

BRITISH & AMERICAN INVESTMENT TRUST PLC

FINANCIAL HIGHLIGHTS

For the six months ended 30 June 2026

	Unaudited 6 months to 30 June 2026 £'000	Unaudited 6 months to 30 June 2025 £'000	Audited Year ended 31 December 2025 £'000
Revenue			
Loss before tax	(157)	(172)	(265)
Earnings per £1 ordinary shares – basic (note 5)*	(1.28)p	(1.33)p	(2.35)p
Earnings per £1 ordinary shares – diluted (note 5)*	(1.28)p	(1.33)p	(2.35)p
Capital			
Total equity	1,503	1,627	2,310
Revenue reserve (note 9)	(301)	(76)	(156)
Capital reserve (note 9)	(33,196)	(33,297)	(32,534)
Net assets per ordinary share (note 6)			
- Basic (deducting preference shares at fully diluted net asset value)**	£0.04	£0.05	£0.07
- Diluted	£0.04	£0.05	£0.07
Diluted net assets per ordinary share at 25 September 2026	£0.03		
Dividends***			
Dividends per ordinary share (note 4)	0.00p	0.00p	0.00p
Dividends per preference share (note 4)	0.00p	0.00p	0.00p

*Calculated in accordance with International Accounting Standard 33 'Earnings per Share'.

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

***Dividends *declared* for the period. Dividends shown in the accounts are, by contrast, dividends *paid or approved* in the period.

Copies of this report will be posted to shareholders and be available for download at the company's website: www.baitgroup.co.uk.

INVESTMENT PORTFOLIO
As at 30 June 2026

Company	Nature of Business	Valuation	Percentage of portfolio
		£'000	%
Geron Corporation (USA)*	Biomedical	1,025	11.65
Lineage Cell Therapeutics (USA)**	Biotechnology	10	0.11
CellBxHealth	Pharmaceuticals & Biotechnology	8	0.09
Proteome Science	Pharmaceuticals	3	0.04
Regent Pacific	Healthcare	2	0.02
Northwest Biotherapeutics (USA)	Biotechnology	1	0.01
Sherborne Invs (Gurnsey) B (unlisted)	Financial Services	1	0.01
Sarossa Capital (unlisted)	Biotechnology	1	0.01
MindMaze Therapeutics (Switzerland)	Healthcare	1	0.01
Investment portfolio (excluding subsidiaries)		1,052	11.95
Investment in subsidiaries		7,751	88.05
Total investments		8,803	100.00

* Total value of investment including held by subsidiary companies - £3,119,274

** Total value of investment including held by subsidiary companies - £1,677,311

Unaudited Interim Report

As at 30 June 2026

Registered number: 433137

Directors

David G Seligman (*Chairman*)

Jonathan C Woolf (*Managing Director*)

Julia Le Blan (*Non-executive and Chair of the Audit Committee*)

Alex Tamlyn (*Non-executive*)

Registered office

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CHAIRMAN'S STATEMENT

I report our results for the six months to 30 June 2026.

Revenue

The loss on the revenue account before tax amounted to £0.1 million (30 June 2025: loss £0.1 million). This small loss was the result of the low level of investment gain in our subsidiary companies compared to previous years.

Gross revenues totalled £0.05 million (30 June 2025: £0.05 million) during the period. In addition, film income of £34,000 (30 June 2025: £30,000) was received in our subsidiary companies. In accordance with IFRS10, film income is not included within the revenue figures noted above.

A loss of £0.6 million (30 June 2025: £3.8 million loss) was registered on the capital account before capitalised expenses and foreign exchange gains/losses, comprising a realised loss of £0.2 million (30 June 2025: £1.7 million loss) and an unrealised loss of £0.4 million (30 June 2025: £2.1 million loss). Revenue losses per ordinary share were 1.28 pence on a fully diluted basis (30 June 2025: 1.33 pence loss).

Net Assets and performance

Company net assets were £1.5 million (£2.3 million, at 31 December 2025), a decrease of 34.8 percent. Over the same period, the FTSE 100 index increased by 5.7 percent and the All Share index increased by 5.3 percent. With no dividend paid during the period, the total return on net assets remains unchanged and the total return for the FTSE 100 and All Share indices were increases of 7.6 percent and 7.2 percent, respectively. The net asset value per £1 ordinary share was 4.3 pence on a fully diluted basis.

This is another very disappointing six month performance, reflecting the continuing low stock price of our largest US investment Geron Corporation following its significant falls in the previous year, as referred to in prior reports. While the price levels of this stock have consolidated at levels somewhat higher than those in 2025, they are nevertheless substantially below prior year values, despite strong operational and sales progress made by the company over the past two years, as noted in more detail in the Managing Director's report below. Our second largest US investment, Lineage Cell Therapeutics also performed poorly over the period after a significant period of out-performance in 2025, resulting in this year's overall disappointing first-half results.

As noted in April in our 2025 final report, last year and the opening months of 2026 were a time of significant international upheaval, bringing turbulence to financial, trade, energy and commodity markets alike and to global affairs and geopolitics generally. The underlying factors giving rise to this upheaval, which can justifiably be attributed to the misguided economic, fiscal, political and geo-strategic missteps of the current US administration, have not only continued through the first half of this year and into subsequent months, but if anything have grown in their effect.

The continuing war in Ukraine - now in its fifth year, the ongoing war in the Gulf which has blocked one of the world's major energy supply routes seriously inflating world energy and commodities costs, and the continuing and recently hardened and widened trade tariffs imposed by the US government on its trading partners worldwide have combined to create a background to trade, investment and financial markets which could hardly appear worse, short of all out war. The fact that equity markets in the USA and UK have nonetheless continued to be not only resilient but have repeatedly breached all time highs during the period and since, is a matter of not only inexplicable surprise but also of considerable concern for the stability of these markets in the future.

The primary reason for this contra-indicative performance has been the extraordinary level of activity and investment which has been put into one large and exponentially growing sector, namely AI to accommodate its need for vast amounts of silicon semiconductor chips and massive data centre construction to support its globally transformational business. This appetite for funding which is unprecedented in scale - to the extent that the leading companies involved are referred to as 'hyper-scalers' - has driven the markets forward despite the very unfavourable general background and has been satisfied from both public equity and bond markets and private credit sources.

This has had the effect of boosting the equity indices but also of crowding out most other stocks and new investment opportunities which have languished in value and appeal. The requirement for funds by the AI companies, which is measured in trillions rather than billions of dollars, has even had an effect on US government financing operations, themselves under increasing pressure from geopolitical tensions, unsustainable public debt balances and inflationary forces, by pushing up US treasury yields to multi-decade highs over all maturities.

This confluence of highly negative economic and political forces, when combined with the increasing real world effects of climate change - as experienced this summer with record high world temperatures - and the growing likelihood of a severe El Nino effect in the Pacific this autumn, is likely to produce significant shocks to markets in terms of raised prices, basic commodity supply shortages including of food and interest rate increases, resulting ultimately in the likelihood of a substantial down-turn in GDP. Given that, in the absence of the boost currently being provided by the growth in AI-related activities, growth in developed economies has in any event been standing at historically low levels over the last 20 years, the prospect of a return to recession cannot be discounted.

Dividends

As a result of the continued weakness in the market value of our two largest investments in the first half of the year, we will not pay an interim dividend based on the six month period now being reported upon. We intend to resume the payment of interim dividends upon the return of these investment to the price levels prevailing in prior years.

Auditors

Following the unexpected resignation of our auditors in May, we have been conducting a tender process to find replacement auditors. This process has now been completed and we expect to be able to announce the appointment of new auditors for the current year within a short period of time.

Outlook

With equity markets heavily exposed to one particular sector but continuing to trade near - or at - all time highs without any visible support from fundamentals or long-standing valuation metrics and US government policy seeming to blunder on regardless in the absence of effective Congressional oversight, the inevitability of a substantial and damaging collapse in financial markets looms larger every day.

Against this very unfavourable outlook, we intend to remain invested in our two main sector-specific and well-capitalised stocks which are expected to provide significant value performance over the short and medium term given the nature and development of their business, and provide a route back to net income generation notwithstanding current and anticipated general market conditions.

As at 25 September, company net assets were £1.0 million, a decrease of 32.2 percent since the period end, and equivalent to 2.9 pence per share on a fully diluted basis. Over the same period, the FTSE 100 index increased by 1.9 percent and the All Share index increased by 2.3 percent.

David Seligman

29 September 2026

Managing Director's Report

Very little of substance has changed or indeed improved in terms of the global macroeconomic, financial and investment background since our report five months ago, as noted in the Chairman's statement above.

Government finances continue strained, economic growth among the G7 economies remains anaemic, government borrowing and debt service obligations are at record levels, tax burdens remain high, the recent declines in inflation rates have stalled and are now starting to reverse, one five-year war and one newly-commenced regional war are ongoing without resolution in sight causing energy and commodity prices to peak. Additionally, political divisions in leading developed countries are worsening and US isolationist and protectionist policies are weakening the international rules-based system, global security and traditional alliances. Recently, warnings from within the AI industry itself have become alarmist about the near-term risk the super-intelligent large language models they are developing could pose to humanity. Despite all the foregoing, equity markets are reaching all time highs as if none of this was happening!

The highly uncertain and even potentially catastrophic outlook which the combination of these disturbing conditions portends is self-evident. The reasons which over time have led up to the development of the current situation were covered in detail in our last full year report, while the principal cause of the paradoxical strength in equity markets and the weakness in bond markets this year, namely the massive funding demands from the AI sector, have been referred to in the Chairman's statement above.

In the UK, there has been some change over the last few months following the appointment of a new prime minister and cabinet, although whether this will lead to any fundamental change in prospects for the country in terms of growth potential or financial stability remains to be seen, particularly as this was an intra-election cycle change of administration.

While displaying a more left-of-centre demeanor, the previous administration's manifesto commitments have so far been adhered to. Some further clarity on this should be revealed in the upcoming government budget but early indications would appear to suggest that there is very little appetite to tackle the most pressing problem of the ballooning welfare budget, which when added to various other large funding commitments such as for defence, make further taxation or government borrowing inevitable, with the resulting negative impact on the government deficit and debt, gilt yields, interest rates, tax levels, inflation, business activity, employment and ultimately sterling.

GERON

Since our last report, Geron has announced a further quarter of positive sales growth and has re-confirmed its full year sales forecast at the top of its previously estimated range. Despite this, however, there has been no appreciable increase in the stock price from the significantly undervalued levels it has been trading at for some time.

As explained in detail in our full year report in April, companies in the bio/pharma sector are typically priced at between 6x and 10x sales depending on the pace of annual growth in sales and the maturity of the business. Young and growing companies trade closer to the top of this range and larger companies with mature sales towards the bottom of the range.

At the current year net sales levels, which have demonstrated quarter-on-quarter growth of 10 percent and over 30 percent annually under management's re-confirmed current year forecasts, Geron is currently trading at 3.5x such actual sales which represents a discount of 40 percent below the low end of the sales multiple range applying to mature companies and of 65 percent below the high end of the sales multiple range applying to companies such as Geron with fast growing revenues. This is despite leading pharma sector analysts all posting 'Buy' recommendations with sales and earnings forecasts supporting their average price targets of three times the current market price.

Geron management have additionally estimated that on current sales and expenditure forecasts, the company is likely to achieve breakeven within the current year. Once a company moves into profitability, as imminently expected, the additional and much higher sector standard price/earnings valuation metric of 20x to 40x earnings would start to become applicable.

It is evident that this company is being seriously mis-priced by the market, not only on its actually achieved results, as noted above, but through the exclusion of other positive value elements from its market valuation which would normally be taken into consideration such as prospective sales growth, the company's significant levels of cash available for investment rather than as working capital given the proximity of breakeven and the already approved additional markets and expanded disease indications planned for its platform and currently undergoing late stage clinical trials.

The perceived reasons for this mis-pricing have been set out at length in our recent full year report and in prior reports. The seemingly 'managed' basis on which this stock has traded for a considerable period of time has prevented normal price discovery being achieved in the market, and even now at this late stage when real world sales are being generated to support a price based on

standard market metrics rather than the hope value of anticipated government approvals and the promise of future income, which can often serve as a driver of price management in the notoriously volatile and finance-hungry biotechnology sector.

The fact that such large and leading institutions such as Blackrock, Citadel, RA Capital, Vanguard, Clearbridge and Goldman Sachs together with major biopharma sector investment funds have substantial holdings in Geron's stock, with total institutional holdings reaching the high level of 90 percent of the total stock, and that a substantial short position has also been maintained in the stock despite the announcement of good operational results, is indicative of the competing long and short investment funds and the pharma industry itself - to which Geron's innovative oncology drug platform represents effective competition - taking self-interested positions in the stock, which has effectively prevented discovery of an undisturbed price in the market.

Given that at this time Geron is trading at levels representing a discount of 70 percent to its value two years ago when it received FDA approval to market its drug in USA, received similar approval in Europe and is now generating significantly growing sales, and is trading at levels significantly out of step with analysts' targets, as noted above, we intend to maintain our long-held position in this stock until such time as its market value or the result of corporate activity reflects its actual sales, imminent profitability and its other prospective value generators.

Jonathan Woolf

29 September 2026

CONDENSED INCOME STATEMENT
Six months ended 30 June 2026

		Unaudited 6 months to 30 June 2026			Unaudited 6 months to 30 June 2025			Audited Year ended 31 December 2025		
	Note	Revenue return £'000	Capital Return £'000	Total £'000	Revenue Return £'000	Capital Return £'000	Total £'000	Revenue Return £'000	Capital Return £'000	Total £'000
Investment income	3	47	-	47	54	-	54	106	-	106
Holding losses on investments at fair value through profit or loss		-	(457)	(457)	-	(2,118)	(2,118)	-	(1,169)	(1,169)
Gains/(losses) on disposal of investments at fair value through profit or loss		-	9	9	-	(1,037)	(1,037)	-	(1,033)	(1,033)
Losses on provision for liabilities and charges		-	(170)	(170)	-	(670)	(670)	-	(884)	(884)
Foreign exchange gains/(losses)		(1)	36	35	35	(215)	(180)	31	(164)	(133)
Expenses		(186)	(74)	(260)	(242)	(120)	(362)	(373)	(143)	(516)
Loss before finance costs and tax		(140)	(656)	(796)	(153)	(4,160)	(4,313)	(236)	(3,393)	(3,629)
Finance costs		(17)	(5)	(22)	(19)	(8)	(27)	(29)	(12)	(41)
Loss before tax		(157)	(661)	(818)	(172)	(4,168)	(4,340)	(265)	(3,405)	(3,670)
Taxation		12	-	12	14	-	14	27	-	27
Loss for the period		(145)	(661)	(806)	(158)	(4,168)	(4,326)	(238)	(3,405)	(3,643)
Loss per ordinary share	5									
Basic		(1.28)p	(2.64)p	(3.92)p	(1.33)p	(16.67)p	(18.00)p	(2.35)p	(13.62)p	(15.97)p
Diluted*		(1.28)p	(2.64)p	(3.92)p	(1.33)p	(16.67)p	(18.00)p	(2.35)p	(13.62)p	(15.97)p

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

The total column of this statement is the company's Income Statement, prepared in accordance with IFRS. The supplementary revenue return and capital return columns are both prepared under guidelines published by the Association of Investment Companies.

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 non-redeemable preference shares are anti-dilutive relating to the calculation of dilutes EPS on the revenue and capital return. (Note 5).

CONDENSED STATEMENT OF CHANGES IN EQUITY
Six months ended 30 June 2026

Unaudited
Six months ended 30 June 2026

	Share capital* £'000	Capital Reserve £'000	Retained Earnings £'000	Total £'000
Balance at 31 December 2025	35,000	(32,534)	(156)	2,310
Loss for the period	-	(662)	(145)	(807)
Balance at 30 June 2026	35,000	(33,196)	(301)	1,503

Unaudited
Six months ended 30 June 2025

	Share capital* £'000	Capital Reserve £'000	Retained Earnings £'000	Total £'000
Balance at 31 December 2024	35,000	(29,129)	82	5,953
Loss for the period	-	(4,168)	(158)	(4,326)
Balance at 30 June 2025	35,000	(33,297)	(76)	1,627

Audited
Year ended 31 December 2025

	Share capital* £'000	Capital Reserve £'000	Retained Earnings £'000	Total £'000
Balance at 31 December 2024	35,000	(29,129)	82	5,953
Loss for the period	-	(3,405)	(238)	(3,643)
Balance at 31 December 2025	35,000	(32,534)	(156)	2,310

*The company's share capital comprises £35,000,000 (2025 - £35,000,000) being 25,000,000 ordinary shares of £1 (2025 - 25,000,000) and 10,000,000 non-voting preference shares of £1 each (2025 - 10,000,000).

CONDENSED BALANCE SHEET
As at 30 June 2026

	Note	Unaudited 30 June 2026 £'000	Unaudited 30 June 2025 £'000	Audited 31 December 2025 £'000
Non-current assets				
Investments – at fair value through profit or loss (note 1)		1,052	1,138	1,078
Investment in subsidiaries – at fair value through profit or loss		7,751	7,172	8,185
		8,803	8,310	9,263
Current assets				
Receivables		27	397	61
Derivatives		1	4	1
Cash and cash equivalents		25	60	1
		53	461	63
Total assets		8,856	8,771	9,326
Current liabilities				
Trade and other payables		(1,845)	(1,375)	(936)
Bank credit facility		-	(416)	(658)
		(1,845)	(1,791)	(1,594)
Total assets less current liabilities		7,011	6,980	7,732
Non – current liabilities		(5,508)	(5,353)	(5,422)
Net assets		1,503	1,627	2,310
Equity attributable to equity holders				
Ordinary share capital		25,000	25,000	25,000
Preference share capital		10,000	10,000	10,000
Capital reserve		(33,196)	(33,297)	(32,534)
Retained revenue earnings		(301)	(76)	(156)
Total equity		1,503	1,627	2,310
Net assets per ordinary share – basic	6	£0.04	£0.05	£0.07
Net assets per ordinary share – diluted	6	£0.04	£0.05	£0.07

CONDENSED CASHFLOW STATEMENT
Six months ended 30 June 2026

	Unaudited 6 months to 30 June 2026 £'000	Unaudited 6 months to 30 June 2025 £'000	Audited Year ended 31 December 2025 £'000
Cash flow from operating activities			
Loss before tax	(818)	(4,340)	(3,670)
Adjustment for:			
Losses on investments	618	3,825	3,086
Proceeds on disposal of investments at fair value through profit or loss	25	1,134	1,152
Purchases of investments at fair value through profit or loss	(12)	(75)	(99)
Interest	(36)	(21)	(52)
Operating cash flows before movements in working capital	(223)	523	417
Decrease/(increase) in receivables	31	(41)	(58)
Increase/(decrease) in payables	878	102	(68)
Net cash from operating activities before interest	686	584	291
Interest paid	(4)	(15)	(23)
Net cash flows from operating activities	682	569	268
Cash flows from financing activities			
Dividends paid on ordinary shares	-	(137)	(137)
Dividends paid on preference shares	-	(95)	(95)
Net cash used in financing activities	-	(232)	(232)
Net increase in cash and cash equivalents	682	337	36
Cash and cash equivalents at beginning of period	(657)	(693)	(693)
Cash and cash equivalents at end of period	25	(356)	(657)
Cash and cash equivalents	25	60	1
Bank credit facility	-	(416)	(658)
Cash and cash equivalents at end of period	25	(356)	(657)

NOTES TO THE COMPANY'S CONDENSED FINANCIAL STATEMENT

1. Accounting policies

Basis of preparation and statement of compliance

This interim report is prepared in accordance with IAS 34 'Interim Financial Reporting' an International Financial Reporting Standard adopted by the United Kingdom and on the basis of the accounting policies set out in the company's Annual Report and financial statements at 31 December 2025.

The company's condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2025 which are prepared in accordance with UK adopted International Financial Reporting Standards (IFRS) and the Companies Act 2006.

The financial statements have not been audited or reviewed by the Auditor pursuant to the Auditing Practices Board Guidance on 'Review of Interim Financial Information'. The Financial Statements for the six months to 30 June 2026 have been prepared on the basis of the same accounting policies as set out in the Company's Annual Report and Financial Statements at 31 December 2025.

In accordance with IFRS 10, the group does not consolidate its subsidiaries and therefore instead of preparing group accounts it prepares separate financial statements for the parent entity only.

The financial statements have been prepared on the historical cost basis except for the measurement at fair value of investments, derivative financial instruments and subsidiaries. The same accounting policies as those published in the statutory accounts for 31 December 2025 have been applied.

Significant accounting policies

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the Association of Investment Companies (AIC), supplementary information which analyses the income statement between items of a revenue and capital nature has been presented alongside the income statement.

As the entity's business is investing in financial assets with a view to profiting from their total return in the form of interest, dividends or increases in fair value, listed equities and fixed income securities are designated as fair value through profit or loss on initial recognition. The company manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy, and information about the group is provided internally on this basis to the entity's key management personnel.

Investments held at fair value through profit or loss, including derivatives held for trading, are initially recognised at fair value.

All purchases and sales of investments are recognised on the trade date.

After initial recognition, investments, which are designated as at fair value through profit or loss, are measured at fair value. Gains or losses on investments designated at fair value through profit or loss are included in profit or loss as a capital item, and material transaction costs on acquisition and disposal of investments are expensed and included in the capital column of the income statement. For investments that are actively traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market closing prices or last traded prices, depending upon the convention of the exchange on which the investment is quoted at the close of business on the balance sheet date. Investments in units of unit trusts or shares in OEICs are valued at the closing price released by the relevant investment manager.

In respect of unquoted investments, or where the market for a financial instrument is not active, fair value is established by using an appropriate valuation technique.

Investments of the company in subsidiary companies are held at the fair value of their underlying assets and liabilities.

This includes the valuation of film rights in British & American Films Limited and thus the fair value of its immediate parent BritAm Investments Limited. In determining the fair value of the film rights, estimates are made. These include future film revenues which are estimated by the management. Estimations made have taken into account historical results, current trends and other relevant factors.

Where a subsidiary has negative net assets it is included in investments at £nil value and a provision for liabilities is made on the balance sheet equal to the value of the net liabilities of the subsidiary company where the ultimate parent company has entered into a guarantee to pay the liabilities as they fall due.

Dividend income from investments is recognised as income when the shareholders' rights to receive payment has been established, normally the ex-dividend date.

Interest income on fixed interest securities is recognised on a time apportionment basis so as to reflect the effective interest rate of the security.

When special dividends are received, the underlying circumstances are reviewed on a case by case basis in determining whether the amount is capital or income in nature. Amounts recognised as income will form part of the company's distribution. Any tax thereon will follow the accounting treatment of the principal amount.

All expenses are accounted for on an accruals basis. Expenses are charged as revenue items in the income statement except as follows:

- transaction costs which are incurred on the purchase or sale of an investment designated as fair value through profit or loss are expensed and included in the capital column of the income statement;
- expenses are split and presented partly as capital items where a connection with the maintenance or enhancement of the value of the investments held can be demonstrated, and accordingly investment management and related costs have been allocated 50% (2025 – 50%) to revenue and 50% (2025 – 50%) to capital, in order to reflect the directors' long-term view of the nature of the expected investment returns of the company.

The 3.5% cumulative non-redeemable preference shares issued by the company are classified as equity instruments in accordance with IAS 32 'Financial Instruments – Presentation' as the company has no contractual obligation to redeem the preference shares for cash or pay preference dividends unless similar dividends are declared to ordinary shareholders.

Going Concern

The directors have assessed the ability of the company to continue as a going concern for a period of at least twelve months after the date of approval of these financial statements. The directors are satisfied, that given the assets of the company consist mainly of securities that are readily realisable and that it has available a credit facility with a related party Romulus Films limited, it will have sufficient resources to enable it to continue as a going concern.

2. Segmental reporting

The directors are of the opinion that the company is engaged in a single segment of business, that is investment business, and therefore no segmental information is provided.

3. Income

	Unaudited 6 months to 30 June 2026 £'000	Unaudited 6 months to 30 June 2025 £'000	Audited Year ended 31 December 2025 £'000
Income from investments	-	6	12
Other income	47	48	94
	47	54	106

During the period the company did not receive any dividends from a subsidiary (30 June 2025 – £nil, 31 December 2025 – £nil).

During the period the company recognised a foreign exchange gain of £37,000 (30 June 2025 – £250,000 loss, 31 December 2025 – £196,000 loss) on the loan of \$3,526,000 to a subsidiary. As a result of this gain, the corresponding movement was recognised in the value of the investment in the subsidiary company.

Under IFRS 10 the income analysis above includes the parent company only rather than that of the group. In addition to the income above film revenues of £34,000 (30 June 2025 – £30,000, 31 December 2025 – £117,000) received by the subsidiary British & American Films Limited forms part of the net profit of those companies available for distribution to the parent company.

4. Dividends

	Unaudited 6 months to 30 June 2026 Interim		Unaudited 6 months to 30 June 2025 Interim		Audited Year ended 31 December 2025 Final	
	Pence per share	£'000	Pence per share	£'000	Pence per share	£'000
Ordinary shares - paid	-	-	-	-	-	-
Ordinary shares - proposed	-	-	-	-	-	-
Preference shares - paid	-	-	-	-	-	-
Preference shares - proposed	-	-	-	-	-	-
		<u>-</u>		<u>-</u>		<u>-</u>
		<u>-</u>		<u>-</u>		<u>-</u>

The dividends on ordinary shares are based on 25,000,000 ordinary £1 shares. Dividends on preference shares are based on 10,000,000 non-voting 3.5% preference shares of £1.

The non-payment in December 2019, December 2020, June 2022, December 2023, December 2024, June 2025, December 2025 and June 2026 of the dividend of 1.75 pence per share on the 3.5% cumulative 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, for the period ended 30 June 2025, for the year ended 31 December 2025 and for the period ended 30 June 2026 has resulted in arrears of £1,400,000 on the 3.5% cumulative 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. (Loss)/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:

	Unaudited 6 months to 30 June 2026 Revenue return £'000	Unaudited 6 months to 30 June 2026 Capital return £'000	Unaudited 6 months to 30 June 2026 Total £'000
Earnings:			
Loss after tax	(145)	(662)	(807)
Cumulative non-redeemable preference shares dividend	(175)	-	(175)
Adjusted loss after tax	<u>(320)</u>	<u>(662)</u>	<u>(982)</u>
	Unaudited 6 months to 30 June 2025 Revenue return £'000	Unaudited 6 months to 30 June 2025 Capital return £'000	Unaudited 6 months to 30 June 2025 Total £'000
Earnings:			
Loss after tax	(158)	(4,168)	(4,326)
Cumulative non-redeemable preference shares dividend	(175)	-	(175)
Adjusted loss after tax	<u>(333)</u>	<u>(4,168)</u>	<u>(4,501)</u>
	Audited Year ended 31 December 2025 Revenue return £'000	Audited Year ended 31 December 2025 Capital return £'000	Audited Year ended 31 December 2025 Total £'000
Earnings:			
Loss after tax	(238)	(3,405)	(3,643)
Cumulative non-redeemable preference shares dividend	(350)	-	(350)
Adjusted loss after tax	<u>(588)</u>	<u>(3,405)</u>	<u>(3,993)</u>
	Weighted average number of ordinary shares '000	Weighted average number of ordinary shares '000	Weighted average number of ordinary shares '000
Basic	25,000	25,000	25,000
Diluted	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 (30 June 2025 – 25 million, 31 December 2025 – 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 (30 June 2025 – 35 million, 31 December 2025 – 35 million) ordinary and preference shares in issue.

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

6. Net asset value attributable to each share

Basic net asset value attributable to each share has been calculated by reference to 25,000,000 ordinary shares, and company net assets attributable to shareholders as follows:

	Unaudited 30 June 2026 £'000	Unaudited 30 June 2025 £'000	Audited 31 December 2025 £'000
Total net assets	1,503	1,627	2,310
Less preference shares at fully diluted value	(429)	(465)	(660)
Net assets attributable to ordinary shareholders	<u>1,074</u>	<u>1,162</u>	<u>1,650</u>

Diluted net asset value is calculated on the total net assets in the table above and on 35,000,000 shares, taking into account the preference shares.

Basic net assets per share is calculated using a value of fully diluted net asset value for the preference shares.

7. Non – current liabilities

	Unaudited 30 June 2026 £'000	Unaudited 30 June 2025 £'000	Audited 31 December 2025 £'000
Guarantee of subsidiary liability			
Opening provision	5,422	4,538	4,538
Increase in period	86	815	884
Closing provision	<u>5,508</u>	<u>5,353</u>	<u>5,422</u>

The financial liability is in respect of a guarantee made by the company for the liabilities of Second BritAm Investments Limited owed to the company's other wholly owned subsidiaries, BritAm Investments Limited and British & American Films Limited. The guarantee is to pay out the liabilities of Second BritAm Investments Limited if they fall due. There is no current intention for these liabilities to be called and accordingly these are classified as non-current liabilities.

During 2019 as part of a transaction to hedge the company against exchange effects of the foreign currency loan (note12(b)), an amount corresponding to the \$USD value was loaned by British & American Investment Trust PLC to Second BritAm Investments Limited. As a result of this, and other related intercompany transactions, £2,860,000 of amounts previously guaranteed became an asset of the company, as shown in note 11, and the provision brought forward against this was transferred to become an expected credit loss.

8. Related party transactions

Romulus Films Limited and Remus Films Limited have significant shareholdings in the company: 6,902,812 (27.6%) ordinary shares held by Romulus Films Limited and 7,868,750 (31.5%) ordinary shares held by Remus Films Limited). Romulus Films Limited also holds 10,000,000 cumulative preference shares.

The company rents its offices from Romulus Films Limited and is also charged for its office overheads. During the period the company paid £9,000 (30 June 2025 – £8,000 and 31 December 2025 – £17,000) in respect of those services.

The salaries and pensions of the company's employees, except for the three non-executive directors, are paid by Remus Films Limited and Romulus Films Limited and are recharged to the company. Amounts charged by these companies in the period to 30 June 2026 were £138,000 (30 June 2025 – £214,000 and 31 December 2025 – £263,000) in respect of salary costs and £13,000 (30 June 2025 – £26,000 and 31 December 2025 – £24,000) in respect of pensions.

At the period end an amount of £972,000 (30 June 2025 – £279,000 and 31 December 2025 – £222,000) was due to Romulus Films Limited and £546,000 (30 June 2025 – £475,000 and 31 December 2025 – £489,000) was due to Remus Films Limited.

British & American Investment Trust PLC has guaranteed the liabilities of £5,756,000 (30 June 2025 – £5,508,000 and 31 December 2025 – £5,422,000) due from Second BritAm Investments Limited to its fellow subsidiaries if they should fall due.

During the period the company paid interest of £5,000 (30 June 2025 – £9,000 and 31 December 2025 – £13,000) on the loan due to BritAm Investments Limited and £2,000 (30 June 2025 – £2,000 and 31 December 2025 – £4,000) on the loan due to British & American Films Limited.

During the period the company received interest of £47,000 (30 June 2025 – £47,000 and 31 December 2025 – £93,000) from Second BritAm Investments Limited.

During the period the company did not enter into an investment transaction with BritAm Investments Limited to sell stock (30 June 2025 – £561,000 and 31 December 2025 – £561,000).

At 30 June 2026 £5,102,000 (30 June 2025 – £5,038,000 and 31 December 2025 – £4,978,000) was owed by British & American Films Limited to Romulus Films Limited and £58,000 (30 June 2025 – £55,000 and 31 December 2025 – £56,000) to Remus Films Limited. Interest was paid to Romulus Films Limited of £80,000 (30 June 2025 – £80,000 and 31 December 2025 – £166,000) at the rate of 3.5% per annum per first quarter of the year and then at 3.0% per annum (30 June 2025 – 3.0% per annum per first quarter of the year and then at 3.5% per annum and 31 December 2025 – 3.0% per annum per first quarter of the year and then at 3.5% per annum). The loan is repayable at not less than one year's notice.

All transactions with subsidiaries were made on an arm's length basis.

9. Retained earnings

The table below shows the movement in the retained earnings analysed between revenue and capital items.

	Capital reserve £'000	Retained earnings £'000
1 January 2026	(32,534)	(156)
Allocation of loss for the period	(662)	(145)
At 30 June 2026	<u>(33,196)</u>	<u>(301)</u>

The capital reserve includes £457,000 of investment holding losses (30 June 2025 – £1,825,000 loss, 31 December 2025 – £823,000 loss).

10. Financial instruments

Financial instruments carried at fair value

All investments are carried at fair value. Other financial assets and liabilities of the company are held at amounts that approximate to fair value. The book value of cash at bank and bank loans included in these financial statements approximate to fair value because of their short-term maturity.

Fair value hierarchy

The table below analyses recurring fair value measurements for financial assets and financial liabilities.

These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly:

- (1) Prices of recent transactions for identical instruments.
- (2) Valuation techniques using observable market data.

Level 3: Unobservable inputs for the asset or liability.

Financial assets and financial liabilities at fair value through profit or loss at 30 June 2026	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000
<i>Financial assets</i>				
Equity investments	1,050	-	2	1,052
Derivatives	1	-	-	1
Unquoted subsidiaries	-	-	7,751	7,751
Total investments	1,051	-	7,753	8,804

With the exception of the Sarossa Capital PLC (unquoted), Sherborne Investors (Guernsey) B Limited (unquoted) and Unbound Group PLC (unquoted), BritAm Investments Limited (unquoted subsidiary) and Second BritAm Investments Limited (unquoted subsidiary), which are categorised as Level 3, all other investments are categorised as Level 1.

Fair Value Assets in Level 3

The following table shows the reconciliation from the opening balances to the closing balances for fair value measurement in Level 3 of the fair value hierarchy.

	Level 3
	£'000
Opening fair value at 1 January 2026	8,187
Investment holding losses	(434)
Closing fair value at 30 June 2026	7,753

Subsidiaries

The fair value of the subsidiaries is determined to be equal to the net asset values of the subsidiaries at period end plus the uplift in the revaluation of film rights in British & American Films Limited, a subsidiary of BritAm Investments Limited.

The directors of British & American Films Limited have determined a valuation of £3.5 million for the five feature films in the library. This valuation has been arrived at from a combination of discounting expected cash flows over the full period of copyright at current long term interest rates and a recently received independent third party professional valuation.

There have been no transfers between levels of the fair value hierarchy during the period. Transfers between levels of fair value hierarchy are deemed to have occurred at the date of the event or change in circumstances that caused the transfer.

11. Financial information

The financial information contained in this report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The financial information for the period ended 30 June 2026 and 30 June 2025 have not been audited by the Company's Auditor pursuant to the Auditing Practices Board guidance. The information for the year to 31 December 2025 has been extracted from the latest published Annual Report and Financial Statements, which have been lodged with the Registrar of Companies, contained an unqualified auditors' report and did not contain a statement required under Section 498(2) or (3) of the Companies Act 2006.

DIRECTORS' STATEMENT

Principal risks and uncertainties

The principal risks and uncertainties faced by the company continue to be as described in the previous annual accounts. Further information on each of these areas, together with the risks associated with the company's financial instruments are shown in the Directors' Report and notes to the financial statements within the Annual Report and Accounts for the year ended 31 December 2025.

The Chairman's Statement and Managing Director's report include commentary on the main factors affecting the investment portfolio during the period and the outlook for the remainder of the year.

Directors' Responsibilities Statement

The Directors are responsible for preparing the half-yearly report in accordance with applicable law and regulations. The Directors confirm that to the best of their knowledge the interim financial statements, within the half-yearly report, have been prepared in accordance with IAS 34 'Interim Financial Reporting'. The Directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. The Directors further confirm that the Chairman's Statement and Managing Director's Report includes a fair review of the information required by 4.2.7R and 4.2.8R of the FCA's Disclosure and Transparency Rules.

The Directors of the company are listed in the section preceding the Chairman's Statement.

The half-yearly report was approved by the Board on 29 September 2026 and the above responsibility statement was signed on its behalf by:

Jonathan C Woolf
Managing Director