors have reported on the 31 December 2025 year end accounts and their report was unqualified and did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their reports and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The directors, having made enquiries, consider that the company has adequate financial resources to enable it to continue in operational existence for the foreseeable future. Accordingly, the directors believe that it is appropriate to continue to adopt the going concern basis in preparing the company's accounts.

## 2 Income

	2025	2024
	£ 000	£ 000
Income from investments		
UK dividends	12	263
Dividend from subsidiary	-	578
	<u>12</u>	<u>841</u>
Other income	94	98
Total income	<u>106</u>	<u>939</u>
Total income comprises:		
Dividends	12	841
Other interest	93	96
Other income - settlement of US class action suit	1	2
	<u>106</u>	<u>939</u>
Dividends from investments		
Listed investments	5	263
Unlisted investments	7	578
	<u>12</u>	<u>841</u>

During the year the company received a dividend of £nil (2024 - £578,000) from a subsidiary which was generated from gains made on the realisation of investments held by that company. As a result of the receipt of this dividend a corresponding reduction was recognised in the value of the investment in the subsidiary company.

During the year the company recognised £196,000 of a foreign exchange loss (2024 – £48,000 gain) on the loan of \$3,526,000 to a subsidiary. As a result of this loss, the corresponding movement was recognised in the value of the investment in the subsidiary company.

Under IFRS 10 the income analysis is for the parent company only rather than that of the consolidated group. Thus, film revenues of £117,000 (2024 – £112,000) received by the subsidiary British & American Films Limited are shown separately in this paragraph.

### 3 Earnings per ordinary share

The calculation of the basic (after deduction of preference dividend) and diluted earnings per share is based on the following data:

	2025			2024		
	Revenue return	Capital return	Total	Revenue return	Capital return	Total
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Earnings: (Loss)/profit after tax	(238)	(3,405)	(3,643)	473	1,580	2,053
Cumulative convertible non-redeemable preference shares dividend	(350)	-	(350)	(350)	-	(350)
Adjusted (loss)/profit after tax	(588)	(3,405)	(3,993)	123	1,580	1,703
	Weighted average number of ordinary shares			Weighted average number of ordinary shares		
	'000	'000	'000	'000	'000	'000
Basic	25,000	25,000	25,000	25,000	25,000	25,000
Diluted	35,000	35,000	35,000	35,000	35,000	35,000

Basic revenue, capital and total return per ordinary share is based on the net revenue, capital and total return for the period after tax and after deduction of dividends in respect of preference shares and on 25 million (2024: 25 million) ordinary shares in issue.

The diluted revenue, capital and total return is based on the net revenue, capital and total return for the period after tax and on 35 million (2024: 35 million) ordinary and preference shares in issue.

\*Calculated in accordance with International Accounting Standard 33 'Earnings per Share'. The cumulative convertible non-redeemable preference shares are anti-dilutive relating to the calculation of diluted EPS on the revenue return.

#### 4 Dividends

	2025	2024
	£ 000	£ 000
Amounts recognised as distributions to equity holders in the period		
Dividends on ordinary shares:		
Final dividend for the year ended 31 December 2024 of 0.00p (2023: 0.00p) per share	-	-
Interim dividend for the year ended 31 December 2025 of 0.00p (2024: 1.75p) per share	-	437
	<u>-</u>	<u>437</u>
Proposed final dividend for the year ended 31 December 2025 of 0.00p (2024: 0.00p) per share	-	-
	<u>-</u>	<u>-</u>
Dividends on 3.5% cumulative convertible preference shares:		
Preference dividend for the 6 months ended 31 December 2024 of 0.00p (2023: 0.00p) per share	-	-
Preference dividend for the 6 months ended 30 June 2025 of 0.00p (2024: 1.75p) per share	-	175
Preference dividend for the 6 months ended 31 December 2025 of 0.00p (2024: 0.00p) per share	-	-
	<u>-</u>	<u>175</u>

We have set out below the total dividend payable in respect of the financial year, which is the basis on which the retention requirements of Section 1158 of the Corporation Tax Act 2010 are considered.

Dividends proposed for the period

	2025 £ 000	2024 £ 000
Dividends on ordinary shares:		
Interim dividend for the year ended 31 December 2025 of 0.00p (2024: 1.75p) per share	-	437
Proposed final dividend for the year ended 31 December 2025 of 0.00p (2024: 0.00p) per share	-	-
	<u>-</u>	<u>437</u>
Dividends on 3.5% cumulative convertible preference shares:		
Preference dividend for the 6 months ended 30 June 2025 of 0.00p (2024: 1.75p) per share	-	175
Preference dividend for the 6 months ended 31 December 2025 of 0.00p (2024: 0.00p) per share	-	-
	<u>-</u>	<u>175</u>

The non-payment in December 2019, December 2020, June 2022, December 2023, December 2024, June 2025 and December 2025 of the dividend of 1.75 pence per share on the 3.5% cumulative convertible preference shares, consequent upon the non-payment of a final dividend on the Ordinary shares for the year ended 31 December 2019, for the year ended 31 December 2020, for the period ended 30 June 2022, for the year ended 31 December 2023, for the year ended 31 December 2024 and for the year ended 31 December 2025, has resulted in arrears of £1,225,000 on the 3.5% cumulative convertible preference shares. These arrears will become payable in the event that the ordinary shares receive, in any financial year, a dividend on par value in excess of 3.5%.

## 5 Net asset values

		Net asset value per share
	2025	2024
Ordinary shares	£	£
Diluted	0.07	0.17
Undiluted	0.07	0.17
		Net assets attributable
	2025	2024
	£ 000	£ 000
Total net assets	2,310	5,953
Less convertible preference shares at fully diluted value	(660)	(1,701)
Net assets attributable to ordinary shareholders	<u>1,650</u>	<u>4,252</u>

The undiluted and diluted net asset values per £1 ordinary share are based on net assets at the year end and 25 million (undiluted) ordinary and 35 million (diluted) ordinary and preference shares in issue.

### Principal risks and uncertainties

The principal risks facing the company relate to its investment activities and include market risk (other price risk, interest rate risk and currency risk), liquidity risk and credit risk. The other principal risks to the company are loss of investment trust status and operational risk. These will be explained in more detail in the notes to the 2025 Annual Report and Accounts, but remain unchanged from those published in the 2024 Annual Report and Accounts.

### Post balance sheet event

In March 2026, the company entered into a £2.0 million unsecured loan facility agreement with a related party Romulus Films Limited in repayment of all amounts outstanding to Credit Suisse. The facility shall be available for a term of five years and will be repayable in full on the last day of term or earlier at the option of the borrower.

### Related party transactions

The company rents its offices from Romulus Films Limited, and is also charged for its office overheads.

The salaries and pensions of the company's employees, except for the non-executive directors and one employee are paid by Remus Films Limited and Romulus Films Limited and are recharged to the company.

During the year the company entered into an investment transaction with BritAm Investments Limited to sell stock for £561,000 (2024 – £nil).

At 31 December 2024 £4,977,779 (2024 – £4,983,221) was owed by British & American Films Limited to Romulus Films Limited under an existing loan agreement (general purpose facility agreement).

There have been no other related party transactions during the period, which have materially affected the financial position or performance of the company.

### **Capital Structure**

The company's capital comprises £35,000,000 (2024 – £35,000,000) being 25,000,000 ordinary shares of £1 (2024 – 25,000,000) and 10,000,000 non-voting convertible preference shares of £1 each (2024 – 10,000,000). The rights attaching to the shares will be explained in more detail in the notes to the 2025 Annual Report and Accounts, but remain unchanged from those published in the 2024 Annual Report and Accounts.

The period from 1 January 2006 to 31 December 2025 (both inclusive) during which the holders of the Non-Voting Preference Shares had the right to convert all or any of the Non-Voting Preference Shares held by them into fully paid Ordinary Shares at the rate of one New Ordinary Share for each Non-Voting Preference Share has now ended.

In accordance with the company's Articles of Association, any unconverted Non-Voting Cumulative Preference Shares outstanding shall be re-designated as Cumulative Non-Voting Preference Shares only. Accordingly, with effect from 31 December 2025, such shares became non-convertible but otherwise remain in issue and are non-redeemable.

### **Directors' responsibility statement**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations. The directors confirm that to the best of their knowledge the financial statements prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and the profit/(loss) of the company and that the Chairman's Statement, Managing Director's Report and the Directors' report include a fair review of the information required by rules 4.1.8R to 4.2.11R of the FCA's Disclosure and Transparency Rules, together with a description of the principal risks and uncertainties that the company faces.

### **Annual General Meeting**

This year's Annual General Meeting has been convened for Friday 26 June 2026 at 12.15pm at Wessex House, 1 Chesham Street, London SW1X 8ND.