

TRAFALGAR PROPERTY GROUP PLC

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2025

Company Registration No. 04340125

TABLE OF CONTENTS

Officers and Professional Advisers	3
Strategic Report:	
Chairman's Statement	4
Chief Executive Officer's Report	5-6
Statement on Section 172 Companies Act 2006	7
Directors' Report	8-11
Independent Auditor's Report	12-18
Consolidated Statement of Comprehensive Income	19
Consolidated Statement of Financial Position	20
Consolidated Statement of Changes in Equity	21
Consolidated Statement of Cash Flows	22
Group Accounting Policies	23-28
Notes to the Consolidated Financial Statements	29-41
Company Balance Sheet	42
Company Statement of Changes in Equity	43
Notes to the Company Financial Statements	44-51
Explanation of Resolutions at the Annual General Meeting	52
Notice of Annual General Meeting	53-55

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

N A C Lott
P A Treadaway
G M Thorneycroft
Dr P F Challinor
P R Elliott (appointed 06 May 2025)

SECRETARY

N W Narraway

REGISTERED OFFICE

Chequers Barn
Chequers Hill
Bough Beech
Edenbridge
Kent TN8 7PD

REGISTERED NUMBER

04340125

INDEPENDENT AUDITOR

MHA
2 London Wall Place
Barbican
London EC2Y 5AU

NOMINATED ADVISER

Spark Advisory Partners Ltd
5 St John's Lane
London EC1M 4BH

REGISTRARS

Neville Registrars Ltd
Neville House
Steelpark Road
Halesowen
West Midlands B62 8HD

Company website

<http://www.trafalgarproperty.group>

Trafalgar Property Group Plc

STRATEGIC REPORT

for the year ended 31 March 2025

CHAIRMAN'S STATEMENT

On behalf of the Board, I present Trafalgar Property Group Plc (the Group) results for the year ended 31 March 2025. The overall result continues to be disappointing, as can be seen in the attached Accounts and Strategic Report. However, we continue to seek property opportunities with planning permission having been granted for the construction of two, four-bedroomed detached properties at the Talbot Park, Tunbridge Wells site. The property at Speldhurst, held on the balance sheet at the end of last year, was eventually sold after the year end at £715,000.

During the year the company issued 226,250,000 new ordinary shares at a price of £0.00044 per share to satisfy the 2024 CLN with C C Johnson.

The potential reverse takeover referred to in the results to 31 March 2024 did not complete but costs were covered by funding provided by the target company. The board continues to seek other opportunities for the group as indicated in the RNS issued in July 2025 and referred to in Post Balance Sheet Events on page 10.

Financials

The year under review saw the Group turnover at £600 (2024: £nil), with a loss after tax of £400,266 (2024: Loss £516,723).

Management have performed a review of the assets and liabilities of the underlying subsidiaries which form the value of the anticipated profits on ongoing developments.

Due to the uncertainties and timing of the construction of new developments and the potential sale of those properties, it has been agreed by management not to include any future anticipated profits of developments in their assessment.

The cash on the balance sheet at the end of the year was £27,429 (2024: £8,906) and the Group continues to have sufficient bank facilities for all current day to day activities.

Business Environment and Outlook

No new directors were appointed to the Group in the year, but Paul Elliott was appointed a director of Trafalgar Property Group PLC on 6th May 2025.

The effects of market forces and the property market in general together with the UK having been in a period of high inflation and high cost of living have had a significant effect on the property sector and the business of the group. However, the Bank of England are slowly reducing the cost of borrowing with a recent 0.25% reduction in base rate. It is hoped therefore that the market for property will start to improve as demonstrated by the increase in property prices albeit a challenge for many potential buyers still adjusting to recent higher mortgage costs. Like most businesses, we are aware of our need to conduct ourselves carefully to preserve the health of our staff and customers and to conserve our cash reserves.

Paul Treadaway

Paul Treadaway
Chairman
21 October 2025

CHIEF EXECUTIVE OFFICER 'S REPORT

Business review, results and dividends

All trading and property assets of Trafalgar Property Group Plc (Group) are held in the name of the Group or its subsidiaries as follows:

Trafalgar New Homes Limited (TNH)
Trafalgar Retirement+ Limited (TR+)
Selmat Limited (Selmat)
Combe Bank Homes (Oakhurst) Limited (Oakhurst)
Combe Homes (Borough Green) Limited (Borough Green)
Life Hydroponic Assets Ltd

TNH continues to be the main trading subsidiary but given the lack of activity in Selmat, Life Hydroponic Assets Ltd and TR+ it was decided that an impairment provision be made against the inter company accounts with TPG together with provision against the associated management charges issued by TPG. The effects on the company balance sheet can be seen in note 9 to the company accounts.

Mortgage of £963,750 (2024 – £450,100) exist on the properties held by TNH at the balance sheet date. Following the sale of the Speldhurst property after the year end the mortgages have been reduced by £600,000.

As stated in an RNS dated July 2025, the company acquired from Paul Elliott (a director from 6th May 2025) a 10% equity interest in Hilton House, a commercial property in Stockport to be converted to residential, for £350,000 to be satisfied by the issuance of 366,666,667 new ordinary shares at £0.0003 each amounting to £110,000 leaving Paul, at the time, with 29.43% of the fully diluted share capital. The balance of £240,000 will be satisfied through the issue of an unsecured CLN at £0.0003 strike price.

The current principal activity of the Group continues to be that of a regional property developer focused upon Kent, Surrey, Sussex and the M25 ring south of London together with investment in residential property, which have a rental income of £600 (2024: £nil). As stated previously the Group is now considering other property opportunities in other regions of the UK. The consolidated results of the year's trading are shown below. The consolidated loss for the year was £400,266 (2024: Loss £516,723). Management believes the key indicators of performance for the Group are the revenue and profitability achieved during the year.

Principal risks & uncertainties

Set out below are certain risk factors which could have an impact on the Group's long-term performance. The factors discussed below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties facing the Group.

The principal risks and uncertainties facing the Group are:

1. Direct costs may escalate and eat into gross profit margins due to unexpected interest rate movements and high inflation rates putting pressure on material costs.
2. There may be uncertainty in obtaining adequate finance thus putting pressure on the going concern of the Group.
3. Heavy overheads may be incurred especially when projects have been completed and before others have been commenced.
4. The Group could commit too much to future capital projects.
5. The Group's reliance on key members of staff.
6. The market may deteriorate, damaging liquidity of the Group and future revenues.
7. The potential conversion of the property in Stockport may not complete.

Trafalgar Property Group Plc

STRATEGIC REPORT

for the year ended 31 March 2025

The Group considers that it mitigates these risks with the following policies and actions:

1. The Group affords its bankers and other lenders a strong level of asset and income cover and maintains good relationships with a range of funding sources from which it is able to secure finance on favourable terms for the initial purchase of potential development sites. The Plc also has access to shareholder funding via placing of shares in the market. A full statement regarding going concern is shown in the accounting policies on page 23.
2. Direct costs are outsourced on a fixed price contract basis, thereby passing on to the contractor all risk of cost overspend, including from increased material, labour or other costs.
3. Most other professional services are also outsourced, thus providing a known fixed cost before any project is taken forward and avoiding the risk that can arise in employing in-house professionals at a high unproductive overhead at times when activity is slack.
4. Buying decisions for capital projects are taken at Board level, after careful research by the Directors personally, who have substantial experience in various business sectors and markets.

The Group has focused on a niche market sector of new home developments in the range of four to twenty units. Within this unit size, competition to purchase development sites from land buyers is relatively weak, as this size is unattractive to major national and regional house builders who require a larger scale to justify their administration and overheads, whilst being too many units for the smaller independent builder to finance or undertake as a project. Many competitors who also focus on this niche have yet to recapitalise and are unable to raise finance.

5. Many of the activities are outsourced and each of the Directors is fully aware of the activities of all members.
6. The Group has a corporate governance policy appropriate for a small publicly listed Company with ambitions substantially to raise its profile within the wider investor community.
7. The directors will consider alternative business opportunities and will underpin any cash flow implications by arranging loans with the target companies to be used for any abort fees.

Operations review

	2025	2024
	£	£
Revenue for the year	600	-
Gross (loss)/profit	(131,319)	78
Administrative expenses	(385,650)	(379,627)
Other Income	136,306	17,158
Impairment of asset	-	(25,000)
Interest payable and similar charges	(20,369)	(129,333)
Loss after taxation	(400,266)	(516,723)

Group turnover for the year amounted to £600 (2024: £nil), as there was rental income received while given the remaining investment property had been disposed of during 2024 and this had been written down to its sale value in the 2023 accounts.

Other Income relates to the funding provided by the target company relating to the proposed reverse takeover which covered abort fees included within Administrative Expenses.

After taking into account the overheads of the Group, there was a loss recorded for the year of £400,266 (2024: Loss £516,723).

There will be no tax charge and the Company now has tax losses being carried forward of £7,104,503 (2024: losses £6,704,650).

The loss per share during the year was (0.05p), (2024: loss per share 0.15p).

Trafalgar Property Group Plc

STRATEGIC REPORT

for the year ended 31 March 2025

Directors' duties under S172

The Directors believe that, individually and together, they have acted in a way that they have considered, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard, amongst other things, to:

- a. the likely consequences of any decision in the long term,
- b. the interests of the Company's employees,
- c. the need to foster the Company's business relationship with suppliers, customers and others,
- d. the impact of the Company's operations on the community and environment,
- e. the desirability of the Company maintaining a reputation for high standards of business conduct, and
- f. the need to act fairly between members of the Company.

The Board of Directors is collectively responsible for formulating the Company's strategy, which is to invest in property development but will also consider other opportunities where those prospects will better deliver growth to its shareholders as indicated by the RNS issued 29 May 2024 where the directors were in early stage discussions with Ecap Esport Ltd for a potential reverse takeover. Of course, the Board cannot predict the future but aims to make decisions that it considers are in the best interest of all shareholders at the time.

The Board engages with its stakeholders in a number of pre-planned ways, these include; review meetings with our brokers and advisors, shareholders have the ability to email the Company directly and the Board will reply to questions within the regulatory limits, the Company issues RNS communications on a regular basis and the Company's web site is continuously updated to inform our stakeholders. The Company's annual report is also an opportunity to update our stakeholders.

Our employees are one of the primary assets of our business and will be critical to the future success of the Company. First and foremost, the Directors strive to ensure a safe working environment for all its staff and contractors, and we are proud of our safety achievements in 2024/25. We also seek to reward employees with remuneration packages which align the interests of the Company and its shareholders with those of the employees. Employees are also provided with challenging work and external training opportunities to ensure their continual development.

The Directors believe they have acted in the way they consider most likely to promote the success of the Company for the benefit of its members as a whole, as required by Section 172 (1) of the Companies Act 2006.

Key performance indicators (KPIs)

Management are closely involved in the day to day operations of the Group and constantly monitor cashflows and expenditure. However, Management believe the key indicators of performance for the Group are the revenue and profitability achieved during the period together with the net liability position. These measures are disclosed above in the operations review.

Development Pipeline & outlook

During the year planning permission was received on the Talbot Park, Tunbridge Wells site for two four-bedroomed detached properties. The properties are now being built through a third party building construction company who are taking the risks of the build and providing the finances to undertake the work. Shortly after the year end we acquired a 10% equity interest in Hilton House Stockport, a commercial property to be converted to residential, from Paul Elliott who was appointed a director on 6th May 2025.

Paul Treadaway

Paul Treadaway

CEO

21 October 2025

DIRECTORS' REPORT

The Directors present their Report and Audited Financial Statements for the year ended 31 March 2025.

Results and dividends

The results for the year are set out on page 19.

The Directors do not recommend the payment of a final dividend for the year (2024: nil).

Directors

The following Directors have held office since 1 April 2024 and have all served for the entire accounting year:

N A C Lott
P A Treadaway
G M Thorneycroft
Dr P F Challinor

The Company has in place an insurance policy in relation to Directors indemnity during both years.

Conflicts of interest

Under the articles of association of the Company and in accordance with the provisions of the Companies Act 2006, a Director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the Company's interests. However, the Directors may authorise conflicts and potential conflicts, as they deem appropriate. As a safeguard, only Directors who have no interest in the matter being considered will be able to take the relevant decision, and the Directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate. During the financial year ended 31 March 2025, the Directors have authorised no such conflicts or potential conflicts.

Directors' interests in the shares of the Company, including family interests, at 31 March 2025 were as follows: -

Directors' interests in shares	31.03.2025	31.03.2024
	Ordinary shares - 0.1p each	Ordinary shares - 0.1p each
N A C Lott	50,000	50,000
P A Treadaway	133,409,829	133,409,829
G M Thorneycroft	23,327,273	23,327,273
	31.03.2025	31.03.2024
	Deferred shares – 0.9p each	Deferred shares – 0.9p each
	No. held	No. held
N A C Lott	550,000	550,000
P A Treadaway	10,648,466	10,648,466

Trafalgar Property Group Plc

DIRECTORS' REPORT

for the year ended 31 March 2025

Other substantial shareholdings

As at 17 October 2025, being the latest practicable date before the issue of these financial statements, the Company had been notified of the following shareholdings which constitute 3% or more of the total issued shares of the Company at that date.

	Ordinary Shares No.	Shareholdings %
	0.01p	
Wager Holdings Ltd	500,000,000	28.64
P R Elliott	366,666,667	21.00
C C Johnson	244,931,580	14.03

Statement of directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the consolidated financial statements in accordance with International Financial Reporting Standards adopted in the UK ("UK adopted IFRS") and the Company financial statements in accordance with FRS 102 and applicable law. Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

They are further responsible for ensuring that the Strategic Report and the Report of the Directors and other information included in the Annual Report and Financial Statements is prepared in accordance with applicable law in the United Kingdom.

The maintenance and integrity of the Group website is the responsibility of the Directors; the work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility or any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

Corporate Governance Statement

The Board of the Group recognise the value of good corporate governance and implemented corporate governance procedures during the previous year and continued to use these during the financial year to 31 March 2025. These procedures are appropriate for the present size of the entity having given due regard to the Corporate Governance Code for Small and Mid-Size Quoted Companies issued by the Quoted Companies Alliance ("QCA"). The Company has decided to apply the QCA Corporate Governance Code ("QCA Code") issued by the QCA in 2023 and has published on its website details of the QCA Code, how the Company has complied with the QCA Code and, where it departs from the QCA Code, an explanation of the reasons for doing so. The Board has considered the Streamlined Energy and Carbon Reporting

Trafalgar Property Group Plc

DIRECTORS' REPORT

for the year ended 31 March 2025

requirements and conclude that the Group has not consumed more than 40,000 kWh of energy and therefore qualifies as a low energy user and is exempt from reporting under these regulations.

Board Structure

The Board consists of four Directors (2024: four) of which three are executive and one non-executive, two executive and one non-executive directors hold shares in the Group.

The Board meets as and when required and is satisfied that it is provided with information in an appropriate form and quality to enable it to discharge its duties. All Directors are required to retire by rotation with one quarter of the Board seeking re-election each year.

Due to the current size of the Group, the duties that would normally be attributed to The Nomination Committee, have been undertaken by the Board as a whole.

The Board has undertaken a formal assessment of the auditor's independence and will continue to do so at least annually. This assessment includes:

- a review of non-audit services provided to the Company and the related fees;
- a review of the auditor's own procedures for ensuring the independence of the audit firm and parties and staff involved in the audit, including regular rotation of the audit partner; and
- obtaining confirmation from the auditor that, in their professional judgement, they are independent.

Internal Controls

The Board is responsible for the Group's system of internal controls and for reviewing their effectiveness. The internal controls are designed to ensure the reliability of financial information for both internal and external purposes. The Directors are satisfied that the current controls are effective with regard to the size of the Group. Any internal control system can only provide reasonable, but not absolute assurance against material mis-statement or loss. Given the size of the Group, the Board has assessed that there is currently no need for an internal audit function.

Financial Instruments

The Group's principal financial instruments comprise cash at bank, bank loans, other loans and various items within current assets and current liabilities that arise directly from its operations. The Directors consider that the key financial risk is liquidity. This risk is explained in the section headed 'Principal risks and uncertainties' in the Annual Report and Accounts on page 5 and also addressed in note 18.

Future Developments

Information relating to future developments is included in the Strategic Report on pages 4-7.

Post Balance Sheet Events

Trafalgar (AIM: TRAF) announced in May 2025 that it had appointed Paul Elliott to the board to develop the property portfolio of the group. In addition, it also announced that it had sold its property at Barden Road for £715,000 generating £94,500 of net proceeds after the repayment of the 3rd party loans and professional fees.

In July 2025, the company acquired from Paul Elliott a 10% equity interest in Hilton House, a commercial property in Stockport for conversion to residential, for £350,000 to be satisfied by the issuance of 366,666,667 new ordinary shares at £0.0003 each amounting to £110,000 leaving Paul, at the time, with 29.43% of the fully diluted share capital. The balance of £240,000 will be satisfied through the issue of an unsecured CLN at £0.0003 strike price.

Later in July Wager Holdings Ltd invested £50,000 by way of a direct subscription of 500,000,000 new ordinary shares at £0.0001 each. This cash was used for working capital purposes. In addition to the subscription, Trafalgar will create £150,000 of unsecured CLN's with Wager to fund working capital, which will be drawn down in tranches and the conversion restricted to ensure the CLN holder does not breach the 29.9% or more of the voting rights.

Trafalgar Property Group Plc

DIRECTORS' REPORT

for the year ended 31 March 2025

Provision of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Group's auditor in connection with preparing their report and to establish that the Group's auditor is aware of the information.

Auditor

The auditor, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP.

MHA will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

This report was approved by the Board and signed on its behalf.

Paul Treadaway

Paul Treadaway
Director

21 October 2025

Trafalgar Property Group Plc

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR PROPERTY GROUP PLC for the year ended 31 March 2025

For the purpose of this report, the terms “we” and “our” denote MHA in relation to UK legal, professional and regulatory responsibilities and reporting obligations to the members of Trafalgar Property Group plc. For the purposes of the table on pages 13 to 15 that sets out the key audit matters and how our audit addressed the key audit matters, the terms “we” and “our” refer to MHA. The Group financial statements, as defined below, consolidate the accounts of Trafalgar Property Group plc and its subsidiaries (the “Group”). The “Parent Company” is defined as Trafalgar Property Group plc, as an individual entity. The relevant legislation governing the Company is the United Kingdom Companies Act 2006 (“Companies Act 2006”).

Opinion

We have audited the financial statements of Trafalgar Property Group plc for the year ended 31 March 2025.

The financial statements that we have audited comprise:

- the Consolidated Statement of Comprehensive Income
- the Consolidated Statement of Financial Position
- the Consolidated Statement of Changes in Equity
- the Consolidated Statement of Cash Flows
- Notes 1 to 20 to the consolidated financial statements, including material accounting policies
- the Company Balance Sheet
- the Company Statement of Changes in Equity and
- Notes 1 to 15 to the Company financial statements, including material accounting policies.

The financial reporting framework that has been applied in their preparation of the Group financial statements is applicable law and International Financial Reporting Standards as adopted in the United Kingdom (“UK adopted IFRS”). The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’ (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group’s and of the Parent Company’s affairs as at 31 March 2025 and of the Group’s loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted IFRS;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw your attention to page 23 Going Concern section in the financial statements which sets out the directors’ assessment of the Group’s ability to continue as a going concern. The note explains that the Group has secured post-year-end funding, including proceeds from the sale of the Speldhurst property, which resulted in a partial extinguishment of outstanding mortgages, and a new longer-term facility to support the ongoing development of the Talbot Park project. Additional working capital funding was also secured through equity subscription and a convertible loan note entered into with an unconnected third party. The directors have also received a letter of support from a Director, C C Johnson, indicating his willingness to provide funding to the Group over the next twelve months from the date of signature of the financial statements. However, as this support is not legally binding, and given the ongoing uncertainty over the timing of future sales, access to additional funding, and the reliance on further financing from directors or third parties, the directors have concluded that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our audit opinion is not modified in respect of this matter.

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

Trafalgar Property Group Plc

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR PROPERTY GROUP PLC for the year ended 31 March 2025

Our evaluation of the Directors' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- The consideration of inherent risks to the Group's and Parent company's current operations and established business model.
- The evaluation of how those risks might impact on the Group's and Parent company's available financial resources.
- Review of the mathematical accuracy of the cash flow forecast prepared by management and corroboration of key data inputs to supporting documentation for consistency of assumptions used with our knowledge obtained during the audit.
- Challenging management for reasonableness of assumptions in respect of the timing and quantum of cash receipts and payments included in the cash flow forecast.
- Holding discussions with management regarding future financing plans, and assessing the probability and likelihood of their availability and their impact on the cash flow forecast.
- Evaluating the accuracy of historical forecasts against actual results to ascertain the accuracy of management's forecasts.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Overview of our audit approach

Scope	Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement. The Group consists of seven reporting components. Based on our risk assessment and understanding of the Group, we identified two components — Trafalgar Property Group plc and Trafalgar New Homes Limited — as significant due to their financial significance and their susceptibility to risks of material misstatement. These components were subject to full scope audits performed by the group engagement team to obtain sufficient appropriate audit evidence in relation to the consolidated financial statements. In determining the audit scope for other components, we considered both quantitative and qualitative factors, including the nature of activities, inherent risks, and our assessment of the risk of material misstatement at the group level. As a result, audit of specified classes of transactions, account balances, and disclosures (COTABDs) were performed for four components: Trafalgar Retirement+ Limited, Selmat Limited, Combe Bank Homes (Oakhurst) Ltd and Combe Homes (Borough Green) Ltd. Specified audit procedures were performed on the remaining component: Life Hydroponics Limited. All audit procedures were performed by the group engagement team. The group audit strategy, scope and procedures were designed to ensure that audit evidence was obtained in relation to all components contributing to the Group's financial position and performance. Our approach ensured appropriate audit coverage over components representing the Group's principal business activities and areas of assessed risk.
--------------	--

Overall Materiality	2025	2024	
Group	£30,000	£28,000	1% of net liabilities (2024: 1% of net liabilities)
Parent Company	£6,200	£4,900	2% of gross liabilities (2024: 2% of gross liabilities)

Key audit matters	
Recurring	• Undisclosed related party transactions

Trafalgar Property Group Plc

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR PROPERTY GROUP PLC for the year ended 31 March 2025

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those matters which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Undisclosed related party transactions

Key audit matter description	The Group and the Parent Company enters into a significant number of transactions with related parties, both intra-group transactions and with individuals related to the Group.
-------------------------------------	--

	There is a risk that transactions (particularly any transactions which are not at arm's length) and balances with related parties are undisclosed or misclassified.
--	---

How the scope of our audit responded to the key audit matter

Our audit work in this area included the following procedures:
--

- Identifying the risk of material misstatement due to incomplete or inaccurate disclosure and classification of related party transactions and relationships, particularly where such transactions are not conducted on an arm's length basis.
- Obtaining management's record of related parties – who they are, the nature of these relationships, whether any related party transactions have been entered into in the year and the nature of those transactions.
- We performed independent searches of the Board of Directors' other appointments and shareholdings and to identify any counterparties on the list which were not included in the related party disclosures.
- We reviewed the movement on these balances during the year and examined underlying transactions by interrogating the purchase ledger, sales ledger, and general ledger to identify entries involving related parties. Where applicable, we utilised data analytics tools to assist in identifying potential related party transactions. Selected transactions and balance movements were then vouched to supporting evidence to assess completeness and accuracy of disclosure.
- We reviewed the minutes of meetings of the board of directors to identify any undisclosed related party relationships.
- We discussed with management the nature and purpose of these items and considered whether disclosure sufficiently addressed these matters.
- In addition, we obtained written confirmation of the balances from all disclosed parties and confirmed key terms to agreements.

Key observations	Nothing has come to our attention which indicates that related party transactions and balances are incomplete.
-------------------------	--

Our application of materiality

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. Misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole. Materiality is used in planning the scope of our work, executing that work and evaluating the results.

Trafalgar Property Group Plc

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR PROPERTY GROUP PLC for the year ended 31 March 2025

Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

The determination of performance materiality reflects our assessment of the risk of undetected errors existing, the nature of the systems and controls and the level of misstatements arising in previous audits.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent Company financial statements
Overall materiality	£30,000 (2024: £28,000)	£6,200 (2024: £4,900)
How we determined it	1% of net liabilities (2024: 1% of net liabilities)	2% of gross liabilities (2024: 2% of gross liabilities)
Rationale for the benchmark applied	Given the Group have liquidated the majority of its cash generating assets and has only limited trading activity, traditional benchmarks such as revenue or profit before tax are no longer considered appropriate. In this context, we consider the net liability position of the Group to be the main measure by which the users of the financial statements assess the prospects and success of the Group. Therefore, we consider this to be the most appropriate benchmark for Group materiality.	The Parent Company is primarily a holding company incurring limited costs and financing the group. As a result of historic losses and the impairment of investments, traditional benchmarks such as revenue or profit before tax are not considered appropriate. In this context, we consider the Parent Company's gross liabilities to be the most appropriate benchmark for determining materiality. This reflects the significance of the Company's financial position, particularly the level of deficit, which is likely to be a key focus for users of the financial statements in assessing the Company's solvency and going concern status.
Performance materiality	£18,000 (2024: £16,800) which represents 60% (2024: 60%) of overall materiality.	£3,700 (2024: £2,940) which represents 60% (2024: 60%) of overall materiality.

We agreed to report any corrected or uncorrected adjustments exceeding £1,500 (2024: £1,400) for the Group and £310 (2024: £245) for the Parent Company respectively to the Board of Directors as well as differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Overview of the scope of the Group and Parent Company audits

Our assessment of audit risk, evaluation of materiality and our determination of performance materiality sets our audit scope for each company within the Group. In accordance with ISA (UK) 600 (Revised), we adopted a risk-based approach to designing our audit strategy, including an analysis of significant COTABDs to determine the nature, timing and extent of work required across the Group.

The Group comprises seven UK-based components. We identified two components—Trafalgar Property Group plc and Trafalgar New Homes Limited—as significant due to their contribution to the Group's financial position and performance, as well as their associated audit risks. These components were subject to full scope audits, performed by the Group audit team.

For four further components, the Group audit team performed audit procedures on specific COTABDs assessed as material to the Group financial statements. For the remaining component, we performed substantive analytical procedures. This approach ensured audit coverage over components contributing 100% of the Group's total assets, total liabilities, and loss before tax.

The table below summarises the audit work performed at each category of component and the proportion of the Group's financial metrics covered by our procedures:

	Number of components	Revenue	Total assets	Total liabilities	Loss before tax
Full scope audit	2	N/A	70%	82%	97%
Audit of specified COTABDs	4	N/A	30%	18%	2%
Specified audit Procedures	1	N/A	0%	0%	1%
Total	7	N/A	100%	100%	100%

Trafalgar Property Group Plc

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR PROPERTY GROUP PLC for the year ended 31 March 2025

The control environment

We evaluated the design and implementation of those internal controls of the Group, including the Parent Company, which are relevant to our audit, such as those relating to the financial reporting cycle.

Climate-related risks

In planning our audit and gaining an understanding of the Group and Parent Company, we considered the potential impact of climate-related risks on the business and its financial statements, and it was concluded that climate-related risks are not material to these financial statements

Reporting on other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Strategic report and directors' report

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent company, or returns adequate for our audit have not been received by branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, as set out on page 9, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

Identifying and assessing potential risks arising from irregularities, including fraud

The extent of the procedures undertaken to identify and assess the risks of material misstatement in respect of irregularities, including fraud, included the following:

- We considered the nature of the industry and sector, the control environment, business performance including remuneration policies and the Group's, including the Parent Company's, own risk assessment that irregularities might occur as a result of fraud or error. From our sector experience and through discussion with the directors, we obtained an understanding of the legal and regulatory frameworks applicable to the Group focusing on laws and regulations that could reasonably be expected to have a direct material effect on the financial statements, such as provisions of the Companies Act 2006, or those that had a fundamental effect on the operations of the Group.
- We enquired of the directors and management concerning the Group's and the Parent Company's policies and procedures relating to:
 - identifying, evaluating and complying with the laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they had any knowledge of actual or suspected fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We discussed among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included utilising the spectrum of inherent risk and an evaluation of the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries to reduce costs, creating fictitious transactions to hide losses or to improve financial performance, and management bias in any accounting estimates.

Audit response to risks identified

In respect of the above procedures:

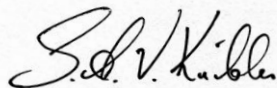
- we corroborated the results of our enquiries through our review of the minutes of the Group's and the Parent Company's board meetings and enquiries of management regarding any ongoing legal cases;
- audit procedures performed by the engagement team in connection with the risks identified included:
 - Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias.
 - Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
 - Challenging assumptions and judgements made by management in their significant accounting estimates.
- the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities; and
- we communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Trafalgar Property Group Plc

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAFALGAR PROPERTY GROUP PLC
for the year ended 31 March 2025

Use of our report

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



Simon Knibbs MA FCA (Senior Statutory Auditor)
for and on behalf of MHA, Statutory Auditor
London, United Kingdom
21 October 2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

Trafalgar Property Group Plc

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2025

		Year ended 31 March 2025	Year ended 31 March 2024
	Note	£	£
Revenue	1	600	-
Cost of sales	2	(131,919)	78
Gross (loss)/profit		(131,319)	78
Administrative expenses	2	(385,650)	(379,626)
Impairment of assets	7	-	(25,000)
Operating loss before interest	2	(516,969)	(404,548)
Interest income		766	-
Other income	2	136,306	17,158
Interest payable and similar charges	4	(20,369)	(129,333)
Loss before taxation		(400,266)	(516,723)
Income tax	5	-	-
Loss after taxation for the year attributable to equity holders of the parent		(400,266)	(516,723)
Other comprehensive income attributable to equity holders of the parent		-	-
Total comprehensive loss for the year		(400,266)	(516,723)
Loss attributable to:			
Equity holders of the Parent		(400,266)	(516,723)
Total comprehensive loss for the year attributable to:			
Equity holders of the Parent		(400,266)	(516,723)
(LOSS) PER ORDINARY SHARE:			
Basic/diluted	6	(0.05)p	(0.15)p

All results in the current and preceding financial year derive from continuing operations.
The notes on pages 30 to 42 are an integral part of these consolidated financial statements.

Trafalgar Property Group Plc

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Note	As at 31 March 2025 £	As at 31 March 2024 £
TOTAL ASSETS			
Non-current assets			
Plant and equipment	7	480	640
		480	640
Current assets			
Inventory	11	1,310,069	775,374
Investment Properties	8	-	-
Trade and other receivables	9	65,350	79,576
Cash and cash equivalents	10	27,429	8,906
		1,402,848	863,856
Total assets		1,403,328	864,496
EQUITIES & LIABILITIES			
Current liabilities			
Trade and other payables	12	348,099	285,614
Borrowings	13	966,250	-
		1,314,349	285,614
Non-current liabilities			
Deferred tax	5	-	-
Borrowings	13	3,226,541	3,415,728
		3,226,541	3,415,728
Total liabilities		4,540,890	3,701,342
Net liabilities		(3,137,562)	(2,836,846)
Called up share capital	14	3,260,025	3,237,400
Share premium		4,213,165	4,136,240
Reverse acquisition reserve		(2,817,633)	(2,817,633)
Loan note equity reserve	14 & 16	-	-
Capital contribution reserve	17	400,147	400,147
Profit & loss account		(8,193,266)	(7,793,000)
Total Equity		(3,137,562)	(2,836,846)
Total Equity & Liabilities		1,403,328	864,496

These financial statements were approved by the Board of Directors and authorised for issue on 21 October 2025 and are signed on its behalf by:

P Treadaway: *Paul Treadaway* G Thorneycroft: *Gary Thorneycroft*

Trafalgar Property Group Plc

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 March 2025

	Share Capital	Share Premium	Loan Note Equity Reserve	Reverse acquisition reserve	Profit & loss account	Capital Contribution Reserve	Total Equity
	£	£	£	£	£	£	£
At 1 April 2023	2,860,150	3,484,915	107,204	(2,817,633)	(7,383,481)	400,147	(3,348,698)
Loss for the year	-	-	-	-	(516,723)	-	(516,723)
Total comprehensive income for the year	-	-	-	-	(516,723)	-	(516,723)
Loan Note Equity Reserve			(107,204)		107,204		-
Shares issued during the year on conversion of loan notes	226,250	678,750					905,000
Shares issued during the year net of costs	151,000	(27,425)		-	-	-	123,575
At 31 March 2024	3,237,400	4,136,240	-	(2,817,633)	(7,793,000)	400,147	(2,836,846)
At 1 April 2024	3,237,400	4,136,240	-	(2,817,633)	(7,793,000)	400,147	(2,836,846)
Loss for the year	-	-	-	-	(400,266)	-	(400,266)
Total comprehensive income for the year	-	-	-	-	(400,266)	-	(400,266)
Shares issued during the year net of costs	22,625	76,925	-	-	-	-	99,550
At 31 March 2025	3,260,025	4,213,165	-	(2,817,633)	(8,193,266)	400,147	(3,137,562)

The reverse acquisition reserve was created in accordance with IFRS3 'Business Combinations'. The reserve relates to a reverse acquisition between the Company and Combe Bank Homes Ltd (CBH) on 11/11/2011 via a share for share exchange. This reserve arises as a result of the elimination of the Plc's investment in CBH resulting in the shareholders of PLC becoming majority shareholders in the enlarged group.

Retained profit/(losses) are the cumulative net gains and losses less distributions made and items of other comprehensive income not accumulated in another separate reserve.

Loan note equity reserve relates to the equity portion of the convertible loan notes and is the amount that has been provided for in respect of the difference between the cash value and the liability element of the loan notes. The remaining balance has been reversed following the conversion of the Loan Note in 2024.

Capital contribution reserve arises due to amounts waived in respect of previously accrued interest on shareholders or related party loan accounts. Capital contribution reserves are shown in note 17.

Further details of shares issues in the year are shown in note 14.

The notes on pages 30 to 42 are an integral part of these consolidated financial statements.

Trafalgar Property Group Plc
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 March 2025

	2025 £	2024 £
Cash flow from operating activities		
(Loss) after taxation	(400,266)	(516,723)
Depreciation	160	213
(Increase) in inventory	(534,695)	(457,578)
Decrease/(Increase) in receivables	14,226	(45,543)
Increase in payables	198,785	62,751
Ecap Esports Ltd loan written off in the year (Note 2)	(136,300)	-
Loan note equity movement	-	(107,204)
Impairment of plant and equipment	-	25,000
Interest income	(766)	-
Interest payable and similar charges	20,369	129,333
Net cash outflow from operating activities	(838,487)	(909,751)
Investing activities:		
Disposal of investment property	-	927,249
Interest received	766	-
Net cash from investing activities	766	927,249
Financing activities:		
Issue of shares (net of costs)	99,550	1,028,575
New loan borrowings	1,243,750	741,975
Repaid loan borrowings	(711,657)	(1,066,530)
Related party new loan borrowing	704,970	264,100
Related party loan repayment	(460,000)	(971,731)
Interest paid	(20,369)	(22,129)
Net cash inflow/(outflow) from financing	856,244	(25,740)
Increase/(decrease) in cash and cash equivalents in the year	18,523	(8,242)
Cash and cash equivalents at the beginning of the year	8,906	17,148
Cash and cash equivalents at the end of the year	27,429	8,906

The notes on pages 30 to 42 are an integral part of these consolidated financial statements.

Trafalgar Property Group Plc

GROUP ACCOUNTING POLICIES

For the year ended 31 March 2025

BASIS OF ACCOUNTING

These financial statements are for Trafalgar Property Group Plc (“the Company”) and its subsidiary undertakings (“the Group”). The Company is a public company, limited by shares domiciled and incorporated in England and Wales. (Company number is 04340125). The Company’s registered office is Chequers Barn, Chequers Hill, Bough Beech, Edenbridge, Kent, TN8 7PD.

The nature of the Group’s operations and its principal activities are set out in the Strategic Report on page 4 - 7 .

BASIS OF PREPARATION

The Group financial statements have been prepared in accordance with International Financial Reporting Standards as adopted in the United Kingdom (“UK adopted IFRS”) and those parts of the Companies Act 2006 that are relevant to companies which report in accordance with IFRS. These financial statements are for the year ended 31 March 2025 and are presented in pounds sterling (“GBP”) rounded to the nearest pound. The comparative year is for the year to 31 March 2024.

The financial statements have been prepared under the historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value as explained in the accounting policies below.

AUDIT EXEMPTION OF SUBSIDIARIES

The following subsidiaries are exempt from the requirements of the UK Companies Act 2006 relating to the audit of individual accounts by virtue of s479A of the Act.

Company name	Registered number
Trafalgar New Homes Ltd	06003791
Trafalgar Retirement+ Ltd	10431083
Selmat Ltd	09428992
Combe Homes (Borough Green) Ltd	08965850
Combe Bank Homes (Oakhurst) Ltd	07532693
Life Hydroponic Assets Ltd	14437592

The outstanding liabilities at 31 March 2025 of the above named subsidiaries have been guaranteed by the Company pursuant to s479AC of the Act. In the opinion of the directors, the possibility of the guarantees being called upon is remote.

GOING CONCERN

The Directors have reviewed forecasts and budgets for the coming year, which have been drawn up with appropriate regard for the current economic environment and the particular circumstances in which the Group operates. These were prepared with reference to historical and current industry knowledge, taking into account future strategy of the Group.

During the year the Company crystallised the 2024 CLN with C C Johnson by way of an issue of 226,250,000 shares at £0.00044 per share.

The total amount of loans remaining in the Group at the end of the year amounts to £4,192,791 (2023 - £3,415,729) as shown in note 13. Of the balance of the loans remaining outstanding of £4,192,791, a sum of £2,924,789 relates to loans owed to C C Johnson, plus connected parties, a director of subsidiary companies. The balance of amounts owed were to independent third parties.

The Group continues to utilise banking and other financial institution sources for the financing of its developments, together with significant loans from third party investors as stated in note 13, which is after the disposal of its investment properties, to ensure that there is sufficient money available for the Group to undertake and complete its various developments.

On 28 May 2025, the Group announced that a property at its Speldhurst site had been sold for £715,000. This generated net proceeds of £94,500 following the repayment of associated third party loans and professional fees.

Following the sale of the Speldhurst property after the year end the mortgages have been reduced by £600,000.

After the year end a new funding agreement was reached for the development of the Talbot Park project and the extinguishment of the residual bank loan balance that was due at the reporting date, which is substituted by a longer-term facility.

Trafalgar Property Group Plc

GROUP ACCOUNTING POLICIES

For the year ended 31 March 2025

The Group does not operate an overdraft facility but borrow on a site specific basis from various bankers or financial institutions, with a mix of loans from outside investors geared to some of the development properties and otherwise loaned on a general basis to the Group.

C C Johnson has confirmed that he will provide necessary funding to the subsidiary companies as and when required over the twelve-month period from the date of signature of the financial statements, should it be required. There is no legally binding contract which determines the amount or the timing of any future funding from directors or C C Johnson or that the availability of that funding has been confirmed.

The Board is comfortable with the structure of its finances, which usually involves borrowing a modest sum towards the land purchase for the modest sized residential development schemes, with C C Johnson or the Group putting up the rest of the funds required to acquire the site and the costs associated with the acquisition and then for the bank or financial institution to provide 100% of the build finance.

Following the year end £50,000 was injected into the company by Wager Holdings Ltd, an unconnected company, through a direct subscription of 500,000,000 new ordinary shares at £0.0001 each. This cash was for working capital purposes. In addition, an unsecured CLN for £150,000 has been entered into with Wager Holdings Ltd, which will be available to be drawn down in tranches as and when required to support working capital. At the date of these accounts £100,000 had been drawn down.

However, given that a degree of uncertainty exists in the timing of future sales, the Group's ability to raise further funds through share placements and the potential reliance on further funding been provided by C C Johnson, the directors or unconnected third parties, there exists a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and hence the Group may be unable to realize its assets and discharge its liabilities in the normal course of business.

MATERIAL ACCOUNTING POLICIES

REVENUE RECOGNITION

Revenue represents the amounts receivable from the investment in residential property during the year and other income directly associated with property development. This will take the form of rental income and sales of investment property.

Rental income is recognized at the point of receipt being the contractual date in accordance with the tenancy agreements.

Revenue from customers arising from the sales of development property are recognized at the transaction price which reflects the amount of consideration that is expected to be received and is recognized at a point in time when ownership passes to the customer, which in the majority of cases is the point of legal completion of the property sale

The Directors are of the opinion that this accounting policy accurately reflects commercial reality and the recording of revenue for the Group.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following new standards or amendments to existing standards were applicable for the first time and have not had an impact on the financial statements.

A. New standards, interpretations and amendments:

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

(issued May 2024)

The amendment is effective for financial years beginning on or after 1 January 2026.

IFRS 18 Presentation and Disclosure in Financial Statements

(issued April 2024)

Trafalgar Property Group Plc

GROUP ACCOUNTING POLICIES

For the year ended 31 March 2025

This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The amendment is effective for financial years beginning on or after 1 January 2027.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

(issued May 2024)

The amendment is effective for financial years beginning on or after 1 January 2027.

The Group does not expect a material impact on its consolidated financial statements from these standards.

Annual improvements to IFRS - Volume 11

(issued July 2024)

The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7
- IFRS 9 Financial Instruments
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The amendment is effective for financial years beginning on or after 1 January 2026.

B. Adoption of the following standards does not have an impact on the consolidated financial statement of the Group:

Amendments to IAS 21 – Lack of Exchangeability

(issued August 2023)

The amendment is effective for financial years beginning on or after 1 January 2025.

Amendment to IAS 7 and IFRS 7 – Supplier finance

(issued May 2023)

The amendment is effective for financial years beginning on or after 1 January 2024

The Group considers there will be no material impact on its consolidated financial statements from these amendments.

Amendments to IFRS 16, Lease liability in a Sale and Leaseback

The amendment is effective for financial years beginning on or after 1 January 2024

The Group considers there will be no impact on its consolidated financial statements from these amendments.

Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (issued January 2020)

The amendment is effective for financial years beginning on or after 1 January 2024 and has not yet been adopted for use in the United Kingdom.

The Group does not expect a material impact on its consolidated financial statements from these amendments.

Trafalgar Property Group Plc

GROUP ACCOUNTING POLICIES

For the year ended 31 March 2025

Business Combination

On the acquisition of a subsidiary, the business combination is accounted for using the acquisition method. The cost of an acquisition is measured as the aggregated amount of the fair value of the consideration transferred, measured at the date of acquisition. The consideration paid is allocated to the assets acquired and liabilities (including contingent liabilities) assumed on the basis of fair values at the date of acquisition. Acquisition costs are expensed when incurred and included in general and administrative expenses.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the company and its subsidiaries.

The results of subsidiaries acquired during the year are included from the date of acquisition, being the date on which the Group obtains control. They are deconsolidated on the date that control ceases.

When the Group ceases to have control or significant influence, any retained interest in the entity is re measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean the amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Control is achieved when the Company:

- has the power over the investee;
- is exposed or his rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

DEFINED CONTRIBUTION PENSION PLAN

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payments obligations.

The contributions are recognised as an expense in the profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds

FINANCIAL INSTRUMENTS

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual term expire. The Company's accounting policies in respect of financial instruments transactions are explained below: Financial assets and financial liabilities are initially measured at fair value.

Financial assets:

All recognised financial assets, including trade and other receivables, are initially recognized at the transaction price and subsequently measured at amortised cost using the effective interest rate method.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Trafalgar Property Group Plc

GROUP ACCOUNTING POLICIES

For the year ended 31 March 2025

Convertible loan notes

Convertible loan notes are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Group, is included in equity. Issue costs are apportioned between the liability and equity components of the convertible loan notes based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity. The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible loan note.

Share capital

Ordinary share capital is classified as equity. Interim ordinary dividends are recognised when paid and final ordinary dividends are recognised when they are authorized and are no longer at the discretion of the entity and as a liability in the year in which they are approved.

Deferred shares were created as part of a subdivision of shares but carry no voting rights and no right to participate in the profits of the company.

Impairment of financial assets

IFRS 9 offers two approaches for measuring and recognizing the loss allowance: General and Simplified. The general approach should be applied for all financial assets subject to impairment, except for trade receivables or contract assets (IFRS 15) without significant financing component, for these assets simplified approach should be applied. The Group's financial instruments measured at amortised cost falling within the scope of the standard are (i) trade and other receivables and (ii) cash and cash equivalents. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Financial liabilities:

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company de-recognise financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balances and deposits held at call with banks with maturities of three months or less from inception.

INVENTORIES

Inventories of £1,310,069 (2024 - £775,374) consist of the original acquisition of land for development, including costs associated with planning, and properties under construction and are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Interest on sums borrowed that finance specific projects is added to cost. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Trafalgar Property Group Plc

GROUP ACCOUNTING POLICIES

For the year ended 31 March 2025

BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that take a substantial period of time to be completed for sale, are added to the cost of property held as inventory at the year end. All other borrowing costs are recognised in the profit or loss in the year in which they relate.

CURRENT AND DEFERRED TAXATION

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date.

The tax expense represents the sum of the tax currently payable and deferred tax.

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

Deferred tax of nil (2024 – nil) is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates and tax laws that have been enacted or substantively enacted at the reporting date that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

COMMITMENTS AND CONTINGENCIES

Commitments and contingent liabilities are disclosed in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is virtually certain.

CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION AND UNCERTAINTY

The preparation of financial statements in accordance with International Financial Reporting Standards as adopted in the United Kingdom and in conformity with the requirements of the Companies Act 2006 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Group financial statements are disclosed below.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the present circumstances.

Critical Accounting Judgments - Recognition of Deferred Tax Assets

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

Trafalgar Property Group Plc

GROUP ACCOUNTING POLICIES

For the year ended 31 March 2025

Key Source of Estimation Uncertainty - Valuation of Inventory

The Group assesses the net realisable value of inventories under development and completed properties held for sale according to their recoverable amounts based on the realisability of these properties, taking into account estimated costs to completion based on past experience and committed contracts and estimated net sales based on prevailing market conditions. Provision is made when events or changes in circumstances indicate that the carrying amounts may not be realised. The carrying value is reduced to its selling price less costs to complete and sell. This written down amount is recognised immediately in profit or loss. The assessment requires the use of judgment and estimates. The carrying amount of inventory is disclosed in note 11 to the financial statements.

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. SEGMENTAL REPORTING

For the purpose of IFRS 8, the chief operating decision maker (“CODM”) takes the form of the Board of Directors. The Directors’ opinion of the business of the Group is as follows.

The current principal activity of the Group is that of a regional property developer focused upon Kent, Surrey, Sussex and the M25 ring south of London together with investment in residential property. Following the year end the Group have taken a 10% equity stake in a property opportunity in Stockport thus expanding their regional exposure but still within the UK.

Based on the above considerations, the Directors’ consider there to be one reportable geographical segment which is in the UK. The internal and external reporting is on a consolidated basis with transactions between Group companies eliminated on consolidation. Therefore, the financial information of the single segment is the same as that set out in the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of financial position and cashflows. Therefore, no segmental reporting is required.

Revenue

An analysis of revenue is as follows:

2025	2024
£	£

The Group’s revenue, which is all attributable to their principal activity, can be shown as follows:

Rental Income	600	-
---------------	-----	---

2025	2024
£	£

Timing of Revenue are as follows:

Rental income transferred over time	600	-
-------------------------------------	-----	---

2025	2024
£	£

Revenues analysed by geographic location are as follows:

United Kingdom	600	-
----------------	-----	---

2. LOSS FOR THE YEAR

2025	2024
------	------

Operating loss is stated after charging/(crediting) the following:

£	£
---	---

Subcontractor costs and cost of inventories recognised as an expense	-	(78)
--	---	------

Write-off of Inventory	131,919	-
	131,919	(78)

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

Impairment of assets	-	25,000
Depreciation of property, plant and equipment	160	213
Auditor's remuneration – audit services – Group	52,500	50,000
Auditor's remuneration – audit services – Group entities		
Auditor's remuneration – other assurance services – Group		-
	52,500	50,000

Operating expenses by nature:

Employee expenses	80,808	104,433
Depreciation	160	213
Legal and professional fees	270,453	205,635
Management Fees	-	-
Office rent and associated costs	10,702	19,705
Insurance	12,479	11,299
Mortgage redemption costs	-	20,511
Other expenses	11,048	17,830
	385,650	379,626
Other Income	136,306	17,158

Other income during the year is the write off of part of the loan from Ecap Esports Ltd used to fund costs incurred by Trafalgar Property Group PLC that were to be covered by Ecap Esports Ltd as part of the RTO process.

There are no direct operating expenses (2024: £3,637) which generated a rental income during the year

3. EMPLOYEES AND DIRECTORS' REMUNERATION

Staff costs during the year were as follows:

	2025	2024
	£	£
Wages and salaries	68,000	83,000
Social security costs	1,768	3,943
Other pension costs	11,040	17,490
	80,808	104,433

The average number of employees of the Group during the year was:

	2025	2024
	Number	Number
Directors	4	4
C C Johnson and A Johnson are directors of subsidiary entities		
Management	1	1

Directors Remuneration was as follows:

	2025	2024
	£	£
- Emoluments for qualifying services A Johnson (director of subsidiary entity)	50,000	60,000
- Emoluments for qualifying services P A Treadaway	-	-

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

- Emoluments for qualifying services Dr P F Challinor	-	-
- Emoluments for qualifying services N A C Lott	-	-
- Emoluments for qualifying services G M Thorneycroft	-	-
	50,000	60,000

Highest paid director – gross salary including company pension contributions was £50,000 (2024 - £60,000)

There are retirement benefits accruing to C C Johnson (director of subsidiary entities) for whom a Company contribution was paid during the year of £9,000 (2024: £16,800) and A Johnson (director of subsidiary entities) £1,500 (2024: £1,800).

4. INTEREST PAYABLE AND SIMILAR CHARGES

For sites where the construction had been completed, the bank loan interest paid during the year on these sites of £69,422 (2024: £nil) has been accounted for in the profit & loss within cost of sales. Total interest in the year of £20,369 (2024: £129,333) has been paid and accrued on general funding loans, loan notes and on rental property mortgage loan plus an adjustment for the loan note equity reserve due to the CLN being converted at the year end. Further details are provided in notes 13 and 15.

	2025	2024
	£	£
G Howard	10,000	10,000
Loan notes - C C Johnson		107,204
Paragon mortgage		11,424
Federal Capital loan	9,866	
Bank loan	503	705
	20,369	129,333

5. TAXATION

	2025	2024
	£	£
Current tax	-	-
Tax charge	-	-

	2025	2024
	£	£
Loss on ordinary activities before tax	(400,266)	(516,723)
Based on (loss) for the year:		
Tax at 19% (2024: 19%)	(76,050)	(98,177)
Unrelieved tax losses		
Impairment		
Tax losses carried forward	76,050	98,177
Tax charge for the year	-	-

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

Deferred tax

No deferred tax assets have been provided in respect of property revaluation as there are historical losses upon which to offset. As at the 31 March 2025, the Group had cumulative tax losses of £7,104,379 (2024: £6,704,650) that are available to offset against future taxable profits of the same trade.

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits. UK corporation tax rate has been reviewed by the Group as a result of this changes.

6. (LOSS) PER ORDINARY SHARE

The calculation of (loss)/profit per ordinary share is based on the following (losses) and the number of shares used should be that retrospectively adjusted for the effect of consolidation:

	2025	2024
	£	£
(Loss) for the year	(400,266)	(516,723)
Weighted average number of shares for basic (loss) per share	740,573,323	354,915,789
Weighted average number of shares for diluted (loss) per share	740,573,323	354,915,789
(Loss) per Ordinary Share:		
Basic	<u>(0.05)p</u>	<u>(0.15)p</u>
Diluted	<u>(0.05)p</u>	<u>(0.15)p</u>

7. PROPERTY, PLANT AND EQUIPMENT

Plant and equipment	2025	2024
	£	£
Cost		
At 1 April	7,790	32,790
Additions	-	-
Impairment	-	(25,000)
At 31 March	<u>7,790</u>	<u>7,790</u>
Depreciation		
At 1 April	7,150	6,937
Charge for the year	160	213
At 31 March	<u>7,310</u>	<u>7,150</u>
Net book value at 31 March	<u>480</u>	<u>640</u>

In 2024, the impaired asset related to the hydroponic equipment held in Life Hydroponic Assets Ltd. The directors considered that as the company had not commenced to trade and the technology in the hydroponic space was forever changing that the asset would now unlikely be able to attract any proceeds should it be necessary for it to be sold. The corresponding creditor balance of £18,333 that remained outstanding was also written off from trade creditors.

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

8. CURRENT ASSET: INVESTMENT PROPERTIES

	2025 £	2024 £
FAIR VALUE		
As at 01 April	-	927,249
Additions	-	-
Disposals *	-	(927,249)
Fair Valuation Adjustment	-	-
31 March	-	-
NET BOOK VALUE		
As at 31 March	-	-
Fair Value at 31 March is represented by:		
Revaluation in the year	-	-
Loss on Disposal:		
Fair value	-	927,249
Disposal proceeds (net of costs)	-	927,249
Loss on Disposal	-	-

* The remaining asset was sold in September 2023.

9. TRADE AND OTHER RECEIVABLES

	2025 £	2024 £
Other receivables	33,269	39,269
Other taxes	2,137	13,467
Prepayments	29,944	26,840
	65,350	79,576

No IFRS 9 provision has been recognised on the above financial instruments on the basis that this provision has been deemed to be immaterial.

10. CASH AND CASH EQUIVALENTS

All of the Group's cash and cash equivalents at year end are in Sterling and held at floating interest rates.

	2025 £	2024 £
Cash and cash equivalents	27,429	8,906

The Directors consider that the carrying amount of cash and cash equivalents approximate to their fair value.

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

11. INVENTORY

	2025	2024
	£	£
Work in progress	1,310,069	775,374

Inventories recognised as an expense during the period totalled £nil (2024: £nil). Borrowing costs capitalized in the year total £40,581 (2024: £38,208).

Write-down of inventories recognised as an expense in the period totaled £131,919 (2024: £ nil).

Inventories pledged as security for liabilities as at year end totaled £765,000 (2024: £275,000).

A 10% fall in the estimated future value of the property would result in an impairment totaling £59,500 (2024: £80,000).

12. TRADE AND OTHER PAYABLES

	2025	2024
	£	£
Trade payables	235,034	152,745
Taxation & social security	15,513	12,130
Accruals	97,552	120,739
	348,099	285,614

13. BORROWINGS

	2025	2024
	£	£
Directors' loans	2,924,789	2,219,819
Other loans	283,465	719,500
Bank loans - see note below	984,537	476,410
	4,192,791	3,415,729
Being:		
Less than one year	966,250	-
More than one year	3,226,541	3,415,729
	4,192,791	3,415,729

Historic loan notes with a nominal value of £600,000 and £200,000 respectively were rolled up into a new convertible loan note agreement in the year 2022 along with related party loans of £105,000 to create a new convertible loan note with a nominal value of £905,000. The liability in respect of this transaction was disclosed within directors loans above with a present value as at 31st March 2024 of £nil due to the conversion of the loan notes during the period. As a financial instrument with both debt and equity components, an amount had been recognised directly into a Loan Note Equity Reserve on issue, with the debt element being unwound at an implied interest rate of 10% and the interest recognized through profit and loss.

The remaining directors loan balance is disclosed in note 15.

Included in other loans is £100,000 (2024: £560,000) advanced by G Howard (son-in-law to C C Johnson) to the Company at a rate of 10% per annum (2024: 10% & 5% pa) and loans provided during the year 2024 by Period Homes at £134,500 and Forum Energy Services Ltd at £25,000. Details of the negotiated loan interest reduction with G Howard for accrued interest are given in note 17.

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

In addition, included in other loans is as loan agreement entered into by the Group on 3 June 2024 with Ecap Esports Ltd ("Ecap Esports"). Ecap Esports had agreed to loan the Company the sum of £250,000 to cover any abortive costs associated with a proposed reverse takeover, which never materialised. The loan bears no interest. The current amount owed to Ecap Esports as at year end is £23,965.

The bank borrowings are repayable as follows:

	2025	2024
	£	£
On demand or within one year	966,250	-
In the second year	18,287	-
In the third to fifth years inclusive	-	-
After five years	-	476,410
	<u>984,537</u>	<u>476,410</u>
Amount due for settlement within twelve months (included in current liabilities)	<u>966,250</u>	<u>-</u>
Amount due for settlement after twelve months	<u>18,287</u>	<u>476,410</u>

The weighted average interest rates paid on the bank loans were as follows:

Bank loans: 11.04% (2024: 3.4%)

All of the Directors' loans are repayable after more than 1 year. All loans are interest bearing and charged accordingly. However, C C Johnson has waived his right to interest in the current year and the previous year. Interest was paid to Mr J Dubois at the rate of nil pa (2024: 12% pa).

14. SHARE CAPITAL

Issued allotted & paid share capital

	2025	2024
	Number	Number
Ordinary shares		
Ordinary shares of 0.1p in issue	653,102,371	275,852,371
Subdivision of shares from 0.1p to 0.01p	(653,102,371)	-
After subdivision of share to 0.01p	653,102,371	-
Issued ordinary shares of 0.01p in year	226,250,000	377,250,000
Total ordinary shares of 0.01p in issue	<u>879,352,371</u>	<u>653,102,371</u>

Deferred shares

Deferred shares of 0.9p in issue	287,144,228	287,144,228
Subdivision of shares at 0.09p	653,102,371	
Consolidation of shares from 0.09p	(653,102,371)	
After consolidation of shares to 0.9p	65,310,238	-
Total Deferred shares of 0.9p in issue	<u>352,454,466</u>	<u>287,144,228</u>

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

Background and current year position - Ordinary shares, warrants and loan notes

Ordinary Shares:

On 18 August 2023, the company issued 125,000,000 new ordinary shares at 0.1p as a result of placing of shares that raised gross proceeds of £125,000. The funds raised provide the Company with additional working capital.

On 27 March 2024, 26,000,000 ordinary shares at 0.1p per ordinary share were issued in order to settle certain liabilities amounting to £26,000.

On 27 March 2024, a convertible loan note with an aggregate amount of £905,000 was fully converted into 226,250,000 ordinary shares at 0.4p per ordinary shares. Previously, in year 2022, the Company agreed with C C Johnson a consolidation and variation of terms of the two unsecured convertible loan notes and direct debt held by him. As a result of the consolidation and variation agreement, the total amount owed to C. C Johnson was converted into an unsecured convertible loan note with an aggregate amount of £905,000, which was set to expire on 31 July 2024 but was fully converted into equity during the year. Further to the conversion, C C Johnson has instructed the Company's Broker, Peterhouse Capital Limited ("Peterhouse") to immediately place the entirety of the 2022 Conversion Shares, at a price of £0.00044 per share (a 12% discount to the mid-market closing price of £0.0005 on 20 March 2024, the last practical date prior to this announcement), raising £99,550. Of the £99,550 total cash consideration received by C C Johnson for the 2022 Conversion Shares, £50,000 is to be subscribed for by P A Treadaway, Trafalgar's Chief Executive Officer, and £10,000 by G M Thorneycroft, the Company's Group Financial Director.

On 7 November 2024, C C Johnson issued a conversion notice to the Company in relation to the entirety of the £99,550 unsecured convertible loan notes held by him in the Company (the "2024 CLN"). As a result, and as per the original terms of the 2024 CLN, the Company has issued to C C Johnson 226,250,000 new Ordinary Shares at £0.00044 per ordinary share,

Deferred Shares:

On 13 July 2020 the Company undertook a sub-division of its ordinary shares, which sub divided the 487,690,380 0.1p ordinary shares of 0.1p each into 487,690,380 ordinary shares of 0.01p each and 487,690,380 0.09p deferred shares of 0.09p each. The 0.09p deferred shares of 0.09p each were consolidated into deferred shares of 0.9p each ranking pari passu as one class with the existing deferred shares of 0.9p each.

On 04 November 2024, the company undertook a sub-division of ordinary shares which subdivided the 653,102,371 0.1p ordinary shares into 653,102,371 0.01p and a new 653,102,371 deferred shares 0.09p each. The 0.09p deferred shares of 0.09p each were then consolidated into deferred shares of 0.9p each ranking pari passu as one class with the existing deferred shares of 0.9p each. At the same time 9 deferred shares were held in treasury.

Deferred shares do not entitle the holder to receive notice of and to attend or vote at any general meeting of the Company or to receive dividends or other distributions. Upon winding up or dissolution of the Company the holders of deferred shares shall be entitled to receive an amount equal to the nominal amount paid up thereon, but only after holders of ordinary shares have received £100,000 per ordinary share. Holders of deferred shares are not entitled to any further rights of participation in the assets of the Company. The Company has the right to purchase the deferred shares in issue at any time for no consideration.

Issued, allotted and fully paid	2025 £	2024 £
Ordinary shares b/fwd	653,102	275,852
Subdivision of shares	(587,792)	-
Issued in year - ordinary shares	22,625	377,250
Total ordinary shares	87,935	653,102
Deferred shares b/fwd	2,584,298	2,584,298
Subdivision and consolidation of shares in the year	587,792	-
Total deferred shares	3,172,090	2,584,298
Share Capital	3,260,025	3,237,400

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

For the purpose of preparing the consolidated financial statement of the Group, share capital represents the nominal value of the issued share capital of 0.01p per share (2024: 0.1p per share). Share premium represents the excess over nominal value of the fair value consideration received for equity shares net of expenses plus deferred shares of 0.9p after issued share capital of 0.01p.

15. RELATED PARTY TRANSACTIONS

C C Johnson, a subsidiary Director who served during the year, held 244,931,580 ordinary 0.01p shares in the Group as at 31 March 2025 (2024 18,681,580 ordinary 0.1p).

N A C Lott, who served as a Director during the year, held 50,000 ordinary 0.01p shares in the Group as at 31 March 2025 (2024: 50,000 ordinary 0.1p).

P A Treadaway who served as a Director during the year, held 133,409,829 ordinary 0.01p shares in the Group as at 31 March 2025 (2024: 133,409,829 ordinary 0.1p).

G M Thorneycroft who served as a Director during the year, held 23,327,273 ordinary 0.01p shares in the Group as at 31 March 2025 (2024: 23,327,273 ordinary 0.1p).

Further details relating to warrants can be found under note 16.

The following working capital loans have been provided by the following Directors:

	2025	2024
	£	£
C C Johnson		
Opening balances	2,219,818	3,123,798
Loan repayments	-	(993,297)
Personal drawings	(2,877)	(15,283)
Capital injected	707,848	104,600
Interest paid	-	-
Balance carried forward	2,924,789	2,219,818
P A Treadaway		
Opening balance	(36,969)	(36,849)
Repaid/(Drawn) in year	6,000	(120)
Closing balance	(30,969)	(36,969)

C C Johnson's loan bore interest during the year at 5% (2024: 5% pa), but he has chosen to forego the interest as he did in 2024. C C Johnson was due interest of £nil in the year (2024: £nil). C C Johnson is no longer a Director of Trafalgar Property Group Plc, but remains a director of other entities to the Group and remains a shareholder.

G. Howard (son-in-law to C C Johnson) had previously advanced loans of £560,000 (2024: £560,000) to the Company at rates of 10% & 5% per annum (2024: 10% & 5% pa). Of these loans, £460,000 has been repaid during the year.

During the year, rents were paid of £6,882 (2024: £9,142) to the Combe Bank Homes Pension Scheme which owns the freehold offices at Chequers Barn. C C Johnson is a Trustee and Beneficiary of that Pension Scheme.

During the year, payments amounting to £4,850 (2024: £1,938) were made to Real Time Accounting Ltd for bookkeeping services. G M Thorneycroft is a majority shareholder and director of Real Time Accounting Ltd.

During the year, payments amounting to £nil (2024: £ nil) were made to May Barn Horticultural Consultancy Ltd, for hydroponic consultancy services, a company that Dr P F Challinor was a director and major shareholder. In 2024, it was agreed to write-off the balance due to May Barn of £18,333 for the hydroponic assets owned by Dr P F Challinor on the basis that both parties have agreed to waive the amount payable.

16. SHARE WARRANTS

Following the conversion of the 2022 CLN with C C Johnson the warrants attaching to that CLN have now expired and there are no warrants remaining.

17. CAPITAL CONTRIBUTION RESERVE

The capital contribution reserve of £400,147 (2024: £400,147) related to the renegotiation of interest accruing on loans from G Howard to below market rate terms. Interest was reduced from 10% pa to 5% pa for the entire term of the loans and is now non compound.

As G Howard is related to C C Johnson, a related party, a Capital Reserve was created. In the current year, a further provision of £nil (2024: £nil) was recognized as a result of G Howard waiving all interest due on the loan outstanding.

18. CATEGORIES OF FINANCIAL INSTRUMENTS

All financial instruments are measured under IFRS 9 at amortised cost.

Financial Risk Management

The Group's financial instruments comprise cash and various items such as trade and other receivables, and trade and other payables, all of which arise directly from its normal operations. The carrying values of all of the Group's financial instruments approximate their fair values at 31 March 2025 and 31 March 2024. The Accounting Policies described on pages 26 - 27 outlines how the financial instruments are measured.

Through its normal operations the Group is exposed to a number of financial risks. The Board reviews and agrees policies for managing each of these risks as summarised below:

Capital risk management

The Group considers its capital to comprise its share capital and share premium. The Group's capital management objectives are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

Material Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and convertible debt are disclosed on pages 23 to 28 to these financial statements

Foreign currency risk

The Group has minimal exposure to the differing types of foreign currency risk. It has no foreign currency denominated monetary assets or liabilities and does not make sales or purchases from overseas countries.

Interest rate risk

The Group is sensitive to changes in interest rates where interest is charged on a variable rate basis. This risk has been minimized by:

- the original bank loan with Lloyds Bank has been replaced by a loan with CPF One Ltd after the year end, following completion of the construction work, changing from a variable rate basis on to a fixed rate facility.,
- renegotiation of interest rates on some of the other loans from 10% to 5% (all fixed rates) all then being forgone by the lender,
- partial repayments made in the year on other loans and,

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. There is limited exposure due to no trade receivables and that the primary exposure relates to cash and cash equivalents, which are all deposited with reputable banks.

Liquidity risk management

This is the risk of the Group not being able to continue to operate as a going concern. The sale of the completed Speldhurst property provided cash flow to the business. The new project at Talbot Park, now planning permission has been obtained, is expected to provide a good profit as two four-bedroom detached properties are being built. Current financing is provided by external financial institutions supported by C C Johnson.

The Group has received £50,000 of income from a share subscription after the balance sheet date and a new CLN for £150,000 has been signed and can be drawn down in tranches.

The Directors have, after careful consideration of the risks above, concluded that it is appropriate to adopt the going concern basis for the preparation of the financial statements and the financial statements do not include any adjustments that would result if the going concern basis was not appropriate.

Derivative financial instruments

The Group does not currently use derivative financial instruments as hedging is not considered necessary. Should the Group identify a requirement for the future use of such financial instruments, a comprehensive set of policies and systems as approved by the Directors will be implemented.

Financial liabilities	31 March 2025			
	Total	Due within One year	Due within one to five years	Due over Five years
	£	£	£	£
Trade payables	332,586	332,586		
Borrowings – Directors’ loan	2,924,789		2,924,789	
Borrowings – Bank loan	984,537	966,250	18,287	
Borrowings – Other loans	283,465		283,465	
Total	4,525,377	1,298,836	3,226,541	

Financial liabilities	31 March 2024			
	Total	Due within One year	Due within one to five years	Due over Five years
	£	£	£	£
Trade payables	273,484	273,484	-	
Borrowings – Directors’ loan	2,219,819	-	2,219,819	
Borrowings – Bank loan	476,410	-	-	476,410
Borrowings – Other loans	719,500	159,500	560,000	-
Total	3,689,213	432,984	2,779,819	476,410

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

19. NET DEBT RECONCILIATION

	2025	2024
	£	£
Cash at bank	27,429	8,906
Cash and cash equivalents	27,429	8,906
Borrowing repayable (including overdrafts)	(4,192,791)	(3,415,728)
Net Debt	(4,165,362)	(3,406,822)

	Cash and liquid investment	Gross borrowings with a fixed interest rate	Total cash and liquid investments
	£	£	£
Net debt as at 31 March 2023	17,148	(4,447,914)	(4,430,766)
Cash flows	(8,242)	1,032,186	1,023,944
Net debt as at 31 March 2024	8,906	(3,415,728)	(3,406,822)
Cash flows	18,523	(777,063)	(758,540)
Net debt as at 31 March 2025	27,429	(4,192,791)	(4,165,362)

20. SUBSEQUENT EVENTS

Events following the year-end that provide additional information about the Group's position at the reporting date and are adjusting events are reflected in the financial statements. Events subsequent to the year-end that are not adjusting events are disclosed in the notes when material.

On 06 May 2025, the Group has announced the appointment of P R Elliott to the Board with immediate effect.

On 28 May 2025, the Group has announced that a property at its Speldhurst site has been sold for £715,000. This generated net proceeds of £94,500 following the repayment of associated third party loans and professional fees.

On 1 July 2025, the Group has announced that it has acquired, from Trafalgar Director, P R Elliott (the "Vendor"), a 10% equity interest in Hilton House, a commercial property located in central Stockport, Manchester, for a purchase price of £350,000. This acquisition constitutes a substantial transaction under AIM Rule 12. The consideration for the 10% interest in Hilton House is to be satisfied through a combination of equity issuance (the "Equity Issuance") and a convertible loan note (the "Convertible Loan Note" or "CLN"), comprising:

- An initial Equity Issuance of 366,666,667 new ordinary shares in Trafalgar at £0.0003 per share, amounting to £110,000 ("Consideration Shares"). This will result in the Vendor holding 29.43% of the fully diluted issued share capital of Trafalgar.
- The balance of £240,000 will be satisfied through the issue of an unsecured CLN, convertible at the same £0.0003 strike price. Conversion of the CLN will be subject to shareholder approval, in the event any proposed conversion results in the Vendor increasing its shareholding in Trafalgar above 29.9%.

Hilton House, independently valued at £3.5 million, is currently a vacant office building which comprises a 1970's-built office complex consisting of four interlinked blocks, including three 3-storey buildings and one 8-storey building, encircled by 68 parking spaces. The property has the potential for redevelopment into a residential buy-to-let scheme, subject to future planning consents. The transaction provides the Company exposure to potential uplift from the repositioning of the asset into a residential or mixed-used scheme, subject to future planning consents. The 10% equity interest will give Trafalgar rights to 10% of any future potential rental income derived from Hilton House and 10% of the sale proceeds on any future disposal of the site.

Trafalgar Property Group Plc

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

On 16 July 2025, the Group announced that Wager Holdings Limited ("Wager") has invested £50,000 by way of direct subscription (the "Subscription") of 500,000,000 new ordinary shares of £0.0001 each in the capital of the Company (the "Subscription Shares"), at a price of £0.0001 per share (the "Issue Price"). The Subscription will be used primarily to fund working capital requirements.

In addition to the Subscription, Trafalgar create 150,000 £1 unsecured interest free convertible loan notes ("CLNs") and entered into a formal agreement to issue those 150,000 CLNs for a subscription value of £150,000 (the "Wager CLN") from Wager. It is intended that the Wager CLN will also be used primarily to fund working capital requirements.

The key terms of the Wager CLN are:

- up to £150,000 total facility (principal) amount.
- repayable on or before 31 December 2025.
- interest free and unsecured.
- convertible at £0.0001, being a discount of 71.43% to the closing mid-market share price on 14 July, being £0.00035
- transferrable and will not be quoted.

The conversion of the CLN would be restricted to ensure that, immediately following such conversion, the new fully paid shares issued to the CLN holder, together with any shares already held by the CLN holder and persons acting in concert (as defined in the Takeover Code), do not carry in aggregate 29.9% or more of the voting rights of the Company. Exceptions to this restriction include conversion as part of a sale of the entire issued share capital of the Company, conversion with Takeover Panel approval or conversion as part of a mandatory offer for the remaining shares in the Company, under Rule 9 of the Takeover Code.

At the date of these financial statements £100,000 had been drawn down.

Trafalgar Property Group Plc

COMPANY BALANCE SHEET

For the year ended 31 March 2025

	Note	2025 £	2024 £
Non-Current Assets			
Investments	7	-	-
Current assets			
Debtors	8	51,454	32,140
Cash at bank and in hand		26,624	3,406
		<u>78,078</u>	<u>35,546</u>
TOTAL ASSET		<u>78,078</u>	<u>35,546</u>
EQUITIES & LIABILITIES			
Current liabilities			
Trade & other payables	9	264,937	224,856
Non-current liabilities			
Borrowings	10	48,965	25,000
TOTAL LIABILITIES		<u>313,902</u>	<u>249,856</u>
NET (LIABILITIES)		(235,824)	(214,310)
Equity – attributable to the owners of the Parent			
Called up share capital	12	3,260,025	3,237,400
Share premium account		4,213,165	4,136,240
Profit and loss account		(7,709,014)	(7,587,950)
Equity – attributable to the owners of the Parent		(235,824)	(214,310)
TOTAL EQUITY AND LIABILITIES		<u>78,078</u>	<u>35,546</u>

The loss for the financial year dealt with in the financial statements of the Parent Company was £121,064 (2024: loss £339,191).

The financial statements were approved by the Board of Directors on 21 October 2025 and authorised for issue and are signed on its behalf by:

P A Treadaway: *Paul Treadaway* G M Thorneycroft: *Gary Thorneycroft*

Company Registration Number: 04340125

The notes on pages 45 to 52 form an integral part of these financial statements

Trafalgar Property Group Plc

COMPANY STATEMENT OF CHANGES IN EQUITY

31 March 2025

	Share Capital	Share Premium	Loan Note Equity Reserve	Profit & loss account	Total Equity
	£	£	£	£	£
At 1 April 2023	2,860,150	3,484,915	107,204	(7,355,963)	(903,694)
Loss for the year	-	-	-	(339,191)	(339,191)
Total comprehensive loss for the year	-	-	-	(339,191)	(339,191)
Loan Note Equity Reserve			(107,204)	107,204	-
Shares issued during the year on conversion of loan notes	226,250	678,750		-	905,000
Shares issued during the year net of costs	151,000	(27,425)		-	123,575
At 31 March 2024	3,237,400	4,136,240	-	(7,587,950)	(214,310)
At 1 April 2024	3,237,400	4,136,240	-	(7,587,950)	(214,310)
Loss for the year	-	-	-	(121,064)	(121,064)
Total comprehensive loss for the year	-	-	-	(121,064)	(121,064)
Shares issued during the year net of costs	22,625	76,925	-	-	99,550
At 31 March 2025	3,260,025	4,213,165	-	(7,709,014)	(235,824)

Further details of share capital are shown in Note 12 of Company financial Statements.

Loan note equity reserve is the amount that has been provided for in respect of the difference between the cash value and the liability element of the loan notes. The remaining balance has been reversed following the conversion of the loan note in 2024.

The notes on pages 45 to 52 form an integral part of these financial statements.

1. GENERAL INFORMATION

Nature of operations

Trafalgar Property Group Plc ("the Company") is the UK holding company of a group of companies which are engaged in residential property development and charges an appropriate management fee for general costs incurred 2025 - £14,212 (2024 - £43,344). The Company is a public company limited by shares and is registered in England and Wales. Its registered office and principal place of business is Chequers Barn, Chequers Hill, Bough Beech, Edenbridge, Kent TN8 7PD.

2. BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ('FRS 102') and the Companies Act 2006. The principal accounting policies are described below. They have all been applied consistently throughout the year and preceding year.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income to these financial statements. The Company has taken advantage of the disclosure exemption from the requirements of section 7 Statement of Cashflow, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

3. SIGNIFICANT ACCOUNTING POLICIES

(a) GOING CONCERN

The Directors have reviewed forecasts and budgets for the coming year, which have been drawn up with appropriate regard for the current economic environment and the particular circumstances in which the Company operates. These were prepared with reference to historical and current industry knowledge, taking into account future strategy of the Company and wider Group.

During the year the Company crystallised the 2024 CLN with C C Johnson by way of an issue of 226,250,000 shares at £0.00044p per share.

As indicated in note 20 of consolidated financial statements, subsequent to the balance sheet date, the Company announced that Wager Holdings Limited ("Wager") has invested £50,000 by way of direct subscription (the "Subscription") of 500,000,000 new ordinary shares of £0.0001 each in the capital of the Company (the "Subscription Shares"), at a price of £0.0001 per share (the "Issue Price"). The Subscription will be used primarily to fund working capital requirements. A CLN has also been entered into for £150,000 with Wager Holdings Ltd that will provide further working capital. At the date of these financial statements £100,000 had been drawn down.

However, given that a degree of uncertainty exists in the timing of future sales, the Company's ability to raise further funds through share placements and the potential reliance on further funding been provided by C C Johnson, the directors and management's ability to refinance all loans due in the next twelve months, there exists a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

(b) INVESTMENTS

Investments held as fixed assets are stated at cost less provision for impairment.

(c) TAXATION

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

(d) FINANCIAL INSTRUMENTS

The Company is applying IAS39 in its recognition and measurement of its Financial Instruments.

Financial assets and liabilities are recognised in the statements of financial position when the Company has become a party to the contractual provisions of the instruments.

The Company's financial assets and liabilities are initially measured at fair value plus any directly attributable transaction costs. The carrying value of the Company's financial assets, primarily cash and bank balances, and liabilities, primarily the Company's payables, approximate to their fair values.

(i) Financial assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables financial assets, or available-for-sale financial assets, as appropriate.

Trade and other receivables

Trade and other receivables (including deposits) that have fixed or determinable payments that are not quoted in an active market are classified as other receivables, deposits, and prepayments. Other receivables, deposits, and prepayments are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(ii) Financial liabilities and convertible debt

Financial liabilities are classified as liabilities or equity in accordance with the substance of the contractual arrangement.

Financial liabilities:

Financial liabilities comprise long-term borrowings, short-term borrowings, trade and other payables, measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Convertible debt:

Convertible debt issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and convertible debt instrument. Convertible debt consists of new unsecured loan notes convertible totaling £nil (2024: £nil)

The accounting policies adopted for specific financial liabilities and convertible debts are set out below.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not apparent from other sources. The estimates and assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date that have a significant risk of causing a significant adjustment to the carrying amounts of assets and liabilities in the financial statements:

Carrying value of investments in subsidiaries and intercompany

Management's assessment for impairment of investment in subsidiaries is based on the estimation of value in use of the subsidiary by forecasting the expected future cash flows expected on each development project. The value of the investment in subsidiaries is based on the subsidiaries being able to realise their cash flow projections.

Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

5. LOSS FOR FINANCIAL PERIOD

The Company has taken advantage of section 408 of the Companies Act 2006 and, consequently, a profit and loss account for the Company alone has not been presented. The Company's loss for the financial period was £121,064 (2024: Loss £339,191).

6. EMPLOYEES AND DIRECTORS' REMUNERATION

	2025	2024
	£	£
Directors' fees	-	-
Social security costs	-	-
Directors' pension contribution	-	-
Management fees	-	-
	-	-

The average number of employees of the Company during the year was:

	2025	2024
	Number	Number
Directors and management	4	4

There are no retirement benefits accruing to any of the Directors.

Additional directors remuneration of £50,000 (2024: £60,000) was paid to a director through subsidiary entities.

Trafalgar Property Group Plc

NOTES TO THE COMPANY FINANCIAL STATEMENTS

31 March 2025

7. INVESTMENTS

The Company owns the following undertakings, all of which are incorporated in the United Kingdom and have their registered offices at Chequers Barn, Chequers Hill, Bough Beech, Edenbridge, Kent, TN8 7PD.

Valuation	2025	2024
Cost:		
At 1 April	3,855,438	3,855,438
Additions	-	-
At 31 March	<u>3,855,438</u>	<u>3,855,438</u>
Impairment:		
At 1 April	(3,855,438)	(3,855,438)
Additions	-	-
At 31 March	<u>(3,855,438)</u>	<u>(3,855,438)</u>
Net Value at 31 March	<u>-</u>	<u>-</u>

Held directly	Class of shares held	% Shareholding	Principal Activity
Trafalgar New Homes Limited	Ordinary shares	100%	Residential property developers
Trafalgar Retirement + Limited	Ordinary shares	100%	Residential property & assisted living scheme
Selmat Limited	Ordinary shares	100%	Residential property renting
Life Hydroponic Assets Ltd	Ordinary shares	100%	Holding of hydroponic assets
Held indirectly through Trafalgar New Homes Limited			
Combe Bank Homes (Oakhurst) Limited	Ordinary shares	100%	Residential property developers
Controlled via Deed of Trust			
Combe Homes (Borough Green) Limited	Ordinary shares	100%	Residential property developers

8. DEBTORS

	2025	2024
	£	£
Amounts owed by Group undertakings	23,603	-
Other debtors	26,002	32,140
Director's loan	1,849	
	<u>51,454</u>	<u>32,140</u>

9. TRADE AND OTHER PAYABLES

	2025	2024
	£	£
Trade creditors	208,408	143,457
Taxation and social security	1,917	637
Accruals / Other creditors	54,612	62,004
Amounts owed to Group undertakings	-	18,758
	<u>264,937</u>	<u>224,856</u>

The loan with its subsidiary is interest free and repayable on demand.

10. BORROWINGS

	2025	2024
	£	£
Other loans	48,965	25,000
	<u>48,965</u>	<u>25,000</u>

Other loans are provided by the following:

- Forum Energy Services Ltd at £25,000 (2024: £25,000) a shareholder of the Company. This loan is interest free and repayable on demand but it has been confirmed by the company that the loan will not be called within the next 12 months. A Convertible Loan Note is currently being discussed to formalize the arrangement.
- Loan agreement entered into by the Group on 3 June 2024 with Ecap Esports Ltd ("Ecap Esports"). Ecap Esports has agreed to loan the Company the sum of £250,000. The loan bears no interest. The current amount owed to Ecap Esports as at year end is £23,965. These funds are held in a separate deposit account to cover any late costs that may occur from the aborted reverse takeover.

Trafalgar Property Group Plc

NOTES TO THE COMPANY FINANCIAL STATEMENTS

31 March 2025

11. FINANCIAL INSTRUMENTS

Financial assets	2025	2024
	£	£
Financial assets:		
Financial assets measured at amortised cost:		
Amounts owed by group undertakings and other debtors	49,605	32,140
Financial liabilities:		
Financial liabilities measured at amortised cost	263,020	170,369
Financial liabilities includes Trade creditors, Other creditors and Amount due to group undertakings.		

12. SHARE CAPITAL

Issued allotted & paid share capital	2025	2024
	Number	Number
Ordinary shares		
Ordinary shares of 0.1p in issue	653,102,371	275,852,371
Subdivision of shares from 0.1p to 0.01p	(653,102,371)	-
After subdivision of share to 0.01p	653,102,371	-
Issued ordinary shares of 0.01p in year	226,250,000	377,250,000
Total ordinary shares of 0.01p in issue	<u>879,352,371</u>	<u>653,102,371</u>
Deferred shares		
Deferred shares of 0.9p in issue	287,144,228	287,144,228
Subdivision of shares at 0.09p	653,102,371	
Consolidation of shares from 0.09p	(653,102,371)	
After consolidation of shares to 0.9p	65,310,238	-
Total Deferred shares of 0.9p in issue	<u>352,454,466</u>	<u>287,144,228</u>
Issued, allotted and fully paid	2025	2024
	£	£
Ordinary shares b/fwd	653,102	275,852
Subdivision of shares	(587,792)	-
Issued in year - ordinary shares	22,625	377,250
Total ordinary shares	<u>87,935</u>	<u>653,102</u>
Deferred shares b/fwd	2,584,298	2,584,298
Subdivision and consolidation of shares in the year	587,792	-
Total deferred shares	<u>3,172,090</u>	<u>2,584,298</u>
Share Capital	<u>3,260,025</u>	<u>3,237,400</u>

Background – ordinary shares, warrants and loan notes

Ordinary Shares:

On 07 November 2024, further to the announcements of 27 March 2024 and 16 October 2024, the Company announces that C C Johnson had issued a conversion notice to the Company in relation to the entirety of the £99,550 unsecured convertible loan notes held by him in the Company (the "2024 CLN"). As a result, and as per the original terms of the 2024 CLN, the Company issued to C C Johnson 226,250,000 New Ordinary Shares (the "2024 Conversion Shares") at £0.00044 per ordinary share ("2024 CLN Exercise Price").

Further to the announcement of 23 June 2025, the Company announced that it had acquired, from a Director of the Company, P R Elliott (the "Vendor"), a 10% equity interest in Hilton House, a commercial property located in central Stockport, Manchester, for a purchase price of £350,000. This acquisition constitutes a substantial transaction under AIM Rule 12. The consideration for the 10% interest in Hilton House is to be satisfied through a combination of equity issuance (the "Equity Issuance") and a convertible loan note (the "Convertible Loan Note" or "CLN"), comprising:

A. An initial Equity Issuance of 366,666,667 new ordinary shares in the Company at £0.0003 per share, amounting to £110,000 ("Consideration Shares").

B. The balance of £240,000 will be satisfied through the issue of an unsecured CLN, convertible at the same £0.0003 strike price. Conversion of the CLN will be subject to shareholder approval, in the event any proposed conversion results in the Vendor increasing its shareholding in Trafalgar above 29.9%.

On 16 July 2025 the Company announced that Wager Holdings Limited ("Wager") had invested £50,000 by way of direct subscription (the "Subscription") of 500,000,000 new ordinary shares of £0.0001 each in the capital of the Company (the "Subscription Shares"), at a price of £0.0001 per share (the "Issue Price").

Deferred Shares:

On 13 July 2020 the Company undertook a sub-division of its ordinary shares, which sub divided the 487,690,380 0.1p ordinary shares of 0.1p each into 487,690,380 ordinary shares of 0.01p each and 487,690,380 0.09p deferred shares of 0.09p each. The 0.09p deferred shares of 0.09p each were consolidated into deferred shares of 0.9p each ranking pari passu as one class with the existing deferred shares of 0.9p each.

On 04 November 2024, the Company undertook a sub-division of ordinary shares which subdivided the 653,102,371 0.1p ordinary shares into 653,102,371 0.01p and a new 653,102,371 deferred shares 0.09p each. The 0.09p deferred shares of 0.09p each were then consolidated into deferred shares of 0.9p each ranking pari passu as one class with the existing deferred shares of 0.9p each.

Deferred shares do not entitle the holder to receive notice of and to attend or vote at any general meeting of the Company or to receive dividends or other distributions. Upon winding up or dissolution of the Company the holders of deferred shares shall be entitled to receive an amount equal to the nominal amount paid up thereon, but only after holders of ordinary shares have received £100,000 per ordinary share. Holders of deferred shares are not entitled to any further rights of participation in the assets of the Company. The Company has the right to purchase the deferred shares in issue at any time for no consideration.

13. INTERCOMPANY TRANSACTIONS

The Company has taken advantage of the exemption conferred by FRS102 Section 33 "Related Party disclosures" not to disclose transactions undertaken with other wholly owned members of the Group. In addition, there were no transactions with Forum Energy Services Ltd, the provider of a shareholders loan, as per note 10 of Company financial statements.

14. SUBSEQUENT EVENTS

On 06 May 2025, the Group announced the appointment of Mr P R Elliott to the Board with immediate effect.

On 28 May 2025, the Group announced that a property at its Speldhurst site has been sold for £715,000. This generated net proceeds of £94,500 following the repayment of associated third party loans and professional fees.

On 1 July 2025, the Group announced that it has acquired, from Trafalgar Director, P R Elliott (the "Vendor"), a 10% equity interest in Hilton House, a commercial property located in central Stockport, Manchester, for a purchase price of £350,000. This acquisition constitutes a substantial transaction under AIM Rule 12. The consideration for the 10% interest in Hilton House is to be satisfied through a combination of equity issuance (the "Equity Issuance") and a convertible loan note (the "Convertible Loan Note" or "CLN"), comprising:

- An initial Equity Issuance of 366,666,667 new ordinary shares in Trafalgar at £0.0003 per share, amounting to £110,000 ("Consideration Shares"). This will result in the Vendor holding 29.43% of the fully diluted issued share capital of Trafalgar.
- The balance of £240,000 will be satisfied through the issue of an unsecured CLN, convertible at the same £0.0003 strike price. Conversion of the CLN will be subject to shareholder approval, in the event any proposed conversion results in the Vendor increasing its shareholding in Trafalgar above 29.9%.

Hilton House, independently valued at £3.5 million, is currently a vacant office building which comprises a 1970's-built office complex consisting of four interlinked blocks, including three 3-storey buildings and one 8-storey building, encircled by 68 parking spaces. The property has the potential for redevelopment into a residential buy-to-let scheme, subject to future planning consents. The transaction provides the Company exposure to potential uplift from the repositioning of the asset into a residential or mixed-used scheme, subject to future planning consents. The 10% equity interest will give Trafalgar rights to 10% of any future potential rental income derived from Hilton House and 10% of the sale proceeds on any future disposal of the site.

On 16 July 2025, the Group announced that Wager Holdings Limited ("Wager") has invested £50,000 by way of direct subscription (the "Subscription") of 500,000,000 new ordinary shares of £0.0001 each in the capital of the Company (the "Subscription Shares"), at a price of £0.0001 per share (the "Issue Price"). The Subscription will be used primarily to fund working capital requirements.

In addition to the Subscription, Trafalgar created 150,000 £1 unsecured interest free convertible loan notes ("CLNs") and entered into a formal agreement to issue those 150,000 CLNs for a subscription value of £150,000 (the "Wager CLN") from Wager. It is intended that the Wager CLN will also be used primarily to fund working capital requirements.

The key terms of the Wager CLN are:

- up to £150,000 total facility (principal) amount.
- repayable on or before 31 December 2025.
- interest free and unsecured.
- convertible at £0.0001, being a discount of 71.43% to the closing mid-market share price on 14 July, being £0.00035
- transferrable and will not be quoted.

The conversion of the CLN would be restricted to ensure that, immediately following such conversion, the new fully paid shares issued to the CLN holder, together with any shares already held by the CLN holder and persons acting in concert (as defined in the Takeover Code), do not carry in aggregate 29.9% or more of the voting rights of the Company. Exceptions to this restriction include conversion as part of a sale of the entire issued share capital of the Company, conversion with Takeover Panel approval or conversion as part of a mandatory offer for the remaining shares in the Company, under Rule 9 of the Takeover Code.

At the date of these financial statements £100,000 had been drawn down.

15. CONTROLLING PARTY

The company has no controlling party.

Explanation of resolutions at the Annual General Meeting

Information relating to resolutions to be proposed at the Annual General Meeting is set out below. The notice of AGM is set out on page 54.

Ordinary business at the AGM

The following ordinary business resolutions will be proposed at the AGM:

- (a) Resolution 1: to approve the annual report and accounts. The Directors are required to lay before the Company at the AGM the accounts of the Company for the financial year ended 31 March 2025, the report of the Directors and the report of the Company's auditors on those accounts.
- (b) Resolution 2: to approve the re-appointment of MHA as auditors of the Company. The Company is required to appoint auditors at each general meeting at which accounts are laid, to hold office until the next such meeting.
- (c) Resolution 3: to approve the remuneration of the auditors for the next year.
- (d) Resolution 4: to re-appoint G M Thorneycroft as a Director; Gary is retiring by rotation and submitting himself for re-election.
- (e) Resolution 5: to re-appoint Dr P F Challinor as a Director; Paul is retiring by rotation and submitting himself for re-election.
- (f) Resolution 6: to re-appoint P R Elliott as a Director; Paul is retiring as under the Articles of Association, Directors must be re-appointed at the first annual general meeting following their appointment and is submitting himself for re-election.

Special business at the AGM

The following special business resolutions will be proposed at the AGM:

- (a) Resolutions 7 and 8: to renew residual authorities (i) to allot securities under section 551 of the Companies Act 2006, in the amount of up to £250,000 (2,500,000,000 ordinary shares of £0.0001), and (ii) to disapply pre-emption rights on the allotment of securities for cash for the purposes of section 561 of the Companies Act 2006, in the amount of up to £250,000 (2,500,000,000 ordinary shares of £0.0001).

The authorities under these resolutions would subsist until the conclusion of the Annual General Meeting of the Company to be held in 2026 or, if earlier, 15 months after the date on which this resolution has been passed, provided that the Company may, before such expiry, make an offer, agreement or other arrangement which would or might require shares and/or rights to subscribe for or to convert any security into shares to be allotted after such expiry and the directors may allot such shares and/or rights to subscribe for or to convert any security into shares in pursuance of such offer, agreement or other arrangement as if the authority conferred hereby had not expired.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2025 Annual General Meeting of the Company will be held at the Company's offices at Chequers Barn, Bough Beech, Edenbridge, Kent TN8 7PD at 11a.m. on 14 November 2025, for the following purposes:

RESOLUTIONS

Ordinary business

To consider and, if thought fit, to pass resolutions 1 to 6 as ordinary resolutions:

1. To receive and adopt the directors' report, the auditor's report and the Company's accounts for the year ended 31 March 2025.
2. To re-appoint MHA as auditor in accordance with section 489 of the Companies Act 2006, to hold office until the conclusion of the Annual General Meeting of the Company in 2026.
3. To authorise the Directors to determine the remuneration of the auditor.
4. To re-appoint G M Thorneycroft as an Executive Director of the Company.
5. To re-appoint Dr P F Challinor as an Executive Director of the Company.
6. To re-appoint P R Elliott as an Executive Director of the Company.

Special business

To consider and, if thought fit, to pass resolution 7 as an ordinary resolution and resolutions 8 as special resolution:

7. THAT, in addition to all existing authorities conferred on the directors to allot shares or to grant rights to subscribe for or to convert any securities into shares, the directors be authorised generally and unconditionally pursuant to Section 551 of the Companies Act 2006 as amended to exercise all the powers of the Company to allot shares and/or rights to subscribe for or to convert any security into shares, provided that the authority conferred by this resolution shall be limited to the allotment of equity securities and/or rights to subscribe or convert any security into shares of the Company up to an aggregate nominal value of £250,000 (2,500,000,000 ordinary shares of £0.0001), such authority (unless previously revoked, varied or renewed) to expire on the conclusion of the Annual General Meeting of the Company to be held in 2026 or, if earlier, 15 months after the date on which this resolution has been passed, provided that the Company may, before such expiry, make an offer, agreement or other arrangement which would or might require shares and/or rights to subscribe for or to convert any security into shares to be allotted after such expiry and the directors may allot such shares and/or rights to subscribe for or to convert any security into shares in pursuance of such offer, agreement or other arrangement as if the authority conferred hereby had not expired.
8. THAT, in addition to all existing authorities conferred on the directors to allot shares or to grant rights to subscribe for or to convert any securities into shares, the directors be and are hereby generally empowered to allot equity securities (within the meaning of Section 560 of the Companies Act 2006) pursuant to the general authority conferred by resolution 7 above for cash or by way of sale of treasury shares as if Section 561 of the Companies Act 2006 or any pre-emption provisions contained in the Company's articles of association did not apply to any such allotment, provided that the power conferred by this resolution shall be limited to:
 - (a) any allotment of equity securities where such securities have been offered (whether by way of rights issue, open offer or otherwise) to holders of equity securities in proportion (as nearly as may be practicable) to their then holdings of such securities, but subject to the directors having the right to make such exclusions or other arrangements in connection with such offer as they deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising in, or pursuant to, the laws of any territory or the requirements of any regulatory body or stock exchange in any territory or otherwise howsoever;
 - (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal value of £250,000 (2,500,000,000 ordinary shares of £0.0001), such authority (unless previously revoked, varied or renewed) to expire on the conclusion of the Annual General Meeting of the Company to be held in 2026 or, if earlier, 15 months after the date on which this resolution has been passed, provided that the Company may, before such expiry, make an offer, agreement or other arrangement which would or might require shares and/or rights to subscribe for or to convert any security into shares to be allotted after such expiry and the directors may allot such shares and/or rights to subscribe for or to convert any security into shares in pursuance of such offer, agreement or other arrangement as if the authority conferred hereby had not expired.

TRAFALGAR PROPERTY GROUP PLC
(Registered in England No. 04340125)

Dated: 21 October 2025

Registered Office:
Chequers Barn
Chequers Hill
Bough Beech
Edenbridge
Kent
TN8 7PD

By order of the Board
Nicholas Narraway
Secretary

Notes:

1. Shareholders are strongly encouraged to participate in the meeting by returning forms of proxy ahead of the meeting.
2. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you may photocopy the enclosed proxy form.
5. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- (a) completed and signed;
- (b) sent or delivered to the Company's Registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD; and
- (c) received by no later than 11 a.m. on 12 November 2025.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

7. To change your proxy appointment, simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, you may photocopy the enclosed proxy form.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

8. In order to revoke a proxy appointment, you will need to inform the Company by sending a signed hard copy notice clearly stating that you revoke your proxy appointment to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by no later than 11 a.m. on 12 November 2025.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person.

9. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those members registered in the register of members of the Company as at 6.00 p.m. on 12 November 2025 shall be entitled to attend and vote at this Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after such time shall be disregarded in determining the rights of any person to attend or vote at this Meeting.