



**CHANNEL ISLANDS
PROPERTY FUND**

**INTERIM REPORT & UNAUDITED
CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

For the period from
1 October 2025 to 31 March 2026







CHANNEL ISLANDS PROPERTY FUND

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GENERAL INFORMATION

For the period from 1 October 2025 to 31 March 2026

DIRECTORS

Elizabeth (“Libby”) Burne (appointed 4 November 2025)
Paul Le Marquand
Paul Turner
Shelagh Mason (resigned 31 December 2025)
Steve Le Page (resigned 2 March 2026)
Dominic Jones (appointed 18 May 2026)
Brian O’Mahoney (appointed 18 May 2026)

REGISTERED OFFICE

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GY1 3PP

INVESTMENT MANAGER

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ADMINISTRATOR AND SECRETARY

Aztec Financial Services (Guernsey) Limited
PO Box 656
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Trafalgar Court
Les Banques
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REGISTRAR

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PRINCIPAL BANKERS

Royal Bank of Scotland International Limited
PO Box 62
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INDEPENDENT AUDITOR

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PROPERTY MANAGER

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Channel Islands
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INDEPENDENT VALUER

Montagu Evans LLP
70 St Mary Axe
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EC3A 8BE

MARKET MAKER

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COMPANY SUMMARY

For the period from 1 October 2025 to 31 March 2026

Channel Islands Property Fund Limited (the “Company” or “CIPF” and together with its subsidiaries the “Group”) is an Authorised Closed-Ended Collective Investment Scheme regulated by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended, and the Authorised Closed-Ended Investment Scheme Rules, 2021. A total of 153,642,798 (2025: 159,892,798) Ordinary Shares were admitted to the Official List of The International Stock Exchange (“TISE”) as at 31 March 2026.

Date Admitted	Shares Issued/(Cancelled)	Total Shares in Issue
17 November 2010	26,225,000	26,225,000
19 July 2013	8,000,000	34,225,000
8 August 2014	41,775,000	76,000,000
12 May 2015	14,000,000	90,000,000
16 September 2016	45,000,000	135,000,000
11 August 2017	13,500,000	148,500,000
19 December 2017	11,392,798	159,892,798
28 March 2025	(6,250,000)	153,642,798

During the prior period, the Board authorised a buyback scheme of 6.25 million shares at a price of 80p per share. Following the completion and settlement of the buyback, these shares were cancelled and the Company’s total outstanding shares reduced to 153,642,798.

A Special Resolution was passed by the members of the Company at an EGM held on 28 September 2018, that the term of the Company be extended indefinitely, subject to the ability for shareholders who together hold at least 15% in number of the shares in the Company, to place a continuation vote on the agenda of each Annual General Meeting (“AGM”) falling on every fifth anniversary thereafter, to be voted on as an Ordinary Resolution. The 2023 AGM was held on 2 March 2023 and no such request from shareholders for a continuation vote was received. Therefore, the next scheduled continuation vote will be at the 2028 AGM, subject to such a request from shareholders.

INVESTMENT OBJECTIVE & POLICY

The Company has been established with the objective of providing an investment opportunity that aims to provide shareholders with a total return from a combination of capital growth and an appropriate dividend policy through the acquisition and active asset management of commercial property predominantly in the Channel Islands. Target properties are intended to be fully or partially let and provide a core income which may offer opportunities to add value through active asset management across all sectors of the property market.

There are no geographical or other limitations or restrictions to which investment by the Company is subject. The Company may invest in derivatives, investments, funds and companies owning property and financial indices which are property related including, but not limited to, property development.



INVESTMENT MANAGER'S ("IM") REPORT

For the period from 1 October 2025 to 31 March 2026

At the beginning of 2026, expectations were for a continued improvement in the real estate market against a backdrop of stable macroeconomic conditions leading to a predicted series of Bank of England base rate cuts from 3.75%. This benign outlook altered significantly at the end of February with the outbreak of conflict between the US, Israel and Iran.

Although a tentative peace deal has been signed, worldwide inventories of oil, liquid gas and diesel, have reduced and the disruption to global energy markets is forecast to cause increases in commodity, shipping, agriculture and construction costs amongst others.

Increases in pricing is likely to lead to greater inflationary pressures worldwide, limiting central bank's abilities to reduce interest rates. Both the Fed and the Bank of England held rates at the respective June meetings.

The forward rate curve has steepened materially since January and many commentators now predict rate increases in H2, 2026.

In the UK, bond markets continue to remain elevated, partly due to the above, in addition to potential political instability, with the resignation of the Prime Minister, Sir Kier Starmer on 22 June.

These macroeconomic circumstances have moderated investor activity and pricing across real estate markets, particularly for leveraged transactions, although demand for prime office assets, driven by tenant demand and rental growth continues to support transactional activity in an increasingly cautious environment.

In the Channel Islands, occupational fundamentals remain strong, with constrained supply of new and refurbished high-quality office accommodation and ongoing tenant demand resulting in continued rental growth both on new lettings and rent reviews.

In St Helier, quoting rents for refurbished buildings sit in the range of £40.00 p.s.f.- £50.00 p.s.f. with new prime Grade A space at the International Finance Centre expected to quote rents close to £60.00 p.s.f. to make development economically viable.

Supply constraints are similarly evident in Guernsey, particularly for larger, modern floorplates, although demand levels are lower following the final lettings at Admiral Park Phase 2, which is now fully occupied.

Rents for refurbished space sit in the range £40.00 p.s.f. - £45.00 p.s.f. and there are no sites currently with consent for new Grade A office space although this may change with the adoption of a new Island Development Plan. Even if that is the case, it will be at least five years before new buildings would become available for let.

In the Isle of Man, the Douglas office market remains comparatively subdued. Letting activity has been concentrated in smaller units, generally in the 2,000 sq.ft. - 3,000 sq.ft. range, with limited larger transactions.

Investment transactions across the Company's core markets have been relatively modest in the period, as investors take stock of the changing macroeconomic conditions.

Post the period end the Company completed an extension to its debt facilities with its existing lender following a competitive process involving both Channel Island and UK banks and non-bank lenders. The result was a five-year facility added to the end of the current term which expires in June 2027, securing financing until June 2032. Whilst the margin on the loan reduced from its previous level, the overall cost of debt has increased due to higher base rates.

The Company's portfolio remains robust. Rent collection remains at 100% and lease events during the period have demonstrated the ability to increase income through the settlement of rent reviews.

The outlook for the remainder of 2026 is cautious. While it is no longer anticipated that base rates will fall in the near term, strong occupational demand, limited supply and rental growth in the Islands combine to underpin valuation fundamentals in the medium term.

We would like to thank shareholders for their continued support.

Ravenscroft Corporate Finance Limited

25 June 2026





DIRECTORS' REPORT

For the period from 1 October 2025 to 31 March 2026

The Directors submit their Interim Report and Unaudited Condensed Consolidated Financial Statements (the "Consolidated Financial Statements") of Channel Islands Property Fund Limited and its subsidiaries (together the "Group") for the period from 1 October 2025 to 31 March 2026, which have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"). The Consolidated Financial Statements should be read in conjunction with the annual financial statements for the year ended 30 September 2025 (the "Annual Financial Statements"). These Consolidated Financial Statements have been prepared in accordance with relevant enactments for the time being in force; and are in agreement with the accounting records, which have been properly kept in accordance with section 238 of the Companies (Guernsey) Law, 2008, as amended.

CORPORATE GOVERNANCE

The Board has undertaken a detailed review of the effectiveness of its corporate governance practices for the Group. In the context of the nature, scale and complexity of the Group, the Directors are satisfied with the level of their governance oversight for the Group and their compliance with the Finance Sector Code of Corporate Governance issued by the Guernsey Financial Services Commission (the "GFSC") on 30 September 2011, as amended (the "Guernsey Code").

The Company joined the Association of Investment Companies (the "AIC") on 9 July 2018, and so the Board of the Company has applied the principles and recommendations of the AIC Code of Corporate Governance (the "AIC Code") for Investment Companies in the preparation of these Consolidated Financial Statements. The AIC Code addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company.

The Board considers that reporting in accordance with the principles and recommendations of the AIC Code provides the best information to shareholders. The Board intends to ensure that the AIC Code is complied with on an ongoing basis and will thereby also ensure compliance with the Guernsey Code.

ACTIVITY

The Group's principal activity is that of investment in commercial properties located in Guernsey, Jersey and the Isle of Man.

DIVIDENDS

Interim dividends paid up to the date of this report were:

Dividend period	Date paid	Dividend per share	Total dividend
30 September 2025	28 November 2025	£0.0165	£2,535,106
31 December 2025	27 February 2026	£0.0165	£2,535,106
31 March 2026	29 May 2026	£0.0150	£2,304,642

DIRECTORS

The Directors during the period and to the date of this report are as stated within General Information. A biography of each Director is presented in the Annual Financial Statements. During the period the Directors received remuneration in the form of fees as stated in note 18.

Following the period end, on 18 May 2026, the board welcomed the appointments of Dominic Jones as Non-Executive Chairman and Brian O'Mahoney as Non-Executive Director representing the Investment Manager. At the same time, Libby Burne assumed the role of Chair of the Audit Committee.



DIRECTORS' REPORT (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

DIRECTORS' INTERESTS

At the period end, the Directors held the following number of shares in the Company:

	31 March 2026	30 September 2025
Libby Burne	-	N/A
Paul Le Marquand	-	-
Paul Turner	20,000	20,000
Shelagh Mason*	N/A	100,000
Steve Le Page*	N/A	100,000

*Shelagh Mason resigned on 31 December 2025 and Steve Le Page resigned on 2 March 2026. Dominic Jones and Brian O'Mahoney were appointed as Directors on 18 May 2026.

All the Directors' interests are held indirectly. At no point during the period, or any prior period, did any of the Directors hold an interest in any contract or contract for provision of services to which the Company, or any subsidiary undertaking, is a party.

GOING CONCERN

The Board have examined the significant areas of possible financial risk, in particular cash requirements and the ongoing obligations of the banking covenants.

At the reporting date, the Company was in a net current liability position of £937,884 (30 September 2025: £507,873). The Directors have considered this position in their assessment of the Company's ability to continue as a going concern and note that the net current liability balance arises principally from rental income received in advance, which is recognised as a current liability in accordance with accounting standards.

This liability does not represent an obligation requiring a future cash settlement but reflects income that has been received in cash and will be recognised in profit or loss over the remaining lease term. Accordingly, the net current liability position does not adversely impact the Company's liquidity or its ability to meet its obligations as they fall due.

Cash flow projections are reviewed in detail by the Audit Committee on a regular basis, at least quarterly and before the declaration of any dividend. These cash flow projections reflect the Investment Managers' expectations for the portfolio of properties, assuming tenant breaks are exercised and that significant capital expenditure and void or rent-free periods result. These projections indicate that the Company, has sufficient financial resources to meet its obligations as they fall due, including meeting all banking covenants, for at least twelve months from the date of approval of these Consolidated Financial Statements.

After due consideration the Directors believe that it is appropriate to adopt the going concern basis of accounting in the preparation of these Consolidated Financial Statements.

Approved by the Board of Directors on 25 June 2026 and signed on its behalf by:

Libby Burne

Director



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period from 1 October 2025 to 31 March 2026

	Note	1 October 2025 to 31 March 2026 £	1 October 2024 to 31 March 2025 £
INCOME			
Rental income		7,903,226	8,535,655
Service charge income	8	3,402,802	3,473,781
Total Operating Income		11,306,028	12,009,436
GAINS AND LOSSES ON INVESTMENTS			
Net fair value movement on investment property and lease incentives	6	359,858	216,583
Net realised loss on disposal of investment properties	6	-	(1,098,659)
EXPENSES			
Service charge expenses	8	(3,484,341)	(3,515,287)
Investment Management fees	17	(729,980)	(766,648)
Other operating expenses	12, 17	(595,198)	(993,034)
Total Operating Expenses		(4,809,519)	(5,274,969)
PROFIT BEFORE FINANCE COSTS AND TAX		6,856,367	5,852,391
FINANCING COSTS			
Effective portion of changes in fair value of the derivative financial instruments	15	(448,296)	(443,209)
Interest income		36,187	50,485
Commitment fee expense	14	(6)	(7,445)
Interest expense	4	(1,884,177)	(2,150,927)
Amortisation of loan set up costs	14	(40,908)	(40,909)
Total Finance Costs (net)		(2,337,200)	(2,592,005)
PROFIT BEFORE TAX		4,519,167	3,260,386
Current tax expense	5	(240,914)	(56,514)
PROFIT FOR THE PERIOD AFTER TAX		4,278,253	3,203,872
TOTAL COMPREHENSIVE INCOME			
Total comprehensive income attributable to equity holders		4,266,595	3,198,936
Total comprehensive income profit attributable to non-controlling interests	19	11,658	4,936
		4,278,253	3,203,872
Basic and Diluted Earnings Per Share	9	0.03	0.02

The accompanying notes form an integral part of these Consolidated Financial Statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Note	31 March 2026 £	30 September 2025 £
NON-CURRENT ASSETS			
Investment properties	6	216,294,667	215,994,749
Receivable on rental incentives	6	7,511,414	7,684,076
Derivative financial instruments	15	3,583,083	4,031,379
Total Non-current Assets		227,389,164	227,710,204
CURRENT ASSETS			
Trade and other receivables	10	204,296	219,799
Receivable on rental incentives	6	743,919	871,175
Cash and cash equivalents	13	5,050,382	5,319,283
Total Current Assets		5,998,597	6,410,257
TOTAL ASSETS		233,387,761	234,120,461
EQUITY			
Share capital	16	149,064,292	149,064,292
Hedging reserve	16	3,583,083	4,031,379
Accumulated deficit		(35,593,598)	(35,249,935)
TOTAL EQUITY		117,053,777	117,845,736
NON-CURRENT LIABILITIES			
Loans and borrowings	14	109,397,503	109,356,595
Total Non-current Liabilities		109,397,503	109,356,595
CURRENT LIABILITIES			
Rent received in advance		3,651,893	3,445,516
Other payables	11	3,284,588	3,472,614
Total Current Liabilities		6,936,481	6,918,130
TOTAL LIABILITIES		116,333,984	116,274,725
TOTAL EQUITY AND LIABILITIES		233,387,761	234,120,461
Capital and reserves attributable to equity holders		116,933,736	117,725,454
Capital and reserves attributable to non-controlling interests	19	120,041	120,282
		117,053,777	117,845,736
Net Asset Value per share		0.762	0.767

The Consolidated Financial Statements were approved by the Board of Directors on 25 June 2026 and are signed on its behalf by:

Dominic Jones (Director)

Libby Burne (Director)

The accompanying notes form an integral part of these Consolidated Financial Statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period from 1 October 2025 to 31 March 2026

	Note	1 October 2025 to 31 March 2026 £	1 October 2024 to 31 March 2025 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		4,519,167	3,260,386
<i>Adjusted for:</i>			
Interest income		(36,187)	(50,485)
Interest expense	4	1,884,177	2,150,927
Commitment fee expense	14	6	7,445
Unrealised gain on investment properties	6	(359,858)	(216,583)
Realised loss on investment properties, net	6	-	1,098,659
Amortisation of set up costs	14	40,908	40,909
Movement in trade and other receivables	10	15,503	83,071
Movement in rental incentives	6	299,918	(650,016)
Movement in rent received in advance		206,377	(488,880)
Movement in other payables	11	(50,904)	73,935
Tax paid		(268,868)	(56,514)
NET CASH INFLOW FROM OPERATING ACTIVITIES		6,250,239	5,252,854
INVESTING ACTIVITIES			
Movement in fair value of derivative financial instruments		448,296	443,209
Proceeds from sale of investment properties	6	-	21,541,341
Capitalised expenses	6	(2,181)	(280,042)
Reimbursement from service charge account	6	62,121	53,000
NET CASH INFLOW FROM INVESTING ACTIVITIES		508,236	21,757,508
FINANCING ACTIVITIES			
Loan principal repaid	14	-	(14,000,000)
Interest income		36,187	50,485
Commitment fees paid		-	(7,445)
Interest paid		(1,993,351)	(2,150,927)
Dividends paid		(5,070,212)	(5,276,462)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		(7,027,376)	(21,384,349)
NET CASH INFLOW FOR THE PERIOD		(268,901)	5,626,013
CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	13	5,319,283	5,905,762
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	13	5,050,382	11,531,775

The accompanying notes form an integral part of these Consolidated Financial Statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from 1 October 2025 to 31 March 2026

	Share Capital £	Hedging Reserve £	Accumulated Deficit £	Total £
Balance at 30 September 2024	154,064,292	6,123,330	(35,657,139)	124,530,483
Results for the period	-	(443,209)	3,579,875	3,136,666
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	(443,209)	3,579,875	3,136,666
Share buyback	(5,000,000)	-	-	(5,000,000)
Dividend paid	-	-	(5,276,462)	(5,276,462)
BALANCE AT 31 MARCH 2025	149,064,292	5,680,121	(37,353,726)	117,390,687
Results for the period	-	(1,648,742)	7,174,003	5,525,261
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	(1,648,742)	7,174,003	5,525,261
Dividend paid	-	-	(5,070,212)	(5,070,212)
Share buyback	-	-	-	-
BALANCE AT 30 SEPTEMBER 2025	149,064,292	4,031,379	(35,249,935)	117,845,736
Results for the period	-	(448,296)	4,726,549	4,278,253
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	-	(448,296)	4,726,549	4,278,253
Dividend paid	-	-	(5,070,212)	(5,070,212)
Share buyback	-	-	-	-
BALANCE AT 31 MARCH 2026	149,064,292	3,583,083	(35,593,598)	117,053,777

The accompanying notes form an integral part of these Consolidated Financial Statements.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 October 2025 to 31 March 2026

1. REPORTING ENTITY

Channel Islands Property Fund Limited (the "Company" or "CIPF" and together with its subsidiaries the "Group") was incorporated on 25 August 2010. The Company is an Authorised Closed-Ended Collective Investment Scheme regulated by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended, and the Authorised Closed-Ended Investment Scheme Rules, 2021. The Group's unaudited condensed consolidated financial statements as at and for the period ended 31 March 2026, (the "Consolidated Financial Statements,") comprise the Company and its subsidiaries as listed in note 19. The Group's principal activity is that of investment in commercial properties in Guernsey, Jersey and the Isle of Man.

2. MATERIAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's Consolidated Financial Statements.

Basis of preparation

The Group's Consolidated Financial Statements for the six months to 31 March 2026 have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"), and on a going concern basis. The Consolidated Financial Statements should be read in conjunction with the annual financial statements for the year ended 30 September 2025 (the "Annual Financial Statements") which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and comply with the Companies (Guernsey) Law, 2008, as amended.

Accounting policies

The preparation of financial statements in conformity with IAS 34 requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Group's accounting policies. The accounting policies applied are consistent with those of the Annual Financial Statements.

Financial Risk Management

The Group's activities expose it to a variety of financial risks. The main risks arising from the Group's financial instruments are market price risk, liquidity risk, credit risk and interest rate risk, which have not changed since 30 September 2025. These Consolidated Financial Statements do not include all financial risk management information and disclosures required in the Annual Financial Statements and, accordingly, should be read in conjunction with the Annual Financial Statements.

3. SEGMENTAL INFORMATION

The Board is of the opinion that the Group is organised into one main business segment, focusing on achieving long-term total returns through acquisition and holding of commercial property interests and for which information is provided based on IFRS accounting policies. The Group's secondary segment is the geographical segment, based on the location of the investments within Guernsey, Jersey and the Isle of Man. The Directors consider the portfolio to be a single geographic segment and therefore no separate information is provided for each jurisdiction.

4. INTEREST EXPENSE

	1 October 2025 to 31 March 2026 £	1 October 2024 to 31 March 2025 £
Net Interest Expense	1,884,177	2,150,927

The net interest expense is in relation to the interest charged on the Facility Agreement with Royal Bank of Scotland International ("RBSI") as per note 14 and the derivative financial instruments with National Westminster Bank ("Natwest") as per note 15.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

5. TAXATION

The Company is exempt from Income Tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989, as amended. The Company pays an annual fee to the States of Guernsey Income Tax Office, presently set at £1,600 (2025: £1,600).

Regency Court Property Limited, Gategny Holdings Limited, Esplanade Properties (Guernsey) Limited, Guernsey Property No.4 Limited and 2G Limited are subject to Guernsey income tax on rental income arising after the deduction of allowable debt financing costs and allowable expenses. Liberty Wharf 4 Limited and Specular Limited are subject to Jersey income tax on rental income arising after the deduction of allowable debt financing costs and allowable expenses. Vicarage House Limited and FN House Limited are subject to Isle of Man income tax on rental income arising after the deduction of allowable debt financing costs and other allowable expenses.

During the period to 31 March 2026, £240,914 (31 March 2025: £56,514) has been recorded as a tax expense to the Unaudited Condensed Consolidated Statement of Comprehensive Income for the period to 31 March 2026. The actual amount of income tax payable for the year will be assessed at 30 September 2026. As at 31 March 2026, tax payable amounted to £1,024,949 (30 September 2025: £1,099,256).

With effect from September 2016, dividends paid by the Company carry an associated tax credit equivalent to the actual rate of tax suffered by the Company, including the subsidiaries in respect of their Guernsey and Jersey rental income. Shareholders should therefore note that the effective rate of tax may be less than 20% and they should report the net dividends received accordingly.

The Company has obtained an agreement from the Guernsey Revenue Service that the current associated tax credit calculation is superseded by the preparation of a quarterly taxable reserves schedule, to definitively identify the proportion of taxed rental income, untaxed loan interest or capital within the dividends from the Company.

There were no amounts recognised as deferred taxation in the Consolidated Financial Statements at 31 March 2026 (30 September 2025: £nil).

6. INVESTMENT PROPERTIES

Level 3 reconciliation

	31 March 2026 £	30 September 2025 £
Fair value at beginning of period/year	215,994,749	235,090,356
Capitalised costs	2,181	150,459
Proceeds from sale of investment properties	-	(21,569,151)
Realised loss on sale of investment properties	-	(1,098,659)
Movement on Lease Incentive and unrealised gain/(loss)	359,858	3,474,744
Reimbursement from service charge account	(62,121)	(53,000)
Fair value at end of the period/year	216,294,667	215,994,749

The carrying value of investment properties reconcile to the Appraised Value as follows:

Appraised values	224,550,000	224,550,000
Lease incentives held as receivable	(8,255,333)	(8,555,251)
Carrying value at the end of the period/year	216,294,667	215,994,749



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

6. INVESTMENT PROPERTIES (continued)

The investment portfolio, in line with the investment summary detailed within the Investment Manager's Report, consists of commercial property located in Guernsey, Jersey and the Isle of Man.

Lease incentives have previously been granted to the tenants of certain properties, in the form of payments and rent-free periods. The value of these lease incentives is being recognised in the Unaudited Condensed Consolidated Statement of Comprehensive Income over the period of the leases.

The property valuations have incorporated the future cash flows of these leases in arriving at the market value and as such an accounting adjustment, being an adjustment to the value of the investment property, has to be made to take into consideration the lease incentives.

Under IFRS 13, purchase costs must be accounted for in the valuation of property and the intention to sell the property holding company, rather than the property itself, has no bearing on the valuation of the investment property.

All investment properties are valued as at 30 September 2025 by Montagu Evans LLP, London, who is a member of the Royal Institution of Chartered Surveyors. Fees for the valuer are fixed and agreed on an annual basis. Valuations of the properties were reviewed by PricewaterhouseCoopers CI LLP during their audit of the Annual Financial Statements for the year ended 30 September 2025 and were also reviewed and approved by the Directors. There have been no formal valuations for the properties for the period ended 31 March 2026.

All investment properties are categorised as level 3 in the IFRS 13 fair value hierarchy. Transfers between levels are deemed to occur at the end of the reporting period. There have been no transfers of properties between levels 1, 2 and 3 during the period (30 September 2025: none).

The entire share capital of the companies listed in note 19 are the subject of a guarantee and indemnity between these parties in favour of RBSI, with the exception of St Helier Investments Limited, and Jubilee Management Limited ("JML"). The properties held by the subsidiaries, as detailed in note 19, are also subject to individual bonds in favour of RBSI in respect of the properties held. Further details of the loan are provided in note 14.

Please refer to the Company's Annual Financial Statements for the year ended 30 September 2025, notes 3 and 8, for the full accounting disclosures regarding investment properties.

7. OPERATING LEASES

The below table details the minimum lease receipts of the operating leases of the Group:

(a) Calculated based on the assumption that tenants will continue to occupy the property until the agreed lease expiry date:

	31 March 2026 £	30 September 2025 £
Within 1 Year	16,684,872	16,559,763
1 to 5 Years	64,116,413	64,272,721
After 5 Years	57,756,801	64,857,041
Total	138,558,086	145,689,525

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

7. OPERATING LEASES (continued)

(b) Calculated based on the assumption that tenants will exercise their break lease date option:

	31 March 2026 £	30 September 2025 £
Within 1 Year	16,684,872	16,559,763
1 to 5 Years	52,541,178	54,869,242
After 5 Years	23,092,868	28,461,729
Total	92,318,918	99,890,734

Agreements

There have been no material changes to the terms of any agreements during the period to 31 March 2026. For further details of the agreements in place, please refer to the Annual Financial Statements.

All tenants undergo rent reviews every three years. Increases are agreed in line with market rates at the time of the review. As at the period end, a number of reviews remained in progress.

During the period ended 31 March 2026, one tenant has contributed more than 15% of the rental income of the Group. This tenant currently has a tenancy in Royal Chambers in Guernsey and 18-22 Grenville Street in Jersey.

8. SERVICE CHARGE INCOME AND EXPENSES

The leases for the multi-tenant properties entitle the Group to invoice tenants for service charges quarterly in advance based upon a budgeted amount for each year. These monies are held in a client account with the Property Manager and are not received directly by the Company. They are used to settle costs such as electricity, water, rates, maintenance and other expenses in respect of the relevant property.

During the period ended 31 March 2026, service charge income of £3,402,802 (31 March 2025: £3,473,781) was received from occupiers and an amount of £3,484,341 (31 March 2025: £3,515,287) was incurred in relation to these services.

If there is a vacancy within one of the properties, part of these expenses would become the responsibility of the respective property holding company in a proportion relative to the size of the vacancy. During the period, non-recoverable expenses of £81,539 (31 March 2025: £41,506) were incurred by the Group as a result of vacant spaces in one of the properties in Guernsey. This difference is therefore the net liability of the Group.

9. BASIC AND DILUTED EARNINGS PER SHARE

The basic and diluted earnings per share for the Group is based on the profit for the period of £4,278,253 (31 March 2025: £3,203,872) and the weighted average number of Ordinary Shares in issue during the period of 153,642,798 (30 September 2025: 153,642,798).



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

10. TRADE AND OTHER RECEIVABLES

Trade and other receivables are made up as follows:

	31 March 2026 £	30 September 2025 £
Amounts receivable from tenants	-	21,321
Sundry debtors	130,835	125,558
Prepayments	73,461	72,920
	204,296	219,799

11. OTHER PAYABLES

Other payables are made up as follows:

	31 March 2026 £	30 September 2025 £
Taxation	1,024,949	1,099,256
Investment Manager fees	361,395	354,067
Loan interest and commitment fee - RBSI	1,263,760	1,372,932
Other creditors	155,909	185,069
GST / VAT	99,324	50,329
Audit fees	59,650	109,360
Provision for Dilapidation*	313,391	295,391
Dividend	6,210	6,210
	3,284,588	3,472,614

* Included in provision for dilapidations is an amount received from a previous tenant. A provision has been recognised to reflect that these funds will be utilised for the refurbishment of the related space.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

12. OTHER OPERATING EXPENSES

Other operating expenses are made up as follows:

	1 October 2025 to 31 March 2026 £	1 October 2024 to 31 March 2025 £
Legal and professional fees	111,904	377,711
Administration fees	190,654	286,273
Property management fees	13,226	30,001
Repairs and maintenance costs	-	22,880
Regulatory fees	59,017	14,740
Directors' fees and expenses	106,270	94,569
Audit fees	74,604	84,263
Registration fees	2,496	8,810
Marketing expenses	5,675	5,000
Insurance costs	6,168	20,454
Sundry expenses	25,184	48,333
	595,198	993,034

13. CASH AND CASH EQUIVALENTS

Included in the cash and cash equivalents of £5,050,382 (30 September 2025: £5,319,283) is £1,018,782 (30 September 2025: £1,018,782) of cash held under the security terms of the loan facility with RBSI. Further details of the loan facility are disclosed in note 14.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

14. LOANS AND BORROWINGS

	31 March 2026 £	30 September 2025 £
<i>Due after 1 year:</i>		
RBSI:		
Net loan liability at beginning of period/year	109,356,595	123,274,552
Loan principal (repaid) / drawdown during the period/year	-	(14,000,000)
Amortisation of loan set up costs	40,908	82,043
TOTAL NET LOAN LIABILITY DUE AFTER 1 YEAR	109,397,503	109,356,595
Unamortised RBSI loan set up costs	(102,497)	(143,405)
RBSI Loan principal liability	109,500,000	109,500,000
	109,397,503	109,356,595

There is no loan liability due before 1 year.

On 30 September 2021, the bank finance was renegotiated under a restated and amended loan facility agreement (the "Agreement"). The effective date of the Agreement was 1 October 2021 with expiry date of 30 June 2027. The total commitment was amended to £125,000,000, of which £123,500,000 was drawn. During the prior period, a portion of the loan principal amounting to £14,000,000 was repaid using the proceeds from the sale of Fort Anne and 17/18 Esplanade and reducing the outstanding loan balance to £109,500,000.

As disclosed in note 21, the bank finance had been further renegotiated with effect from 15 May 2026 with an expiry date of 30 June 2032.

Costs of £471,800 were capitalised in relation to the Agreement, of which £40,908 had been unwound during the period ended 31 March 2026.

Security has been provided by way of a charge over the Group's investment properties under the Agreement. Interest is charged at the aggregate of the margin and SONIA rate and is payable quarterly in arrears.

The interest charged on the loan of £109,500,000 is the aggregate of the margin and SONIA rate. As at 31 March 2026, the effective rate of interest charged was 5.64% (30 September 2025: 6.33%) on the outstanding loan.

The commitment fee is charged at the rate of 1% per annum on the available and undrawn commitment for the availability period. During the period to 31 March 2026, a total of £6 (31 March 2025: £7,445) was incurred on the undrawn commitment.

The loan facility was originally drawn to assist with financing the purchase of the properties. In accordance with the Agreement the Group has various non-financial and financial covenants that are required to be met. These are reviewed and confirmed to RBSI on a quarterly basis.

In addition, the covenants are monitored by the Investment Manager on at least a quarterly basis. The financial covenants are detailed in the following table.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

14. LOANS AND BORROWINGS (continued)

In addition, the Company has an overdraft agreement with RBSI, with a limit of £2,000,000, bearing interest at 2.5% per annum above the base rate for borrowings within the limit and 15% per annum for borrowings exceeding the limit. This has not been utilised during the period.

Covenants	Requirement	31 March 2026	30 September 2025
Loan to Market Value Ratio (including lease incentives)	Must not exceed 55%	48.76%	48.76%
Projected Interest Cover Ratio	Must be in excess of 225%	347.51%	365.22%
Historic Interest Cover Ratio	Must be in excess of 225%	431.39%	382.90%
Projected Debt to Rent Cover	Must not exceed 900%	611.81%	623.28%

15. DERIVATIVE FINANCIAL INSTRUMENTS

On 11 November 2021, the Company entered into two derivative arrangements with Natwest Markets plc ("Natwest") on £90,000,000 of its debt, split equally between an interest rate swap for £45,000,000 and an interest rate cap with a strike rate of 1% on the other £45,000,000. These arrangements became effective on 15 January 2022 and will expire on 30 June 2027.

During the year ended 30 September 2025, the Company entered into an additional agreement with Natwest for an interest rate swap hedging the remaining £35,000,000 of the loan facility at 4.09%. This arrangement became effective on 15 July 2024 and will expire on 30 June 2027. During the prior period, the nominal amount was reduced to £19,500,000 following the sale of properties and partial repayment of the loan principal.

The fair value of the derivatives in respect of these contracts was based on their marked to market value. The interest rate swap and interest rate cap are classified as level 2 under the hierarchy of fair value measurements required by IFRS 13.

Derivatives primarily held for risk management purposes

	Assets/(Liabilities) £	Notional Amount £
As at 1 October 2025	4,031,379	109,500,000
Movement during the period of interest rate cap receivable	(217,600)	-
Movement during the period of interest rate swap receivable	(230,696)	-
As at 31 March 2026	3,583,083	109,500,000

During the period, the Company received £1,203,553 interest income from Natwest in relation to the Derivative Financial Instrument Agreements.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

16. SHARE CAPITAL AND RESERVES

Authorised

The Company has an unlimited number of Ordinary shares of no par value.

Issued and Fully Paid

	No. of Shares	£
Ordinary Shares		
Balance as at 1 October 2024	159,892,798	154,064,292
Issued during the year	-	-
Issue costs	-	-
Ordinary Shares - cancelled	(6,250,000)	(5,000,000)
Balance as at 30 September 2025	153,642,798	149,064,292
Issued during the period	-	-
Issue costs	-	-
Balance as at 31 March 2026	153,642,798	149,064,292

During the prior period, the Board authorised a buyback scheme of 6.25 million shares at a price of 80p per share. Following the completion and settlement of the buyback, these shares were cancelled and the Company's total outstanding shares reduced to 153,642,798.

The movement in the hedging reserves was as follows:

	1 October 2025 to 31 March 2026 £	1 October 2024 to 31 March 2025 £
Balance at start of period	4,031,379	6,123,330
Movement during the period	(448,296)	(443,210)
Balance at end of period	3,583,083	5,680,120

Movements relating to the derivative arrangements accounted for as cash flow hedge are recognised in this reserve.

The rights attaching to the Ordinary Shares are as follows:

- As to income – the holders of Ordinary Shares shall be entitled to receive, and participate in, any dividends or other distributions attributable to the Ordinary Shares and available for dividend or distribution and resolved to be distributed in respect of any accounting period or any other income or right to participate therein.
- As to capital – the holders of Ordinary Shares shall be entitled on a winding up, to participate in the distribution of capital.
- As to voting – the holders of the Ordinary Shares shall be entitled to receive notice of and to attend and vote at general meetings of the Company.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

17. MATERIAL AGREEMENTS

Fees Payable to the Administrator

The Administrator of the Company is Aztec Financial Services (Guernsey) Limited ("Aztec"). Aztec and Atla Fiduciaries Limited provide administration services to the Company's subsidiaries. These companies are collectively known as the "Administrators". Total fees charged by the Administrators during the period were £190,654 (31 March 2025: £286,273), of which £nil remained payable as at 31 March 2026 (30 September 2025: £nil).

The Administrators have the right to be reimbursed from the Company for any reasonable out of pocket expenses incurred in carrying out their responsibilities.

Fees Payable to the Property Manager

The Property Manager is entitled to receive a fee for each property it manages. Where this property is multi-let, the full amount of the fee is recoverable via the service charge. Should any tenant from a multi-let property vacate their lease, the Group would be responsible for their share of the management fee. For single let properties the group is also responsible for the payment of such fees. Total property management fees during the period ended 31 March 2026 were £13,226 (31 March 2025: £30,001), of which £nil remained payable at 31 March 2026 (30 September 2025: £nil).

In addition, the Company paid £nil (31 March 2025: £16,533) to the Property Manager, in relation to the letting advice services provided during the period.

Fees payable to the Investment Manager

Investment Management fee

Pursuant to the Investment Management Agreement, the Company pays the Investment Manager an annual fee equal to 0.6% per annum of the Gross Asset Value of the Company (which shall include assets that were purchased with leverage) calculated by reference to the Gross Asset Value as at the end of each quarter and payable quarterly in arrears. To the extent that there is a capital raising during a quarter, an adjustment shall be made to Gross Asset Value on a time apportioned basis.

Where the completion date of the acquisition or disposal of an investment is made part way through a quarter, the portion of the fee paid relating to that investment shall be apportioned pro rata in accordance with the period from the completion date to the end of that quarter.

Fees charged by the Investment Manager during the period were £729,980 (31 March 2025: £766,648), of which £361,395 remains unpaid as at 31 March 2026 (30 September 2025: £354,067).

Acquisition fees

Pursuant to the Investment Management Agreement, the Company pays the Investment Manager an acquisition fee which will not exceed 1.5% of the purchase price of each investment upon completion of such purchase. No acquisition fees were incurred for the period ended 31 March 2026 (31 March 2025: £nil).

Disposal fees

Pursuant to the Investment Management Agreement, the Company pays the Investment Manager a disposal fee of up to 1.5% of the sale price of the property sold.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

18. RELATED PARTY TRANSACTIONS

The following transactions have been entered into with parties deemed to be related to the Company. The terms of these transactions are disclosed below and are equivalent to those that would prevail in an arms' length transaction.

During the current period, the Directors were entitled to the following fees per annum:

	Annual Fee
Chairman*	£56,400
Audit Committee Chair	£46,080
Non - Executive Director	£39,240

* The Chairman's fee was reduced from £62,540 to £56,400 with effect from 1 January 2026.

* Brian O'Mahoney will not be receiving any Director fee but is entitled to all reasonable and proper expenses incurred in the performance of his duties.

At 31 March 2026, no amount remained outstanding between the Directors and the Company (30 September 2025: £nil). During the period, the Directors received £104,362 (31 March 2025: £93,550). The Directors received £1,908 (for the period ended 31 March 2025: £1,019) as reimbursement for expenses during the year.

The following shares were held by related parties:

	As at 31 March 2026	As at 30 September 2025
Directors		
Shelagh Mason	N/A	100,000
Steve Le Page	N/A	100,000
Paul Turner	20,000	20,000
Paul Le Marquand	-	-
Libby Burne	-	N/A
Dominic Jones	N/A	N/A
Brian O'Mahoney*	100,000	100,000
Employees and related parties of the Investment Manager		
Jon Ravenscroft	500,000	500,000

* In addition, 50,000 shares are held indirectly through a Retirement Annuity Trust Scheme



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

19. INVESTMENTS IN SUBSIDIARIES AND NON-CONTROLLING INTERESTS

Subsidiary	Date of incorporation/ acquisition	Tax Domicile
CIPF Holdings (Guernsey) Limited	19 March 2015	Guernsey
- Regency Court Property Limited	30 November 2010	Guernsey
- Gategny Holdings Limited	8 August 2014	Guernsey
- Guernsey Property No.4 Limited	1 July 2016	Guernsey
- Jubilee Management Limited ("JML")	2 January 2019	Guernsey
- Esplanade Properties (Guernsey) Limited	12 October 2017	Guernsey
- Jubilee Management Limited ("JML")	2 January 2019	Guernsey
- 2G Limited	30 July 2020	Guernsey
CIPF Holdings Jersey Limited	7 January 2016	Guernsey
- St Helier Investments Limited*	19 July 2013	Jersey
- Liberty Wharf 4 Limited	16 September 2016	Jersey
- Specular Limited	4 September 2020	Jersey
CIPF Holdings (IOM) Limited	17 May 2017	Isle of Man
- Vicarage House Limited	15 December 2015	Isle of Man
- FN House Limited	18 May 2017	Isle of Man

* Following the sale of 17/18 Esplanade, this entity is in the process of being wound up.

Fort Anne Holdings Limited was dissolved on 3 March 2026.

All companies listed above are 100% owned and were originally set up to acquire properties, with the exception of JML. Guernsey Property No.4 Limited and Esplanade Properties (Guernsey) Limited own 34.67% and 20.79% of the shares of JML.

The Group owns, indirectly through those two subsidiaries, a total of 55.46% of the Ordinary Class A shares in JML. On 18 August 2020, the "golden" share owned by the property manager was executed and the Company took control of the entity. The results of JML are consolidated into these financial statements from the date control was obtained. As at 31 March 2026, JML had a net asset value of £269,513 and a net income of £26,175 of which £120,041 and £11,658 were attributed to Non - controlling interests, respectively.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2025 to 31 March 2026

20. NET ASSET VALUE PER SHARE

The below table reconciles the difference between the published net asset value as at 31 March 2026 and the net asset value calculated as part of these Consolidated Financial Statements. The variances detailed have resulted from disparities between the valuation assumptions used for the purposes of the published net asset value and those required under IFRS. The Directors do not believe that they will incur Document Duty on the disposal of the SPVs that hold the individual properties located in Guernsey and Isle of Man.

There are also sometimes variances in the accruals recorded between the valuation and the Consolidated Financial Statements. These tend to arise as a result of the differing time frames between the preparation of each report. Should additional information become available after the publication of the quarterly valuation, these changes would be reflected in the Consolidated Financial Statements but not the published valuation at the appropriate date.

Variances could also arise due to classification of line items for net asset value purposes and for financial reporting purposes.

	31 March 2026 £	30 September 2025 £
Net asset value attributable to Ordinary Shares per consolidated financial statements	117,053,777	117,845,736
<i>Adjustments:</i>		
Adjustments to fair value of investment property	10,910,000	10,910,000
Adjustments to tax payable	(206,286)	763,939
Adjustments to other current assets and liabilities	250,029	(192,031)
Published net asset value per RNS	128,007,520	129,327,644
Shares in issue	153,642,798	153,642,798
Published Net Asset Value per Share	0.833	0.842
IFRS Net Asset Value per share	0.762	0.767

21. EVENTS AFTER REPORTING DATE

On 1 May 2026, the Company approved an interim dividend of £2,304,642 (£0.015 per share), which was paid on 29 May 2026.

On 18 May 2026, the Company appointed Dominic Jones as Non-Executive Chairman and Brian O'Mahoney as Non-Executive Director representing the Investment Manager, to the Board. Alongside these appointments, Libby Burne has assumed the role of Chair of the Audit Committee.

On 18 May 2026, the Company announced the completion of the refinancing of the Company's bank loan. The loan, secured against the Company's property portfolio, has been extended until June 2032 at an improved margin.





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