

SLF REALISATION FUND LIMITED

Annual Report and Audited Consolidated Financial Statements
for the year ended 30 June 2026

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for the year ended 30 June 2026

GROUP METRICS FOR THE YEAR ENDED 30 JUNE 2026

As at 30 June 2026, the investment objective of SLF Realisation Fund Limited (the “Company” and together with its subsidiaries, the “Group”) is to realise all remaining assets in the portfolio of the Ordinary Share class in a prudent manner consistent with the principles of good investment management and to return cash to shareholders in an orderly manner. The Group’s base currency is Sterling.

(6.10)% per Ordinary Share ^{1,2}	2.73p per Ordinary Share ¹
NAV total return per share for the year ended 30 June 2026	NAV per Share as at 30 June 2026
£1.78 million for the Ordinary Share class	
Return of capital to shareholders during the year ended 30 June 2026	

¹ The comparatives for the other Group metrics detailed above are disclosed on page 3.
² These are alternative performance Measures; refer to page 56 for details.

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FINANCIAL METRICS AND PERFORMANCE SUMMARY

Performance Summary of Ordinary Shares

	30 June 2026	30 June 2025^[1]
Number of shares in issue	355,975,669	355,975,669
NAV	£9.72m	£12.26m
NAV per share	2.73p	3.44p
NAV total return per share	(6.10)%	7.07%
(Loss)/Gain per share	(0.21)p	0.26p
Return of Capital during the year	£1.78m	£1.78m
Comprehensive (loss)/gain	£(0.77)m	£0.94m
Investments, other receivables and prepayments, payables and accruals	£6.01m	£8.26m
Cash and cash equivalents	£3.71m	£4.00m

^[1] On 26 June 2025, all of the C Shares were redeemed, so only the Ordinary Shares were in issue during the year ended 30 June 2026. Therefore, only Ordinary Share performance metrics have been presented above.

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CHAIRMAN'S STATEMENT AND INVESTMENT REPORT

Introduction

I am pleased to provide shareholders with my annual Chairman's Statement, covering the period from 1 July 2025 to 30 June 2026. It has been another busy year with significant progress being made in achieving the investment objective of the Company, namely to follow a realisation strategy and return capital to shareholders.

I am pleased to report that the realisation programme for the Ordinary Share class has made further good progress, with returns of capital having been made during the year of 0.5p per Ordinary Share (£1.78 million). In total, as at the date hereof, £99.67 million or 28.0p per share has been returned to Ordinary shareholders and £107.84 million or 77.62p per share was returned to 2016 C shareholders since the realisation programme began.

The realisation programme for the 2016 C Share class was completed in the prior financial year, with all of the C Shares finally redeemed in June 2025.

Performance

The NAV total return per Ordinary Share was (6.10)% for the year ended 30 June 2026 (7.1% for the year ended 30 June 2025). Other key metrics were:

- For the year ended 30 June 2026, the Company has reported a combined loss after tax of £(0.77) million, compared to a gain after tax after tax of £0.38 million for the year ended 30 June 2025.
- The Ordinary Share NAV at 30 June 2026 was £9.72 million (2.73p per Ordinary Share) compared to £12.26 million (3.44p per Ordinary Share) as at 30 June 2025.

Shareholder Engagement

The Board has engaged with shareholders over the reporting period, taking feedback and responding to their recommendations where appropriate. Brett Miller has led this activity and will continue to do so as we continue to wind down the Company.

Key Developments

- In October 2025, it was announced that the Company had received €2,589,017 in full and final settlement of a VAT claim from the Irish Tax and Customs. The claim related to Borrower 30, an AD Plant located in the Republic of Ireland, following negotiations that began in July 2021. At 30 June 2025 the claim was carried at £1,950,144 (€2,272,044), prior to which the claim had been carried at £nil due to the uncertainty in obtaining the refund from the Tax Authorities.
- In October 2025, Brendan Hawthorne stepped down as chairman and I assumed the role of chair. On behalf of the Board, I'd like to thank and acknowledge the contribution made by Brendan Hawthorne during his tenure.
- A further return of capital was announced in March 2026 with 0.5p per Ordinary Share being returned to shareholders.
- During the year, Borrower 63, which was a small equity position carried at £100k, went into liquidation resulting in a total write down of this position.

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CHAIRMAN'S STATEMENT AND INVESTMENT REPORT (CONTINUED)

Key Developments (continued)

- The French glass manufacturer, Borrower 6, underwent a French insolvency process and buyout by a new owner. As part of the process its debt was restructured, including the Company's exposure. Whilst the key terms are confidential, the exposure has been extended to 2029 and the Company wrote off €3 million of its position, conditional on all other payments being met (which payments to date under the revised payment plan have been so met).

The Score So Far

In posing the question: "How is the realisation proceeding?" it is worth recalling the background. With effect from 31 December 2020, the current Directors constituted a majority of the Board and from that point Brett Miller then had free rein to really work with the portfolio manager initially and then subsequently with the consultants and employee on running off the portfolio and returning cash to shareholders. As at 31 December 2020, the share price of the Ordinary Shares was 16.5p bid and the 2016 C Shares was 34.8p bid. Since then, we have returned 28.0p a share in cash to the Ordinary shareholders and 77.62p a share to the 2016 C shareholders. That's approximately a 70% cash realised return for the Ordinary shareholders so far and a 123% cash realised return for the 2016 C shareholders. The job is now finished for the 2016 C Share Class but there remains a bit more work to do still for the Ordinary Share class.

We have repeatedly represented to shareholders that we would aim to get back to them as much as possible of the June 2020 NAV in cash. That NAV was prepared with the benefit of independent valuations for quite a few names in the portfolio that the then portfolio manager had determined were difficult to value. The 30 June 2020 NAV was 36.19p per Ord Share and 68.17p per C Share. We have therefore already returned circa 78.8% of the Ordinary Share NAV and 114% of the C Share NAV. Certainly for the 2016 C Share class that is ahead of expectations at the outset and the job is now concluded in respect of the C Share class. In respect of the Ordinary Share class, progress was slower than expected largely due to the problems with Suniva and the AD plants, but these issues have now been largely dealt with and we retain one exposure of any materiality which will take a bit of time to work out. We remain cautiously optimistic about making some further progress in the Ordinary Share class.

Board and personnel changes

Due to the shrinking size of the Company and with most of the heavy lifting now done, the Company has been rationalising its cost base and will continue to do so.

The sole remaining consultant's contract was terminated on 30 September 2025. The Board has also been slimmed down to a Board of two. Brett Miller continues to work out the remaining assets.

Outlook

As can be seen above, the bulk of the realisations for the Ordinary Share class has been completed and the work to realise all the assets in the C Share class has now been completed. The last significant asset, the exposure to the French glass manufacturer, has been restructured and is now termed out to 2029 but will need to be refinanced in order to pay us out by then. There is therefore some uncertainty as to how long it will take to realise this last remaining asset. The Company is in ongoing discussions with this Borrower.

The Board expects the wind-down plan for the bulk of what remains apart from the French glass manufacturer will likely take approximately six months. We are cognisant of the greater risk that remains in the balance of the portfolio, as whatever remains in the portfolio has not yet achieved a satisfactory exit.

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CHAIRMAN'S STATEMENT AND INVESTMENT REPORT (CONTINUED)

The Directors are also working now to simplify the corporate structure, deregister various tax entities and reduce costs further.

We thank investors for their continued support and we hope to be in a position to report more progress in the coming months.



David Copperwaite
Chairman
29 September 2026



Brett Miller
Director
29 September 2026

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STRATEGIC REPORT

This Strategic Report is designed to provide information about the Group's business and results for the year ended 30 June 2026. It should be read in conjunction with the Chairman's Statement and the Investment Report, which give a detailed review of investment activities for the year and an outlook for the future. These include a review of the business of the Group and its core activities, the principal risks and uncertainties it faces and results for the year.

Corporate Summary

The Company is a non-cellular company limited by shares, registered in Guernsey under the Companies (Guernsey) Law 2008 (as amended) with registered number 58519. The registered office of the Company is 1st Floor, Royal Chambers, St Julian's Avenue, St Peter Port, Guernsey, GY1 3JX.

The Company is an authorised collective investment scheme in Guernsey, pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 2020.

Significant Events during the Year Ended 30 June 2026

The remaining payments for Fortress were received in full, the last of which was received on 29 August 2025. The Group's remaining position in Fortress has therefore been fully realised.

On 25 July 2025, the remaining incentive fee of £832,977 was paid in full to the Directors.

In October 2025 it was announced that the Group had received €2,589,017 in full and final settlement of a VAT claim from the Irish Tax and Customs. The claim related to Borrower 30 an AD Plant located in the Republic of Ireland, following negotiations that began in July 2021. At 30 June 2025 the claim was carried at £1,950,144 (€2,272,044), prior to which the claim had been carried at £nil due to the uncertainty in obtaining the refund from the Tax Authorities.

For the year ended 30 June 2026, the remaining equity investment was valued at nil due to the company having gone into liquidation during the year. In accordance with IFRS 9, investment in the shares was measured initially at cost and subsequently at fair value through profit or loss, taking into account all information available including possible future cash flows, progress of the projects and any call options available to the developer.

Return of Capital

The table below summarises the amounts returned to shareholders during the year:

Record date	Ordinary Shares	
	Amount per Share	Amount returned to Ordinary shareholders
21 April 2026	0.5p	£1,779,878

Annual General Meeting ("AGM") held on 04 December 2025

All resolutions proposed at the AGM were passed.

Share Capital and voting rights

The Company's issued share capital as at 30 June 2026 consisted of 355,975,669 Ordinary Shares of no par value (2025: 355,975,669 Ordinary Shares of no par value). The authorised share capital of the Company is represented by an unlimited number of shares of no par value. All shares hold equal voting rights with no restrictions and no shares carry special rights with regard to the control of the Company. There are no special rights attached to the shares in the winding up of the Company.

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STRATEGIC REPORT (CONTINUED)

Subsidiaries and entities controlled by the Group

The Company's subsidiaries are detailed in note 1. Brett Miller and David Copperwaite are the Directors of all the Company's subsidiaries, except for SQN Asset Finance (Ireland) Designated Activity Company ("SQN Ireland"), as mentioned below. Information of each Director is shown on page 19. On 17 December 2025, SLF (Guernsey) Limited was dissolved and on 24 December 2025, SLF (Amber) Limited was dissolved.

The Company meets the definition of control under IFRS 10 – "Consolidated Financial Statements" in respect of its investment holding in SQN Ireland. As such, the results for SQN Ireland have been consolidated with the Group's Audited Consolidated Financial Statements from this effective date. The consolidation of SQN Ireland has had a limited impact on the NAV of the Group. The board of SQN Ireland are employees of its administrator, Cafico Corporate Services Limited ("Cafico International"). Refer to note 2.1 for further details.

Purpose

The Company is an investment company with wholly owned subsidiaries incorporated in Guernsey (prior to their dissolution) and SQN Ireland incorporated in the Republic of Ireland and established for the primary purpose of acting as investment holding companies. The purpose of the Company, together with its remaining subsidiary, is to realise all remaining assets in the portfolio in a prudent manner consistent with the principles of good investment management and to return cash to shareholders in an orderly manner.

Investment Objective and Investment Policy

Each share class has its own investment objective and investment policy, which are identical and are set out below.

Investment Objective

The investment objective of the Company is to realise all remaining assets in the portfolio in a prudent manner consistent with the principles of good investment management and to return cash to shareholders in an orderly manner.

Investment Policy

The Company will pursue the investment objective of the Ordinary Share Class by effecting an orderly realisation of the assets in a manner that seeks to achieve a balance between maximising the value received from those assets and making timely returns of capital to shareholders. This process might include sales of individual assets, mainly structured as loans and leases, or running off the portfolio in accordance with the existing terms of the assets, or a combination of both.

As part of the realisation process, the Group may also exchange existing debt instruments for equity or other securities where, in the opinion of the Board, the Group is unlikely to be able to otherwise realise such debt instruments or will only be able to realise them at a material discount to the outstanding principal balance of that debt instrument.

The Company, on behalf of the Ordinary Share Class, will cease to make any new investments or to undertake capital expenditure except where, in the opinion of the Board:

- the investment is a follow-on investment made in connection with an existing asset held by the Ordinary Share Class in order to comply with the Group's pre-existing obligations; or
- failure to make the follow-on investment may result in a breach of contract or applicable law or regulation by the Group; or
- the investment is considered necessary by the Board to protect or enhance the value of any existing investments of the Ordinary Share Class to facilitate orderly disposals of assets held by the Ordinary Share Class.

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STRATEGIC REPORT (CONTINUED)

Investment Objective and Investment Policy (Continued)

Investment Policy (Continued)

Any cash received by the Company as part of the realisation process prior to its distribution to shareholders will be held by the Company, on behalf of the Ordinary Share Class, as cash on deposit and/or as cash equivalents.

The Company does not intend to undertake any new borrowings on behalf of the Ordinary Share Class, although the Company may borrow where, in the opinion of the Board, an investment is considered necessary to protect or enhance the value of an existing investment and the Company does not have the available equity capital to fund the investment. Any such borrowings are expected to be short-term and would be repaid following the realisation of assets.

Significant Events after the Reporting Period

There were no further Significant events after the Reporting Period.

Financial risk management objectives and policies

The Board is responsible for the Company's system of risk management and internal control and meets regularly in the form of periodic Board meetings to consider the effectiveness of such controls in managing and mitigating risk.

The risk reporting from the AIFM was assessed and the Board determined that it was no longer required. Therefore, during the year ended 30 June 2025, the Company became self-managed under the National Private Placement Regime ("NPPR") scheme and now has its own responsibility for the management of risk.

The Board confirms that it has reviewed the effectiveness of the Company's system of risk management and internal control by way of quarterly meetings, which include the relevant teams of the Administrator, to discuss reports produced by the Administrator and understand the robustness of their systems and satisfy the Board as to their effectiveness for the year ended 30 June 2026, and to the date of approval of these Audited Consolidated Financial Statements. Until the contract with the Consultant terminated on 30 September 2025, Brett Miller was in regular discussion with him and reviewed work undertaken by him. Mr Miller and the Consultant (prior to the termination of his contract) keeps the two independent Directors informed at all times of developments within the portfolio, including via a formal report at each quarterly Board meeting. In addition, the Board approves investment transactions. The Board has taken into consideration the Financial Reporting Council ("FRC")'s, "Guidance on Risk Management, Internal Control and Related Financial and Business Reporting" to ensure that the Company's system of risk management and internal control is designed and operated effectively, in line with best practice guidance provided by the FRC.

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STRATEGIC REPORT (CONTINUED)

Principal Risks and Uncertainties

The Principal Risks facing the Group are as set out below. Refer to note 16 for reference to financial risk management disclosures, which explains in further detail the below risk exposures and the policies and procedures in place to monitor and mitigate these risks.

The Board has with the assistance of the Administrator, established an internal control framework to provide reasonable but not absolute assurance on the effectiveness of the internal controls operated on behalf of the Group by the service providers as the management and administrative functions are outsourced to third parties. The Risk Framework is kept under review.

When considering the total return of the Group, the Board takes account of the risk which has been taken to achieve that return. The Board looks at numerous risk factors, an overview of which is set out below:

Principal Risk	Description	Mitigating Factors
Counterparty /Asset risk	The Group's performance is subject to risks primarily inherent to asset financing; in particular, the quality of the assets underpinning the transaction and the risk of default by the counterparties. This may affect the Group's ability to operate profitably.	No new investments have been made in the year and the Group continues to realise positions. Ongoing monitoring programmes are in place which allows the Board, with the assistance of the Consultant (until the termination of his contract on 30 September 2025), to identify and address risks at an early stage.
Valuation Risk	Reliability of asset valuations is considered a key risk. Given the sector of investment, valuations of the counterparties' underlying businesses and assets over which security exists are calculated and rely upon assumptions, using inputs such as cash flows, discounts, security, profitability and going concern assumptions.	The fair value of investments and any fair value adjustments are assessed and agreed by the Board. Until the termination of his contract on 30 September 2025, the Board also engaged a Consultant, who had experience in the sector and was familiar with the valuation process, to prepare the valuation of the investments held in the portfolio. Due to the realisation of the majority of the portfolio, the Consultant's contract was terminated as of 30 September 2025. The Board can also engage professional valuers if required. The valuation process is now performed by a Director of the Company who has extensive knowledge of the Portfolio and the underlying investment. The Director prepares the investment valuations for review and approval by the Board, which retains ultimate responsibility for determining fair value. Key reporting information is structured within the transactions, to ensure that all necessary borrower data can be accessed where required. The Group's investments are classified at fair value through profit or loss. Refer to note 2.3 and note 8 for detail of key estimates and assumptions applied by the Company when considering valuation of investments held as at 30 June 2026.

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STRATEGIC REPORT (CONTINUED)

Principal Risks and Uncertainties (Continued)

Principal Risk	Description	Mitigating Factors
Currency Risk	The Company is invested in a global portfolio and investments will not always be in the base currency of the Company. As a result, such investments will carry currency risk, if the non-base currency investments are not hedged.	The Board notes the potential for the volatility of Sterling, which would require unencumbered cash to be used to meet margin calls on a currency hedge and have determined currency hedging is not in the best interest of shareholders at this time. FX exposure is detailed in the Investment Report and shareholders can make their own hedging arrangement if they want to. This is closely monitored by the Company and if deemed appropriate, the hedging transactions will be re-established.
Liquidity risk	The Company's investments are not publicly traded or freely marketable. As a result, there is likely to be a limited or no secondary market to transact in. Therefore, investments may be difficult to value or sell, with a risk of any achievable sale being at a value that is lower than the current valuation of such assets.	With the Company being wound down, all remaining assets in the portfolio are being disposed of in a prudent manner consistent with the principles of good investment management. The Company seeks to maximise the values it receives when realising or seeking repayment of investments.
Geopolitical risk	The Company provides asset finance to counterparties in several jurisdictions exposing the Company to potential economic, social, legal and political risks, such as the Ukraine conflict.	The Company was invested in a diversified portfolio across a wide range of industry sectors, however this diversification has decreased as the Company is winding down. Significant events causing market volatility are closely monitored, as are the impacts/potential impacts on the positions and counterparties the Company is invested in. The Company has no direct exposure to Ukraine, Russia or the Middle East, and any impact on the Company's cash flow is not expected to be material.

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STRATEGIC REPORT (CONTINUED)

Principal Risks and Uncertainties (Continued)

Principal Risk	Description	Mitigating Factors
Operational risk	The Company is ultimately responsible for all of its operations. As at 30 June 2026, the Company had no employees (2025: no employees) and for other services it enters into contracts with its service providers, including the Administrator, to ensure operational performance and regulatory requirements are met.	The Company conducts thorough due diligence and interviews each service provider prior to appointment. Ongoing monitoring of service providers is carried out through the regular reports service providers supply, which include ongoing updates on all operational and regulatory matters. The Board periodically reviews all service providers and the Consultants and, due to the realisation of the majority of the portfolio, the Consultant's contract was terminated as of 30 September 2025.
Performance risk	The performance of the Company is largely determined by the success of the Board in meeting or exceeding performance objectives and the expectations of investors, in accordance with the objectives set out in the Investment Policy.	The Board receives regular NAV information and cash flows. Regular announcements are provided to investors to appraise them of company performance.

Emerging Risks

Principal risks, including emerging risks, are mitigated and managed by the Board through continual review, policy setting and reviews of the Company's risk matrix to ensure that procedures are in place with the intention of minimising the impact of the above-mentioned risks where possible. The Board relies on periodic reports provided by the Administrator and (prior to termination of his contract on 30 September 2025) the Consultant regarding risks that the Company faces. When required, experts will be employed to gather information, including legal advisers and third-party valuation specialists.

The Board notes that stabilising interest rates has led to a less challenging macro-economic environment. This is starting to make it easier for borrowers to refinance as finance is becoming more available at attractive interest rates.

The Company has not identified any other emerging risks as at 30 June 2026.

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STRATEGIC REPORT (CONTINUED)

Going Concern

The Group is in a managed wind-down and the Directors intend to realise the Group's remaining assets in an orderly manner and return available cash to shareholders. Accordingly, the Directors have concluded that the going concern basis of accounting is not appropriate and these Audited Consolidated Financial Statements have therefore been prepared on a basis other than going concern.

In reaching this conclusion, the Directors considered the Group's approved realisation strategy, forecast operating and wind-down expenditure, existing contractual obligations and available cash resources. At 30 June 2026, the Group held cash and cash equivalents of £3,712,353 and had current liabilities of £130,595. Based on this assessment, the Directors are satisfied that the Group has sufficient liquidity to meet its liabilities and forecast operating expenses as they fall due during the period assessed.

The remaining material investment, being Borrower 6, is not expected to be fully realised within twelve months from the date of approval of these Audited Consolidated Financial Statements and has therefore been classified as non-current. The ultimate timing and amount of future returns to shareholders remains dependent principally on the outcome and timing of the realisation of this investment.

In preparing these Audited Consolidated Financial Statements on a basis other than going concern, the Directors considered whether the carrying amounts and classification of the Group's assets and liabilities remain appropriate in the context of the managed wind-down. Assets and liabilities continue to be recognised and measured in accordance with applicable IFRS Accounting Standards, having regard to their expected manner and timing of realisation or settlement.

The principal and emerging risks faced by the Company are described on pages 10 to 12.

Life of the Company

The Company has an indefinite life, however, as outlined above the Company is in managed wind-down.

Principal decisions

Principal decision	Stakeholder considerations / interests
Realisation of investments	As part of the managed wind down of the Company, the Board continues to realise investments in a manner that achieves a balance between maximising the value received from investments and making timely returns of capital to shareholders.
Return of Capital	During the year ended 30 June 2026, the Company made a return of capital of £1,779,878 to Ordinary shareholders, Refer to note 13 for full details of the Company's return of capital during the year ended 30 June 2026. There were no further returns of capital subsequent to the year ended 30 June 2026.

Culture of the Company

The Board recognises that its tone and culture is important and will greatly impact its interactions with shareholders and service providers. The importance of sound ethical values and behaviours is crucial to the ability of the Company to achieve its corporate objectives successfully.

The Board individually and collectively seeks to act with diligence, honesty and integrity. It encourages its members to express differences of perspective and to challenge but always in a respectful, open, cooperative and collegiate fashion. The Board encourages diversity of thought and approach and chooses its members with this approach in mind. The Corporate Governance principles that the Board has adopted are designed to ensure that the Company delivers value to its shareholders and treats all shareholders equally. All shareholders are encouraged to have an open dialogue with the Board.

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STRATEGIC REPORT (CONTINUED)

Culture of the Company (Continued)

The Board has adopted a code for Director dealings and a procedure for matters reserved for the Board and matters delegated to service providers to ensure an appropriate and effective framework for implementation and oversight. The Board reviews its internal culture and that of its service providers on a regular basis.

Environmental and social issues

The Company is a closed-ended investment company, which has no employees (2025: no employees), and therefore its own direct environmental impact is minimal. The Board notes that the companies in which the Group invests will have a social and environmental impact over which it has no control. As the Company is in managed wind down, the business model is to actively realise assets in line with the investment policy and not make any new investments, however the Board continues to follow good practice on ESG issues where applicable. The Board considers that the impact of climate change does not give rise to a material impact on the Group's Audited Consolidated Financial Statements.

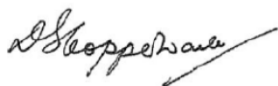
The Board holds all its meetings in Guernsey and, whilst Directors and service providers may travel to Guernsey for quarterly meetings, the Group's direct greenhouse gas emissions and environmental footprint is believed to be negligible. However, many of the companies and projects in which the Group invests have a very positive environmental footprint. The AD plants the Group finances use waste of many types to produce sustainable fertilisers and electricity or gas, which are provided to the respective National Grids. Additionally, our support for other renewable energy sources likewise provide alternative energy sources to fossil and/or nuclear fuels. In these ways, the Board is pleased that the Group plays a positive part in the environmental arena.

Future strategy

The Board seeks to achieve the objectives set out in the investment objective and policy, to deliver a realisation strategy and return capital to shareholders whilst also protecting capital values.

The Board expects the remaining asset of the portfolio will take longer to realise which is not likely to refinance or repay in the next year or so.

This Strategic Report was approved by the Board of Directors on 29 September 2026 and signed on its behalf by:



David Copperwaite
Chairman



Brett Miller
Director

SLF Realisation Fund Limited

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DIRECTORS' REPORT

The Directors present the Annual Report and Audited Consolidated Financial Statements of the Group for the year ended 30 June 2026.

Board of Directors

The Directors of the Company as at the year-end and up to the date of this report were:

- David Copperwaite (Chairman)
- Brett Miller

In addition, Brendan Hawthorne served as a Director of the Company until his resignation on 9 October 2025.

The biographical details of the Directors are listed on page 19 and demonstrate a breadth of investment, accounting, banking and professional experience.

David Copperwaite and Brendan Hawthorne (prior to his resignation) are considered independent. Brett Miller is not considered independent by virtue of his role in managing the portfolio and disposal of the assets of the Group in the wind down period.

Directors' Interests

The Directors of the Company as at the year-end and up to the date of approval of this report held the following interests in the Company's share capital:

Director	Number of Ordinary Shares
Brett Miller	77,963,591
David Copperwaite	830,000

Indemnities

To the extent permitted by Companies Law, the Company's Articles provide an indemnity for the Directors against any liability except such (if any) as they shall incur by or through their own breach of trust, breach of duty or negligence.

During the year ended 30 June 2026 and up to the date of this Annual Report, the Group has maintained insurance cover for its Directors under a Directors and Officers' liability insurance policy.

Auditor

Grant Thornton Limited was appointed as the Company's independent auditor following the resignation of Deloitte LLP and has expressed its willingness to continue in office. A resolution for its reappointment will be proposed at the forthcoming Annual General Meeting.

Statement as to Disclosure of Information to the Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and that they have taken the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Annual General Meeting

The 2025 AGM was held in Guernsey on 4 December 2025. The notice for the AGM set out the ordinary resolutions to be proposed at the meeting. Separate resolutions were proposed for each substantive issue. Voting on all resolutions at the AGM was by poll. The proxy votes cast, including details of votes withheld were disclosed to those in attendance at the meeting and the results were published on the website and announced via the RNS on 12 December 2025. All resolutions were passed.

The Directors welcome communication with all shareholders and can be contacted in writing at the Company's registered office, which can be found on page 57.

The 2026 AGM will be held at 10:30am on 3 December 2026 at the Company's registered office. Shareholders are encouraged to vote and are welcome to attend.

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DIRECTORS' REPORT (CONTINUED)

Incentive plan

Shareholders at the AGM held on 29 November 2021, approved an incentive plan (the "Incentive Plan").

The structure of the Incentive Plan was for a bonus pool to be created for the Board (excluding David Copperwaite as the independent Director), employees and consultants of the Company (both present and future) comprising cash equivalent to 1.4% of the aggregate funds distributed to shareholders since 1 July 2021 for a period up to 31 December 2023, following which the amount fell to 1.0% of aggregate funds distributed to shareholders for the period from 1 January 2024 to 30 June 2024 and thereafter reduced by a further 0.2% every 3 months (the "Bonus Pool"). The precise allocation of the Bonus Pool was at the discretion of the Board, subject to the approval of David Copperwaite as the independent Director. The Board would not distribute more than 50% of the Bonus Pool until the net assets of the Company fell below £20 million and no part of the Bonus Pool would be paid out until a minimum of £80 million had been returned to shareholders cumulatively since 1 July 2021. The Bonus Pool was capped at £2.3 million.

During the prior year ended 30 June 2025, the 2016 C Shares paid in full their portion of the incentive fee provision of £1,086,726 to the Directors.

On 25 July 2026, the Ordinary shares portion of the incentive fee provision was fully repaid in the amount of £832,977 to Brendan Hawthorne and Brett Miller.

Borrowing

The Group does not have any external borrowings (30 June 2025: none).

Corporate Governance

The Board is committed to high standards of corporate governance and has put in place a framework for corporate governance, which it believes, is appropriate for an investment company.

As an unlisted Guernsey incorporated entity, the Company is not required to comply with the UK Corporate Governance Code published by the Financial Reporting Council. However, the Directors place a high degree of importance on ensuring that high standards of Corporate Governance are maintained and that the Company complies as far as applicable to the Company's size with the Finance Sector Code on Corporate Governance, issued by the GFSC.

Board and Committees

During the year the Board decided to cease the following three committees:

- the Audit and Risk Committee;
- the Management Engagement Committee, and
- the Remuneration and Nomination Committee.

Due to the size and nature of the Company, following Brendan Hawthorn's resignation after the publication of the 30 June 2026 Audited Consolidated Financial Statements, the following committees of the Board were ceased: the Audit and Risk Committee, Management Engagement Committee and Remuneration and Nomination Committee. The committees were ceased as the Board will comprise solely of the non-executive Chairman and Executive Director. These committees will now be performed by the Board as a whole.

Performance Evaluation

The performance of the Board and the Directors was reviewed by the Board on 25 June 2026.

The Board discussed various areas, including the process and style of meetings, investment matters, strategy, governance and shareholder value. It was concluded that the Board has a good and complementary range of skills, competency and that Board meetings were effective, and all relevant topics were fully discussed. The Directors confirm that they have devoted sufficient time, as considered necessary, to the matters of the Company. All Directors felt well prepared and able to participate fully at Board meetings and had a good understanding of the investments and markets in which the Company operates.

Other than as shown above, no other remuneration or compensation other than the performance fee was paid or payable by the Company during the year to any of the Directors.

SLF Realisation Fund Limited
Annual Report and Audited Consolidated Financial Statements
for the year ended 30 June 2026

DIRECTORS' REPORT (CONTINUED)

Directors' Appointment, Retirement and Policy on Payment of Loss of Office

The Articles of the Company require that all Directors submit themselves for election by shareholders at the first opportunity following their appointment. The Directors have elected to stand for re-election on a yearly basis, so will all retire at each AGM and be eligible for reappointment.

Any Director may resign in writing to the Board at any time. Directors are not entitled to payment for loss of office.

Tenure of Non-Executive Directors

The Board has adopted a policy on tenure that is considered appropriate for an investment company.

The Directors ensure that the Board is well balanced, with the skills and experience necessary. Directors must be able to demonstrate their commitment and fiduciary responsibility to the Company. The Board seeks to encompass relevant past and current experience of various areas relevant to the Company's business.

The current composition of the Board reflects the wind down nature of the business and the skills that are needed to manage that ongoing process.

Conflict of Interests

The Directors have a duty to avoid situations where they have, or could have, a direct or indirect interest that conflicts, or possibly could conflict, with the Company's interests. Only Directors who have no material interest in the matter being considered will be able to participate in the Board approval process. Directors are required to disclose all actual and potential conflicts of interest to the Chairman in advance of any proposed external appointment.

In deciding whether to approve an individual Director's participation, the other Directors will act in a way they consider to be in good faith in assessing the materiality of the conflict in accordance with the Company's Articles of Incorporation.

The Board believes that its procedures regarding conflicts of interest have operated effectively. The Board also confirms that its procedure for the approval of conflicts of interest, if any, has been followed by the Directors. None of the Directors had a material interest in any contract, which is significant to the Group's business. Directors' holdings in the Company's shares can be found within the Directors' Report.

AIFMD

The Company is a Self-Managed Alternative Investment Fund operating under the National Private Placement Regime ("NPPR") (2025: During the year, until 4 January 2025, the Company was classed as an externally managed Alternative Investment Fund under the Alternative Investment Fund Managers Directive ("AIFMD"). Following the Company's delisting on 27 December 2024, on 4 January 2025 the AIFM services were subsequently discontinued, and the Company became Self-Managed under NPPR).

Events after the Reporting Period

Refer to page 9 of the Strategic Report and note 17 for further details on events after the reporting period.

Going Concern

The Group is in a managed wind-down and the Directors intend to realise the Group's remaining assets in an orderly manner and return available cash to shareholders. Accordingly, the Directors have concluded that the going concern basis of accounting is not appropriate and these Audited Consolidated Financial Statements have therefore been prepared on a basis other than going concern (please see page 13 and note 2.1(b) for further information).

SLF Realisation Fund Limited
Annual Report and Audited Consolidated Financial Statements
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DIRECTORS' REPORT (CONTINUED)

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and Audited Consolidated Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and applicable law.

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of its profit or loss for that period.

In preparing these Audited Consolidated Financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping proper 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 its Audited Consolidated Financial Statements comply with the Companies (Guernsey) Law, 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the website and for the preparation and dissemination of the Audited Consolidated Financial Statements. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board



David Copperwaite
Chairman
29 September 2026



Brett Miller
Director
29 September 2026

SLF Realisation Fund Limited
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DIRECTORS' BIOGRAPHIES

David Copperwaite (*Non-Executive Director and Non-Executive Chairman – appointed Chairman on 16 September 2025*)

David Copperwaite has over 60 years' experience in the financial services sector working for Standard Bank between 1965 and 1973 followed by Lloyds Bank International Limited between 1973 and 1997. In that time, Mr Copperwaite held a number of positions including Principal Manager (Sterling European Region) between 1988 and 1997. In that role he was responsible for all international private banking operations in Guernsey, Jersey, Gibraltar and London (Mayfair) and these covered the areas of banking, investment funds (open-ended, split capital and closed), cash and money management, secured and unsecured lending, offshore trusts and company management. Mr Copperwaite is a former Chairman of The International Bankers Association.

Brett Miller (*Director*)

Brett presently serves as a director of the following publicly listed companies: Manchester and London Investment Trust plc and Ecofin US Renewables Infrastructure Trust PLC. He is also a director of a number of unlisted and/or private companies.

Brett has wide ranging closed end fund and investment trust/investment company experience both as an investor and in managing or serving on boards of closed ended funds. He has been involved (as executive and non-executive director) in the management and in some cases, the running off and realisation, of numerous LSE and AIM listed closed end funds across a wide range of asset classes including (but not limited to) HWSI Realisation Fund Limited, The Local Shopping REIT plc, China Growth Opportunities Fund, Loudwater Trust plc, Rapid Realisations Fund Limited, Ranger Direct Lending Fund plc, and EIH plc. He has considerable expertise in restructuring and re-aligning management incentives and aligning shareholder and managerial interests for both ongoing and realisation situations.

SLF Realisation Fund Limited

Annual Report and Audited Consolidated Financial Statements

for the year ended 30 June 2026

Independent auditor's report

To the Member of SLF Realisation Fund Limited

We have audited the consolidated financial statements of SLF Realisation Fund Limited (the Company) and its subsidiaries (together, the Group) for the year ended 30 June 2026 which 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 and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements:

- give a true and fair view of the consolidated financial position of the Group as at 30 June 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended;
- are in accordance with IFRS Accounting Standards as adopted by the European Union; and
- comply with the Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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 and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Guernsey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Basis other than going concern

We draw attention to note 2.1(b) to the consolidated financial statements, which explains that the Group is in a managed wind-down and that the Directors have therefore concluded that the going concern basis of accounting is not appropriate. Accordingly, the consolidated financial statements have been prepared on a basis other than going concern.

Our opinion is not modified in respect of this matter.

Other matter – prior year's consolidated financial statements audited by another auditor

The consolidated financial statements of the Group for the year ended 30 June 2025 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 8 October 2025.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

SLF Realisation Fund Limited
Annual Report and Audited Consolidated Financial Statements
for the year ended 30 June 2026

Independent auditor's report

To the Member of SLF Realisation Fund Limited (*continued*)

Other information (*continued*)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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.

Responsibilities of directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements which give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing whether the going concern basis of accounting is appropriate and for making the disclosures required by the applicable financial reporting framework. As described in note 2.1(b), the Directors have concluded that the going concern basis of accounting is not appropriate and have prepared the consolidated financial statements on a basis other than going concern.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

SLF Realisation Fund Limited
Annual Report and Audited Consolidated Financial Statements
for the year ended 30 June 2026

Independent auditor's report

To the Member of SLF Realisation Fund Limited (*continued*)

Auditor's responsibilities for the audit of the consolidated financial statements (*continued*)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Company's member, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's member 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 Company and the Company's member as a body, for our audit work, for this report, or for the opinions we have formed.

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 (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Group; or
- the Group's consolidated financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.



Grant Thornton Limited
Chartered Accountants
St Peter Port, Guernsey
29 September 2026

SLF Realisation Fund Limited
Annual Report and Audited Consolidated Financial Statements
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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Notes	Year ended 30 June 2026 £	Year ended 30 June 2025 £
Income			
Finance income	2.5	493,139	857,428
Other income		141,827	343,828
Total income		634,966	1,201,256
Net movement on investments	8.3	(288,385)	1,153,581
Foreign exchange loss on other monetary items	2.2	(3,459)	(19,864)
Net realised and unrealised (loss)/gain		(291,844)	1,133,717
Expenses			
Directors' fees	3	(534,719)	(600,000)
Incentive plan provision reversal	3	-	20,395
Other operating expenses	4	(573,178)	(1,378,003)
Total operating expense	2.6	(1,107,897)	(1,957,608)
(Loss)/gain before tax		(764,775)	377,365
Taxation	2.9	(289)	(280)
(Loss)/gain after tax		(765,064)	377,085
Total comprehensive (loss)/gain for the year analysed as follows:			
Attributable to Ordinary shareholders		(765,064)	938,274
Attributable to 2016 C shareholders		-	(561,189)
Total comprehensive (loss)/gain for the year		(765,064)	377,085
Basic and diluted (loss)/gain per Ordinary Share	5	(0.21)p	0.26p
Basic and diluted loss per 2016 C Share	5	-	(0.40)p

The year ended 30 June 2026 has been presented on a basis other than that of a going concern. No operations were acquired during the year and, in accordance with the Investment Objective, assets are being realised in a prudent manner and funds returned to shareholders. As part of this process the operations of two of the Subsidiaries were wound up during the year (2025: one entity was wound up during the year ended 30 June 2025) (see note 1).

The Group has no items of other comprehensive income, and therefore the loss for the year is also the total comprehensive loss.

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

SLF Realisation Fund Limited
Annual Report and Audited Consolidated Financial Statements
for the year ended 30 June 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 £	30 June 2025 £
Non-current assets			
Investment designated at fair value through profit or loss	8.1,8.2	5,640,907	-
Current assets			
Investments designated at fair value through profit or loss	8.1,8.2	-	7,248,369
Cash and cash equivalents	2.8	3,712,353	3,997,860
Other receivables and prepayments	9	493,087	2,045,441
		4,205,440	13,291,670
Total assets		9,846,347	13,291,670
Current liabilities			
Other payables and accrued expenses	10	(130,595)	(198,153)
Incentive plan payable	3	-	(832,977)
		(130,595)	(1,031,130)
Net assets		9,715,752	12,260,540
Equity			
Share premium	12	252,479,718	254,259,596
Retained deficit		(242,763,966)	(241,999,056)
		9,715,752	12,260,540
NAV per Share			
- Ordinary Shares	6	2.73p	3.44p

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 29 September 2026 and signed on its behalf by:



David Copperwaite
Chairman



Brett Miller
Director

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

SLF Realisation Fund Limited
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Note	Share Capital £	Retained Deficit £	Total £
As at 1 July 2025		254,259,596	(241,999,056)	12,260,540
Total comprehensive loss for the year		-	(765,064)	(765,064)
Transactions with shareholders				
Capital distributions	12,13	(1,779,878)	-	(1,779,878)
Dividends returned*		-	154	154
Total transactions with shareholders		(1,779,878)	154	(1,779,724)
As at 30 June 2026		252,479,718	(242,763,966)	9,715,752

*During the year ended 30 June 2026, £154 was returned due to unclaimed historic distributions.

For the year ended 30 June 2025

	Note	Share Capital £	Retained Deficit £	Total £
As at 1 July 2024		291,822,452	(271,043,646)	20,778,806
Total comprehensive gain for the year		-	377,085	377,085
Transactions with shareholders				
Capital distributions	12,13	(8,895,952)	-	(8,895,952)
Cancellation of C Shares	12	(28,666,904)	28,666,904	-
Dividends returned*		-	601	601
Total transactions with shareholders		(37,562,856)	28,667,505	(8,895,351)
As at 30 June 2025		254,259,596	(241,999,056)	12,260,540

*During the year ended 30 June 2025, £601 was returned due to unclaimed historic distributions.

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

SLF Realisation Fund Limited
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CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Notes	Year ended 30 June 2026	Year ended 30 June 2025
		£	£
Cash flow from operating activities:			
Total comprehensive (loss)/gain for the year		(765,064)	377,085
<i>Adjustments for:</i>			
Finance income		(493,139)	(857,428)
Net movement on investments		288,385	(1,153,581)
Foreign exchange loss on other monetary items		3,459	19,864
Incentive plan provision reversal	3	-	(20,395)
(Increase)/decrease in other receivables and prepayments		1,983,022	(20,924)
Decrease in other payables and accrued expenses	10	(67,558)	(140,119)
Increase in investment receivable	9	(430,668)	-
Sale of investments designated at fair value through profit or loss		1,319,231	6,317,017
Incentive fee paid	3	(832,977)	(1,086,726)
Interest income collections		493,139	857,428
Net cash movement in operating activities		1,497,830	4,292,221
Cash flow from financing activities			
Capital distributions	13	(1,779,878)	(8,895,952)
Net cash used in financing activities		(1,779,878)	(8,895,952)
Net movement in cash and cash equivalents		(282,048)	(4,603,731)
Cash and cash equivalents at start of the year		3,997,860	8,621,455
Effect of exchange rate changes on cash and cash equivalents		(3,459)	(19,864)
Cash and cash equivalents at end of the year		3,712,353	3,997,860

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

SLF Realisation Fund Limited
Annual Report and Audited Consolidated Financial Statements
for the year ended 30 June 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

The Company

The Company was incorporated on 28 May 2014 and registered in Guernsey as a Closed-ended Collective Investment Scheme. The Company's registered office is 1st Floor, Royal Chambers, St Julian's Avenue, St Peter Port, Guernsey GY1 3JX.

The Company's Ordinary Shares were admitted to the Equity Shares (Commercial Companies) ("ESCC") category, formerly the Premium Segment, of the UK Listing Authority's Official List and to trading on the Main Market of the London Stock Exchange on 14 July 2014. The 2016 C Shares were listed separately on the Main Market of the London Stock Exchange and were admitted on 12 December 2016. Prior to the 2016 C Shares being fully-redeemed in June 2025, the investments held by the 2016 C Shares were accounted for and managed as a separate pool of assets in accordance with the Company's investment policy.

During the year, as part of the managed wind down, the Company made a return of capital on one occasion, returning a total of £1,779,878 to Ordinary shareholders. Refer to note 13 for full details of the Company's return of capital and note 17 for return of capital made post year-end.

Subsidiaries

The Company's subsidiaries, SLF (Guernsey) Limited and SLF (Amber) Limited (the "Subsidiaries") were wholly owned subsidiaries incorporated in Guernsey and established for the primary purpose of acting as investment holding companies (refer to note 2.1(f) for further details). SLF (Guernsey) Limited and SLF (Amber) Limited were dissolved on 17 December 2025 and 24 December 2025 respectively. Following their dissolution, these entities ceased to be subsidiaries of the Group and therefore are not included in the Group structure at 30 June 2026.

Effective 1 January 2022, the Company met the definition of control under IFRS 10 – "Consolidated Financial Statements" in respect to its investment holding in SQN Asset Finance (Ireland) Designated Activity Company ("SQN Ireland"). As such, the results for SQN Ireland have been consolidated with the Group's Audited Consolidated Financial Statements from this effective date. The Board of SQN Ireland are employees of its administrator, Cafico International. Refer to note 2.1(g) for further information. The registered office for SQN Ireland is 2nd Floor Palmerston House, Fenian Street, Dublin 2. SQN Ireland is administered by Cafico International.

2. Material Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied throughout all the years presented, unless otherwise stated.

2.1 Basis of Preparation

(a) Statement of Compliance

The Audited Consolidated Financial Statements for the year ended 30 June 2026 have been prepared in accordance with IFRS as adopted by the European Union. They give a true and fair view of the Group's affairs and comply with the Company (Guernsey) Law 2008.

The financial statements have been prepared on the historical cost basis, except for the revaluation of financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

During the year, a number of amendments and interpretations became applicable, which are not relevant to the Company's operations.

SLF Realisation Fund Limited
Annual Report and Audited Consolidated Financial Statements
for the year ended 30 June 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Material Accounting Policies (Continued)

2.1 Basis of Preparation (continued)

(b) Basis other than Going Concern

The Group is in a managed wind-down and the Directors intend to realise the Group's remaining assets in an orderly manner and return available cash to shareholders. Accordingly, the Directors have concluded that the going concern basis of accounting is not appropriate and these Audited Consolidated Financial Statements have therefore been prepared on a basis other than going concern.

In reaching this conclusion, the Directors considered the Group's approved realisation strategy, forecast operating and wind-down expenditure, existing contractual obligations and available cash resources. At 30 June 2026, the Group held cash and cash equivalents of £3,712,353 and had current liabilities of £130,595. Based on this assessment, the Directors are satisfied that the Group has sufficient liquidity to meet its liabilities and forecast operating expenses as they fall due during the period assessed.

The remaining material investment, being Borrower 6, is not expected to be fully realised within twelve months from the date of approval of these Audited Consolidated Financial Statements and has therefore been classified as non-current. The ultimate timing and amount of future returns to shareholders remains dependent principally on the outcome and timing of the realisation of this investment.

In preparing these Audited Consolidated Financial Statements on a basis other than going concern, the Directors considered whether the carrying amounts and classification of the Group's assets and liabilities remain appropriate in the context of the managed wind-down. Assets and liabilities continue to be recognised and measured in accordance with applicable IFRS Accounting Standards, having regard to their expected manner and timing of realisation or settlement.

(c) New and amended standards and interpretations

The adoption of the amendments to IFRS in the year did not have a significant impact on the financial position or performance of the Group.

(d) Standards, amendments and interpretations issued but not yet effective

The IASB has issued/revised a number of relevant standards with an effective date after the date of these audited consolidated financial statements, but the Directors have chosen not to early adopt these standards and interpretations. Although the presentation of the financial statements will be different under IFRS 18, the Directors do not anticipate that the new standards and interpretations will have a material impact on the Group's audited consolidated financial statements in the period of initial application:

	Effective for periods beginning on or after
Amendments to the Classification and Measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7)	1 January 2026
Annual Improvements to IFRS Accounting Standards (Volume 11)	1 January 2026
Presentation and Disclosure in Financial Statements (IFRS 18, which will supersede IAS 1)	1 January 2027

The Directors have assessed the above standards, amendments and interpretations and do not currently expect their adoption to have a material impact on the Group's Audited Consolidated Financial Statements. IFRS 18 is expected to result in certain changes to the presentation and disclosure of information within the financial statements; however, the Directors do not currently expect these changes to have a material impact on the Group's reported financial position or results.

SLF Realisation Fund Limited
Annual Report and Audited Consolidated Financial Statements
for the year ended 30 June 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Material Accounting Policies (Continued)

2.1 Basis of Preparation (Continued)

(e) Functional and Presentation Currency

Items included in the Audited Consolidated Financial Statements are measured using Sterling as the currency of the primary economic environment in which the Group operates (the "Functional Currency"). The Audited Consolidated Financial Statements are presented in Sterling, which is the Group's presentation currency.

(f) Consolidation

In accordance with IFRS 10 - Consolidated Financial Statements ("IFRS 10"), if the Company meets the definition of an investment entity ("IE") it qualifies for a consolidation exemption. The relevant provisions for an IE under IFRS 10 are set out below:

IFRS 10.27 – An IE is an entity that:

- a. obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- b. commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- c. measures and evaluates the performance of substantially all of its investments on a fair value basis.

IFRS 10.28 – An entity shall consider whether it has the following characteristics of an IE:

- a. it has more than one investment;
- b. it has more than one investor;
- c. it has investors that are not related parties of the entity; and
- d. it has ownership interests in the form of equity or similar interests.

The Board considered all the above factors and noted that the Company does not provide investors with investment management services and that the Company's business model is no longer to invest but to realise remaining asset in the portfolio in a prudent manner to return cash to shareholders in an orderly manner. The Board has concluded that the Company does not meet the definition of an IE and does not qualify for the IFRS 10 consolidation exemption. The Subsidiaries and SQN Ireland have therefore been consolidated into these Audited Consolidated Financial Statements.

(g) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the Audited Consolidated Financial Statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods.

The estimates and associated assumptions are based on various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing 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 Board believes that there is currently no material impact arising from climate change on the judgements and estimates determining the valuations within the financial statements.

SLF Realisation Fund Limited
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Material Accounting Policies (Continued)

2.1 Basis of Preparation (Continued)

(g) Critical Accounting Judgements and Key Sources of Estimation Uncertainty (continued)

As at 30 June 2026, the Group does not believe that dividend distributions paid to the Group by SQN Ireland are subject to withholding tax in the Republic of Ireland. Additionally, the Group holds PPNs issued by SQN Ireland, which are not expected to incur withholding tax liabilities.

The Board has reviewed each equity holding position and do not believe that any of the equity holding positions held by the Group qualify for equity method accounting under IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”). The Board has judged that the Group does not have significant influence, being where the Company has the power to participate in the financial and operating policy decisions of the equity holdings but not control them.

Key Sources of Estimation Uncertainty

Fair value

For the fair value of all financial instruments held, the Company determines fair values using appropriate techniques. The fair value of the investments as at 30 June 2026 was £5,640,907 (30 June 2025: £7,248,369).

The unrealised holding is the loan to Borrower 6. The Directors estimated the fair value of this loan to be £5,640,907 at 30 June 2026 (2025: £6,904,019). The borrower remains very highly leveraged and has high capital expenditure, reducing free cash flow. The profile of Borrower 6 is discussed on the Chairman’s statement and Investment report. Whilst it looks likely that the borrower will be able to service its quarterly obligations, it still appears to be highly unlikely that it will be able to meet the substantial final bullet repayment in December 2029 through internally generated cash flow and therefore is still dependent on finding a new lender to refinance its current creditors. There is a wide range of possible outcomes which would have a material effect, both positive or negative, on FV. It is unclear at this point what the outcome in Q4 2029 will be, and therefore the valuation may differ significantly from the amount that is ultimately realised (please see note 2.3(d) for further details).

The valuation of the loan to Borrower 6 has been determined using a discounted cash flow (DCF) approach, which incorporates management’s judgement and estimation of future events. This approach estimates the present value of future cash flows based on anticipated repayment scenarios. Key assumptions used include:

- Scenario weightings: applied weighted probabilities to multiple potential outcomes; and
- Discount rate: A higher discount rate has been applied to reflect the increased risk associated with the borrower. This rate was selected in line with the Fund’s Fair Value Discount Matrix disclosed on page 34, given the high-risk rating attributed to Borrower 6.

Overall, high levels of uncertainty exist regarding the borrower’s ability to meet the final bullet payment or refinance their obligations. This results in a wide range of possible outcomes, as evidenced by the sensitivity analysis disclosed under note 8.2, which produced recoverable value estimates ranging from £2.8m to £6.3m.

Refer to note 2.3(d) and note 8.1 for further details on the significant estimates applied in the valuation of the Company’s financial instruments measured at fair value. Refer to note 16.1 for credit risk disclosures.

Refer to note 16.4 for price risk sensitivity analysis. The fair value of investments is monitored by the Board to ensure that judgements, estimates and assumptions made and methodologies applied are appropriate and in accordance with IFRS 9 and 13 respectively.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Material Accounting Policies (Continued)

2.1 Basis of Preparation (Continued)

(g) Critical Accounting Judgements and Key Sources of Estimation Uncertainty (continued)

Critical Accounting Judgements

Consolidation of the Subsidiaries and SQN Ireland

The Subsidiaries, comprising the Guernsey subsidiaries until their dissolution (see note 1) and SQN Ireland are all entities (including special purpose entities) that the Company controls as it is exposed, or has rights, to variable returns from its involvement with the Subsidiaries and SQN Ireland and has the ability to affect those returns through its power over the Subsidiaries and SQN Ireland.

Effective 1 January 2022, the Group met all three elements of control as prescribed by IFRS 10 over SQN Ireland and therefore is required to consolidate SQN Ireland into these Audited Consolidated Financial

Statements. For the years ended 30 June 2026 and 2025, SQN Ireland has been consolidated into the Group's Audited Consolidated Financial Statements.

2.2 Foreign Currency Translation

Transactions in currencies other than the Functional Currency are recorded using the exchange rate prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions and those from the translation at year-end exchange rates of monetary and non-monetary assets and liabilities measured at fair value through profit or loss ("FVTPL") denominated in foreign currencies are recognised in profit or loss in the Consolidated Statement of Comprehensive Income.

Foreign operations translation

The trading results of Group undertakings in currencies other than the Functional Currency are recorded using the average exchange rates for the year. The assets and liabilities of overseas undertakings are translated at the exchange rates ruling at the year-end. Exchange gains and losses arising from the translation are recognised in other comprehensive income.

2.3 Financial Assets

(a) Classification and Measurement

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss and amortised cost.

Classification and measurement of financial assets depends on the results of the 'solely payments of principal and interest' and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

SLF Realisation Fund Limited
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Material Accounting Policies (Continued)

2.3 Financial Assets (continued)

(a) Classification and Measurement (continued)

The Group manages and evaluates the remaining investment portfolio on a fair value and expected recovery basis. Accordingly, the investments continue to be measured at fair value through profit or loss in accordance with IFRS 9.

There is no guarantee that financial assets classified as current will be repaid within the 12 month period post the date of the statement of financial position.

Financial assets designated at fair value through profit or loss at inception

Financial assets designated at fair value, can be designated at FVTPL or through other comprehensive income. The Group's fair value financial assets are designated at FVTPL at inception. These include lease participation, loans, construction finance, finance lease, hire purchase and equity holdings.

Financial assets designated at fair value through profit or loss at inception (continued)

The Group's policy requires the Directors evaluate the information about these financial assets on a fair value basis together with other related financial information. Changes in fair value of financial assets at FVTPL are recorded in profit or loss in the Consolidated Statement of Comprehensive Income. Transaction costs on initial recognition of financial assets at FVTPL are expensed in profit or loss.

(b) Amortised cost

Cash and cash equivalents, investment receivables and other receivables are classified at amortised cost. These financial assets are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost.

Income is recognised on an effective interest basis for debt instruments measured subsequently at amortised cost or FVTPL. Gains and losses are recognised in profit or loss in the Consolidated Statement of Comprehensive Income when they are derecognised or impaired, as well as through the amortisation process.

(c) Recognition and De-Recognition

Financial assets are initially recognised on the trade date, when the Company becomes a party to the arrangement.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all the risk and rewards of ownership and does not retain control over the transferred asset.

Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets are offset and the net amount presented in the Consolidated Statement of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

(d) Fair Value Estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Material Accounting Policies (Continued)

2.3 Financial Assets (Continued)

(d) Fair Value Estimation (continued)

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability is conducted in either:

- the principal market for the asset or liability; or
- in the absence of a principal market, the most advantageous market for the asset or liability.

The fair value of an asset or liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use capacity or by selling it to another market participant that would use the asset in its highest and best use capacity. Refer to note 2.1(g) and 8.1 for further information regarding the uncertainty in the fair values.

Fair value methodology

The Company typically invested in private debt financing in SMEs and SPVs with loans and leases. These facilities are typically structured as loans or leases. The Company has also invested in equity participation in the form of warrants on some transactions to benefit from company growth or shareholders typically taken from restructuring events. The facilities are predominantly based in the UK, with some European and global exposures.

The fair value of financial assets designated at fair value through profit or loss is determined using the discounted cash flow method. The approach also takes into consideration the impact of geopolitical risks and the current economic environment on valuations as applicable. The fair value methodology considers the following two key inputs:

1. The expected cash flows from the facility including any appropriate adjustment in timing to realise these cash flows; and
2. Discount rate.

Overview

The Company designates each financial asset designated at fair value through profit or loss into a common risk category, which allows exposures to be categorised on a similar basis. Future cash flows are estimated and an appropriate discount rate is applied to determine the fair value.

Where an appropriate market comparable is available, the Company will apply such discount at that rate and for performing loans with no credit deterioration the Company will assume the rate at origination adjusted for the change in the risk free rate between the reporting date and the facility origination date and any appropriate macro-economic factors that impact the rate.

The Fair Value Discount Matrix, as outlined on page 34, is based on the Risk Grade and asset type, taking into consideration typical market rates for each allocated sector.

Where valuation ranges have been provided, the Company has assumed the mid-point, assuming all valuations have the same probability weighting.

A discounted cash flow model is then used as the basis for each valuation within the portfolio. The purpose of this model is to appropriately value the assets in a wind down scenario.

There are specified describing characteristics and attributes for each individual loan. Certain of those loan characteristics are used to allocate the Risk Grade and the asset type.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Material Accounting Policies (Continued)

2.3 Financial Assets (Continued)

(d) Fair Value Estimation (continued)

Risk Grade

The approach for monitoring credit risk remained unchanged with the Risk Grades being maintained (as detailed in note 16.1).

The Risk Grade is assigned by the Group based on embedded risks associated with the loan provided and therefore the probability of a default, which allows for a nominal rating equivalent to be allocated. The Group considers a facility in default when payments are overdue by more than 15 days and no likely remedy appears possible. The Group monitors incoming information on a monthly and quarterly basis adjusting the Risk Grade as appropriate, should credit risk change over time. Factors likely to influence a change in internal rating include changes in financial performance of a position e.g., turnover and debt to EBITDA or a change in security quality e.g., LTV or recovery value. Other qualitative factors are also considered, which include key staff departures, strength of financial management and sector cyclicity.

Discount rate

To calculate the FV discount rate the Group considers the following waterfall:

1. A direct comparable from a market observable transaction interest rate where possible.
2. If performing position with no material credit change, the Group will adjust the rate by the change in the relevant risk-free rate and any appropriate macro-economic factors that impact the rate.
3. The corresponding rate from the FV Discount Matrix (as outlined below) based on generic funding rates for the various sectors.

When determining market observable rates, the Group will review recent transactions, where available; for performing debt, examine the relevant risk-free rate in the currency/jurisdiction of the facility against the relevant 5-year risk free rate; and review refinancing rates used in comparable transactions observed. Where the Group has identified a direct comparable market rate, this rate is used in preference to the matrix rates presented below.

Fair Value Discount Matrix

Risk Grade	Realisable - Assets collectable and saleable within a 1-3 month window with a transparent marketplace	Fixed Asset - Assets movable and saleable within a 4-12 month window with some marketability	Project Finance - Fixed assets with limited resale opportunity	High Risk - Non-typical facility either no assets or limited enforcement opportunities
	Discount rate (%)	Discount rate (%)	Discount rate (%)	Discount rate (%)
4	6.0%	7.0%	8.0%	n/a
5	7.0%	8.0%	9.0%	n/a
6	8.0%	10.0%	10.0%	n/a
7+	10.0%	12.0%	15.0%	20.0%
	E.g., Helicopter, Vessel etc.	E.g., Printing Press, removable machinery	E.g., Facility under construction	Non-typical facility – subordinated debt, insurance capital

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Material Accounting Policies (Continued)

2.3 Financial Assets (Continued)

(d) Fair Value Estimation (continued)

Cash flow

The Group makes assumptions on the expected future cash flows, taking consideration of the expected time to realise these expected cash flows for each position as part of the valuation process.

Discounted projected cash flow models are carried out, adjusted for any likely delay in payment, based on credit reviews carried out (in line with Risk Grades) and probability based outcomes based on historic evidence and other market data inputs and forward information and elements, as deemed applicable. Where more than one possibility is reasonably likely, the Group will assign probabilities to these outcomes to create a weighted average value.

Every six months, expected projected cash flows are updated to take into consideration latest available information.

The fair value process is carried out on a six-monthly basis to update the valuation of each position held, taking into consideration the Risk Grades, amortisation, time passed and changes in expected cash flow expectations, if any.

Refer to note 8.1 for further details on the significant estimates applied in the valuation of the Group's financial instruments measured at fair value.

2.4 Income

Income is recognised to the extent that it is probable that economic benefits will flow to the Group and can be reliably measured.

For financial assets measured at FVTPL, interest income is recognised by applying the effective interest rate to the fair value.

For financial assets measured at amortised cost, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

2.5 Expenses

Expenses are recognised in profit or loss in the Consolidated Statement of Comprehensive Income on an accruals basis.

2.6 Dividends Payable

The Group pays dividends to shareholders subject to the solvency test prescribed by Guernsey Law. The Company recognises a liability for dividends payable after a dividend has been approved by the Directors and there is an obligation on the Company to make the payment.

2.7 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank, and deposits held at call with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

SLF Realisation Fund Limited
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Material Accounting Policies (Continued)

2.8 Taxation

Profits arising in the Company and the Subsidiaries are subject to tax in Guernsey at the standard rate of 0%.

SQN Ireland is a qualifying Company within the meaning of Section 110 of the TCA (Taxes Consolidation Act 1997). As such, the profits are chargeable to corporation tax under Case III of Schedule D at a rate of 25%, but are computed in accordance with the provisions applicable to Case I of Schedule D of the TCA.

2.9 Equity Holdings

Equity holdings are measured at fair value which is considered to be equivalent to the net realisable value given that the Audited Consolidated Financial Statements are now prepared on a basis other than a going concern.

Refer to note 8.1 for further information.

3. Material Agreements and Related Party Transactions

(a) Administration Agreement

On 1 June 2024, the Administrator changed from BNP Paribas S.A. to Altum (Guernsey) Limited. Under the Administration Agreement dated 23 May 2024, Altum (Guernsey) Limited was entitled to an annual fee of £190,000 together with agreed fees for any additional services. During the year, the Directors approved a revised fee arrangement whereby the fee for the six-month period ended 30 June 2026 was £100,000, with the annual administration fee subsequently reduced to £100,000 per annum.

During the year, £240,741 (2025: £505,581) was incurred in respect of administration fees (Altum: £195,480 (2025: £438,431) and SQN Ireland: £45,261 (2025: £67,150)) and at 30 June 2026 administration fees of £50,000 (2025: £53,721) were payable.

(b) Custodian

On 1 June 2024 the Custodian changed from BNP Paribas Securities services to Liberum Wealth Limited. During the year £5,922 (2025: £9,416) was expensed and at 30 June 2026 there was a payable of £nil (2025: £114).

(c) Registrar Agreement

MUFG Corporate Markets (Guernsey) Limited and the Company entered into a Registrar Agreement on 30 November 2020. During the year, registrar fees of £18,526 (2025: £65,960) were incurred and at 30 June 2026 there was a payable of £1,576 (2025: £2,519).

(d) Broker Agreements

Up to the 27 December 2024, Winterflood Securities Limited were entitled to an annual brokerage and advisory fee. These services were discontinued following the Delisting as they were no longer required. During the year £nil (2025: £27,563) was expensed and there was no payable at 30 June 2026 (2025: £nil).

(e) AIFM

The Company had engaged FundRock Management Company (Guernsey) Limited as the AIFM. The AIFM was responsible for managing the Company's investments and the risks it faced in accordance with the AIFMD, subject to the overall scrutiny of the Board. Following the Delisting, on 4 January 2025 the services were discontinued and the Company became Self-Managed under National Private Placement Regime ("NPPR").

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Material Agreements and Related Party Transactions (Continued)

(f) SQN Ireland

Certain investments in the loans and construction finance investment categories as disclosed in note 8.1, have been invested through SQN Ireland. SQN Ireland purchased investments by issuing bonds to the Group. As at 1 January 2022, SQN Ireland has been deemed to be under the control of the Group. The results and financial position of SQN Ireland are consolidated as part of the Audited Consolidated Financial Statements for the year ended and as at 30 June 2026 (refer to note 2.1(g)).

From 1 January 2022, the Company has acted as the investment advisor to SQN Ireland. Refer to note 2.1 (f) and 2.1 (g) for further information on the consolidation of SQN Ireland into these Audited Consolidated Financial Statements.

(g) Directors

The table below details the Ordinary Shares held by the Directors in the Company:

Director	30 June 2026	30 June 2025
	Number of Ordinary Shares	Number of Ordinary Shares
David Copperwaite	830,000	830,000
Brett Miller ^[1]	77,963,591	46,090,632

^[1] At 30 June 2026, Brett Miller owned 21.90% of the Ordinary Shares in issue (2025: 12.95% of the Ordinary Shares in issue).

Incentive plan

Shareholders at the AGM held on 29 November 2021 approved an incentive plan (the "Incentive Plan").

The structure of the Incentive Plan was for a bonus pool to be created for the Board (excluding David Copperwaite as the independent Director), employees and consultants of the Company comprising cash equivalent to 1.4% of the aggregate funds distributed to shareholders since 1 July 2021 for a period up to 31 December 2023, following which the amount shall fall to 1.0% of aggregate funds distributed to shareholders for the period from 1 January 2023 to 30 June 2024 and thereafter reduced by a further 0.2% every 3 months (the "Bonus Pool"). The precise allocation of the Bonus Pool was at the discretion of the Board, subject to the approval of the independent Director. The Board were not to distribute more than 50% of the Bonus Pool until the net assets of the Company fell below £20 million and no part of the Bonus Pool was to be paid out until a minimum of £80 million had been returned to shareholders cumulatively since 1 July 2021. The Bonus Pool was capped at £2.3 million.

The incentive plan ceased in the year ended 30 June 2025, with the 30 June 2025 accrual of £832,977 being paid to Brett Miller and Brendan Hawthorne in July 2025.

Directors' remuneration

As at 30 June 2026, the incentive plan provision had been fully repaid and was therefore £nil (30 June 2025: £832,977). For the year ended 30 June 2026, the incentive plan provision reversal was £nil (30 June 2025: reversal of £20,395). As at 30 June 2026, the amount payable under the incentive plan was as follows:

	30 June 2026	30 June 2025
	£	£
Incentive plan payable – earned ^[1]	-	832,977
Total	-	832,977

^[1] The "earned" incentive plan payable relates to the fee that is due by the Company on distributions made to shareholders from the inception of the incentive plan to 30 June 2026.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Material Agreements and Related Party Transactions (Continued)

Directors' remuneration (continued)

During the prior year ended 30 June 2025, the 2016 C Shares paid their remaining share of the incentive provision to the Directors of £1,086,726.

During the year ended 30 June 2026, total Directors' remuneration (excluding incentive fees), including additional services was £534,719 (30 June 2025: £600,000) and included consultancy fees of £300,000 (30 June 2025: £300,000) paid to Brett Miller.

4. Other Operating Expenses

	Year ended 30 June 2026	Year ended 30 June 2025
	£	£
Administration and secretarial fees	240,741	505,581
Professional fees	153,495	110,080
Audit fees	59,892	110,802
Consultancy fees ^[1]	59,250	237,000
Other expenses	22,279	57,122
Legal fees	18,800	92,444
Registrar fees	18,526	65,960
Transaction fees	195	207
Employee remuneration	-	121,766
AIFM fees	-	49,478
Brokerage fees	-	27,563
Total	573,178	1,378,003

During the prior year ended 30 June 2025, employee remuneration related to an employee providing operational support prior to the termination of his employment on 12 March 2025. The employee remuneration expense includes wages, payroll taxes, contributions to defined contribution pension plans, termination of employment expenses and reimbursement of expenses approved by the Board.

^[1] On the 30 September 2025 the consultancy contract was terminated (2025: one consultancy contract remained). The consultancy fees do not relate to the consultancy fee paid to the Director, please refer to note 3 for further detail.

5. Basic and Diluted Gain/(Loss)/Earnings per Share

30 June 2026	Ordinary Shares	
Total comprehensive loss for the year	£(765,064)	
Weighted average number of shares in issue during the year	355,975,669	
Basic and diluted loss per share	(0.21)p	
30 June 2025	Ordinary Shares	2016 C Shares
Total comprehensive gain/(loss) for the year	£938,274	£(561,189)
Weighted average number of shares in issue during the year	355,975,669	138,924,222
Basic and diluted gain/(loss) per share	0.26p	(0.40)p

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. NAV per Ordinary Share

	30 June 2026	30 June 2025
NAV	£9,715,752	£12,260,540
Number of shares in issue at year end	355,975,669	355,975,669
NAV per share	2.73p	3.44p

7. Segmental Reporting

The Directors have determined that, following the full redemption of the 2016 C Shares on 26 June 2025, the Company operates as a single operating and reportable segment for the purposes of IFRS 8, being the investment of the Company's assets in accordance with its investment objective and investment policy. The Directors review the Company's investment performance and asset allocation on an aggregated basis and make resource allocation decisions accordingly. As there is only one reportable segment, no further segmental analysis is presented.

8. Financial Instruments

8.1 Fair Value Investments

The Group's accounting policy on fair value measurements is discussed in note 2.3(c).

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Inputs that reflect unadjusted price quotes in active markets for identical assets or liabilities that the Group has the ability to access at the measurement date;

Level 2: Inputs that reflect price quotes of similar assets and liabilities in active markets, and price quotes of identical assets and liabilities in markets that are considered to be less than active as well as inputs other than price quotes that are observable for the asset or liability either directly or indirectly; and

Level 3: Inputs that are unobservable for the asset or liability and reflect the Company's own assumptions based upon experience of similar assets and/or on third party appraised values. This category includes instruments that are valued based on price quotes for which the inputs are unobservable or price quotes for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

For financial assets not carried at amortised cost, the Company determines fair value using valuation techniques approved by the Directors.

An assessment is made at each reporting date for any events or changes in circumstances that caused a transfer. No transfers between Levels are deemed to have occurred at the reporting date. During the year ended 30 June 2026 no investments were reclassified.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Financial Instruments (Continued)

8.1 Fair Value Investments (Continued)

The following table details the Group's fair value hierarchy.

30 June 2026	Level 1 £	Level 2 £	Level 3 £	Total £
Financial assets				
Investments designated at FVTPL				
- Loans and other investments	-	-	5,640,907	5,640,907
Total financial assets	-	-	5,640,907	5,640,907

30 June 2025	Level 1 £	Level 2 £	Level 3 £	Total £
Financial assets				
Investments designated at FVTPL				
- Loans and other investments	-	-	6,904,019	6,904,019
- Finance lease and hire purchase investments	-	-	198,549	198,549
- Equity	-	145,801	-	145,801
Total financial assets	-	145,801	7,102,568	7,248,369

Investments designated at FVTPL

Loans and other investments

The Group held construction finance investments, which comprised initial drawings or advances made under loan agreements, finance leases or hire purchase agreements during a period of procurement or construction of underlying assets (the "Construction Period"). During the Construction Period, interest or similar service payments on the advances may have been paid or (more usually) rolled-up and capitalised on expiry of the Construction Period, typically when the assets were commissioned and (if applicable) commercial operations commenced. Following the expiry of the Construction Period, construction finance investments were converted into either loans, finance leases or hire purchase and reclassified in the Audited Consolidated Financial Statements to the loans, finance lease and hire purchase investment categories.

Level 3 reconciliation

The following table summarises the changes in the fair value of the Group's Level 3 investments designated at fair value through profit or loss:

	30 June 2026 £	30 June 2025 £
Opening balance	7,102,568	14,060,963
Sales during the year	(1,470,810)	(6,313,524)
Increase in VAT reclaim receivable (see note 9)	-	(1,950,144)
Unrealised loss on revaluation of Level 3 investments	(135,379)	(734,295)
Realised gain on Level 3 investments	144,528	2,039,568
Closing balance	5,640,907	7,102,568

Information about the Level 3 Investments

Lease participation, loans, construction finance, finance lease and hire purchase investments

The fair value of "loans and other investments" and "finance lease and hire purchase" investments is based on two key inputs being the expected cash flows from the facility including any appropriate adjustment in timing to realise these cash flows and an appropriate discount rate. Refer to note 2.3(c) for further detail and FV discount matrix and below for sensitivity analysis to significant changes in unobservable inputs within Level 3 hierarchy.

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8. Financial Instruments (Continued)

8.1 Fair Value Investments (Continued)

Information about the Level 3 Investments (continued)

When examining target returns sought by private debt funds, the Company has examined a number of public data sources. By nature, Private Debt is not publicly disclosed, however, a number of consultants and market participants share typical ranges within sectors that ties into the Company's experience from market studies completed historically.

Finance lease residual value

The Company makes assumptions about the residual value of certain assets and equipment. This assumed cash flow is typically a minor part of the assumed cash flows from the investment. In determining the cash flow, we will review contractual terms that may limit any payment and consider market observable inputs relating to percentages of value retained.

As determined by the Company, the residual value is a function of the in-place value and/or the secondary market value of the equipment or assets.

The in-place value is an assessment of the value of the equipment or assets if the equipment or assets were to continue to operate and provide value to the end-user. This takes into account the marginal cost of keeping the asset in place as well as the cost to the end-user of decommissioning, redelivering, and replacing the equipment. In some cases, this amount (or a maximum value) is negotiated in advance with the end-user.

The secondary market value is determined utilising the Company's historical experience, quotes from dealers, third party appraisals and recent sales. The secondary market value also takes into account the geography of the equipment or assets, the timeframe required to conduct a sale, and the associated costs that are not passed on to the end-user.

The transfer from current to non-current assets during the year reflects a change in the expected timing of realisation of the Level 3 investment. Based on the latest information available at the reporting date, these investments are now expected to be realised beyond twelve months and have therefore been classified as non-current.

8.2 Valuation Process

The following table provides information about fair value measurements and key unobservable inputs with respect to each category of financial assets designated at fair value through profit or loss:

30 June 2026

Description	Fair Value £	Valuation Techniques	Unobservable Inputs
Loans	5,640,907	Discounted cash flow	Expected cash flows and discount rate

30 June 2025

Description	Fair Value £	Valuation Techniques	Unobservable Inputs
Loans	6,904,019	Discounted cash flow	Expected cash flows and discount rate
Finance lease	198,549	Discounted cash flow	Expected cash flows and discount rate
Equity holding 10	145,801	Share price	-

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Financial Instruments (Continued)

8.2 Valuation Process (continued)

Sensitivity Analysis

The table below provides the valuation basis of financial assets designated at fair value through profit or loss, being the summation of contractual future cash flows, offer/settlement agreement and listed share price.

	30 June 2026	30 June 2025
	£	£
Contractual future cash flows	5,640,907	7,102,568
Listed share price	-	145,801
Total	5,640,907	7,248,369

The tables below detail sensitivity analysis on the key unobservable inputs considering the discount rate and the expected cash flows from the facility including any appropriate adjustment in timing to realise these cash flows with respect to the fair value measurement of financial assets designated at fair value through profit or loss.

Discount rate

The Group has reviewed the current discount rates compared with the rates charged at issue on the transactions. After removing non-standard positions from the analysis, it was ascertained that +1.75%/-1.75% is a suitable sensitivity range for the discount rates. Refer below for discount rate sensitivity analysis:

	30 June 2026		30 June 2025	
	£	£	£	£
	Increase of 1.75%	Decrease of 1.75%	Increase of 1.75%	Decrease of 1.75%
Contractual future cash flows	(43,680)	224,678	(240,633)	255,264
Total	(43,680)	224,678	(240,633)	255,264

Expected cash flow adjustment

For the purposes of determining the sensitivity, the Group has reviewed expected cash flow transactions over the prior 12 months, against actual cash flow transactions and identified that cash flows achieved were in line with cash flows expected within an approximate 50% threshold. From this analysis, the Group believes that a +50%/-50% represents the majority of changes in cash flows experienced. Refer below for discount rate sensitivity analysis:

	30 June 2026		30 June 2025	
	£	£	£	£
	Increase of 50%	Decrease of 50%	Increase of 10%	Decrease of 10%
Contractual future cash flows	695,303	(2,820,453)	1,743,551	(3,471,865)
Total	695,303	(2,820,453)	1,743,551	(3,471,865)

Timings to realise expected cash flows

The Company has analysed historic transactions and identified that settlements are often delayed by 3-9 months. On this basis, the below sensitivity details the impact on bringing forward settlements by 6 months and extending by 6 months.

	30 June 2026		30 June 2025	
	£	£	£	£
	Increase of 182 days	Decrease of 182 days	Increase of 182 days	Decrease of 182 days
Contractual future cash flows	(570,197)	441,351	497,862	(1,100,615)
Total	(570,197)	441,351	497,862	(1,100,615)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Financial Instruments (Continued)

8.3 Net movement on investments

	30 June 2026	30 June 2025
	£	£
Net movement in unrealised (loss)/gain on revaluation of investments	(738,776)	(884,169)
Net realised gain on investments	450,391	2,037,750
Net movement on investments	(288,385)	1,153,581

9. Receivables

Other Receivables and Prepayments

	30 June 2026	30 June 2025
	£	£
Sale of investments	430,668	-
Other receivables ^[1]	29,862	2,018,735
Prepayments	32,557	26,706
	493,087	2,045,441

^[1] In October 2025, it was announced that the Company had received €2,589,017 in full and final settlement of a VAT claim from the Irish Tax and Customs. The claim related to Borrower 30, an AD Plant located in the Republic of Ireland, following negotiations that began in July 2021. At 30 June 2025 the claim was carried at £1,950,144 (€2,272,044), prior to which the claim had been carried at £nil due to the uncertainty in obtaining the refund from the Tax Authorities.

10. Payables

Other Payables and Accrued Expenses

	30 June 2026	30 June 2025
	£	£
Audit fees	70,059	69,762
Administration and secretarial fees	50,500	53,721
Other payables	10,036	54,920
Consultancy fees	-	19,750
	130,595	198,153

The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

The Directors consider that the carrying amount of all payables approximates to their fair value.

As at 30 June 2025, consultancy fees did not include a project commission accrual (30 June 2024: consultancy fees did not include a project commission accrual). Refer to note 4 for further details.

Investment Payable

As at 30 June 2026 there was no investment payable (2025: no investment payable).

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11. Commitments and Provisions

The Group had not committed to invest any further amounts as at 30 June 2026 and 30 June 2025.

As at 30 June 2026, the Group had fully paid the incentive provision (30 June 2025: £832,977 was paid). Refer to note 3(g) for further details.

A project commission was payable to each consultant of 50% of their annual fee for meeting certain criteria in assisting with the wind down of the Company. As at 30 June 2026, the accrual was £nil (30 June 2025: £nil). Refer to note 4 for further details.

12. Share Capital

The authorised share capital of the Company is represented by an unlimited number of shares of no par value which were designated as Ordinary Shares, C Shares or otherwise as the Directors may from time to time determine. All shares held equal rights with no restrictions and no shares carry special rights with regard to the control of the Company. There were no special rights attached to the shares in the event that the Company is wound down. In accordance with the Company's articles, the Company held separate share class meetings, for both the Ordinary Shares and the 2016 C Shares, at which shareholders vote on resolutions specific to each share class. On 26 June 2025, the 2016 C Shares were fully redeemed and as at 30 June 2026 and 30 June 2025, only the Ordinary Shares remain.

The 2016 C Share investments were accounted for and managed as a separate pool of assets in accordance with the Company's investment policy. Shared expenses, which relate to both classes were split between Ordinary Shares and 2016 C Shares based on their respective NAV up until 26 June 2025.

The Company's share capital is denominated in Sterling, and all shares in issue have been fully paid. As the shares are of no par value, the share capital is £nil, but the number of shares in issue and the share premium is as follows:

	30 June 2026		30 June 2025	
	Number of Shares in Issue	Share Premium £	Number of Shares in Issue	Share Premium £
Ordinary Shares	355,975,669	252,479,718	355,975,669	254,259,596
Total	355,975,669	252,479,718	355,975,669	254,259,596

Issued Share Movements

	30 June 2026		30 June 2025	
	Number	Share Premium £	Number	Share Premium £
Balance at the start of the year	355,975,669	254,259,596	494,899,891	291,822,452
Redemption of B and D shares – capital return (refer to note 13)	-	(1,779,878)	-	(8,895,952)
Redemption of 2016 C Shares	-	-	(138,924,222)	(28,666,904)
Balance at the end of the year	355,975,669	252,479,718	355,975,669	254,259,596

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13. Return of Capital

As part of the managed wind down of the Company, the Board returned cash to shareholders using a B Share Mechanism.

The B Share Mechanism involves the issue of new redeemable shares of no par value ("B Shares"), paid out of the Company's assets to existing Ordinary shareholders pro rata to their holdings of Ordinary Shares at the time of such issue. The B Shares shall be non-transferable and shall be redeemable for cash subsequent to issue at the option of the Board on such terms, as the Board shall determine.

Rights attaching to the B

The B Shares do not carry any right to any dividends, any other income distributions, or any capital distributions of the Company other than as expressly permitted under the new Articles.

The B Shares do not entitle any holder thereof to any surplus assets of the Company remaining after payment of all creditors of the Company apart from a distribution in respect of any capital paid up on the B Shares which shall rank behind any amounts due in respect of other classes of shares (apart from any B Shares) and such distribution shall be distributed pro rata.

The B Shares will be issued on terms that each B Share shall be redeemable at the option of the Board and on the terms the Board determine. Redemption monies will be paid in accordance with the terms of the new Articles.

The B Shares shall not carry any right to receive notice of, or attend, speak or vote at, any general meeting of the Company or any right to vote on written resolutions of the Company. The B Shares shall not be transferrable. The Board expect that the B Shares will only ever be in issue for a short period of time.

Returns of Capital during the year ended 30 June 2026

On 27 March 2026, the Company announced the fourteenth return of capital which was paid to Ordinary shareholders on 21 April 2026. This return of capital was effected by way of an issue and immediate redemption and cancellation of B Shares on 21 April 2026.

During the year ended 30 June 2026, the Company made a return of capital, as detailed below, returning a total of £1,779,878 to Ordinary shareholders.

Record date	Number of B Shares issued and cancelled	Amount per Share	Amount returned to Ordinary shareholders
21 April 2026	355,975,669	0.5p	<u>£1,779,878</u> <u>£1,779,878</u>

Return of Capital during the year ended 30 June 2025

On 11 October 2024, the Company announced the twelfth return of capital which was paid to Ordinary and 2016 C shareholders on 22 October 2024. This return of capital was effected by way of an issue and immediate redemption and cancellation of B Shares and D Shares on 22 October 2024.

On 26 June 2025, the Company announced the thirteenth return of capital to 2016 C shareholders, which was paid to shareholders on 26 June 2025. This return of capital was effected by way of an issue and immediate redemption and cancellation of D Shares on 26 June 2025.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Return of Capital (Continued)

Return of Capital during the year ended 30 June 2025 (continued)

Record date	Number of B Shares issued and cancelled	Amount per Share	Amount returned to Ordinary shareholders	Number of D Shares issued and cancelled	Amount per Share	Amount returned to 2016 C shareholders
22 October 2024	355,975,669	0.5p	£1,778,846	138,924,222	2.25p	£3,124,816
26 June 2025	-	-	-	138,924,222	2.87p	£3,992,291
			<u>£1,778,846</u>			<u>£7,117,106</u>

14. Dividends

No dividends were declared by the Company to its shareholders during the years ended 30 June 2026 and 30 June 2025. With the Company in managed wind down, the Board does not intend to declare any further dividends.

15. Capital Management Policies and Procedures

The Board defines capital as financial resources available to the Group.

The Group's total capital at 30 June 2026 was £9,715,752 (30 June 2025: £12,260,540) and comprised equity share capital and reserves. The Group was ungeared at the year-end.

The Group's capital management objective is to provide returns to shareholders.

As the Company is in managed wind down, the Group's principal use of cash is to return cash to shareholders, whilst maintaining sufficient balances to meet ongoing operational expenses.

The Board monitors and reviews the broad structure of the Group's capital on an ongoing basis.

The Group has no externally imposed capital requirements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Financial Risk Management

The Group's financial assets mainly comprise investments and cash balances. Note 2 sets out the accounting policies, including criteria for recognition and the basis for measurement, applied to significant financial assets and liabilities. Note 2 also includes the basis on which income and expenses arising from financial assets and liabilities are recognised.

Principal risks and uncertainties are detailed in the Strategic Report. The Directors with the assistance of the Consultant (prior to the termination of his contract on 30 September 2025) and the Company's employee (prior to the termination of his employment on 12 March 2025), work together to mitigate these risks by employing the following risk mitigation strategies:

- (i) *Credit Management* – sound credit management is a prerequisite for an entity's stability and profitability. Prudent management of credit risk can minimise both operational and credit risks. The Board pre-emptively begin to manage risk through the comprehensive underwriting process to ensure that there is not more than an acceptable amount of risk within the transaction. The risk is continually managed throughout the term of the lease (or other finance agreement) until the ultimate disposition of the asset(s). Stringent underwriting procedures are applied to mitigate risk.
- (ii) *Due Diligence* – the Group performs comprehensive due diligence on all counter parties, individuals and businesses relevant to the investment strategy of the Group.
- (iii) *On-going Portfolio Management* – ensures that if a problem starts to arise, it is identified giving the capability to address it and put into action whatever remediation steps are necessary to help mitigate a potentially larger risk down the line.
- (iv) *Legal Review* – the Group engages legal professionals in order to ensure, on an on-going basis, that all rights, title and interests, held as security for the Company's investments are being protected and preserved.
- (v) *Records Management* – the Company has a comprehensive electronic documentation system that is subject to their internal/external backup procedure, maintaining information access and retrieval 24/7 with offsite redundant backup in case of a disaster when recovery would need to be deployed.

The Directors coordinate the Group's risk management.

Additional risks arising from the Group's activities listed in order of severity and likelihood and the policies for managing each of these risks are summarised in this note and have been applied throughout the year.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Financial Risk Management (Continued)

16.1. Credit Risk

This is the risk of the failure of a lessee to make lease payments, the failure of the issuer of a security or borrower to pay interest or principal in a timely manner, or that the effect of negative perceptions of the issuer's ability to make such payments causing the value of the investment to decline. Counterparties with debt securities rated below investment-grade (or unrated) are especially susceptible to this risk.

Credit concentration risk

As the Company is in managed wind down, the Company will not be making any new investments. The Board will monitor concentration risk of the investment portfolio as the portfolio is liquidated as part of the Company's investment objective and policy.

During the year Liberum Wealth Limited was the Custodian used by the Group to hold cash balances in a client account at HSBC Bank Guernsey. The Directors deem the risk that it could fail or that there may be fraud or theft by employees and that the Group's assets may not be returned to be a low credit risk as HSBC Bank Plc's credit rating is A+ with Standard & Poor's.

Credit risk of cash and custodian is mitigated by the Group's policy to only undertake significant transactions with leading commercial counterparties.

Exposure to Credit Risk

The following tables detail the Group's financial assets maximum exposure to credit risk:

	30 June 2026	30 June 2025
	£	£
Investments designated at fair value through profit or loss	5,640,907	7,248,369
Cash and cash equivalents	3,712,353	3,997,860
Other receivables (see note 9) (excludes prepayments)	460,530	2,018,734
Total financial assets	9,813,790	13,264,963

Financial assets credit quality summary

The table below shows the different risk categories, the associated PDs and the nominal rating equivalent in relation to unsecured loans:

Company Risk Grade	Nominal Rating Equivalent
1: Virtually no risk	AAA
2: Low risk	AA
3: Moderate risk	A
4: Average risk	BBB
5: Acceptable risk	BB
6: Borderline risk	B
7: High risk	CCC
8: Extremely high risk	CC
9: Doubtful	D
10: Loss	D

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Financial Risk Management (Continued)

16.1. Credit Risk (Continued)

Refer below for Risk Grades and nominal rating equivalent as at 30 June 2026 (excluding other receivables of £493,087 – see note 9).

Company Risk Grade	Nominal Rating Equivalent	Investment Category	£
N/A	A+1	Cash and cash equivalents	3,712,353
8	CC	Investments designated at fair value through profit or loss	5,640,907
Total			<u>9,353,260</u>

Refer below for Risk Grades and nominal rating equivalent as at 30 June 2025 (excluding other receivables of £2,045,441).

Company Risk Grade	Nominal Rating Equivalent	Investment Category	£
N/A	A+1	Cash and cash equivalents	3,997,860
5	BB	Investments designated at fair value through profit or loss	198,549
8	CC	Investments designated at fair value through profit or loss	6,904,019
N/A	N/A	Listed Investments designated at fair value through profit or loss	145,801
Total			<u>11,246,229</u>

16.2. Liquidity Risk

This is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities or funding commitments. The Board manages and monitors the Group's liquidity risk.

The Group's investments (excluding cash deposits) are asset-backed loan or finance transactions with commercial entities. The investments are substantially less liquid than traded securities and will have a highly limited (if any) secondary market. Some transactions may incorporate provisions that restrict transfer or disposal of the investment.

As at 30 June 2026 and 30 June 2025, the Group did not have any foreign exchange forward contracts.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Financial Risk Management (Continued)

16.2. Liquidity Risk (Continued)

The table below shows the Company's financial liabilities as at 30 June 2026:

	Less than 1 year	1 to 5 years	More than 5 years	No maturity date	Total
	£	£	£	£	£
Financial liabilities					
Other payables and accrued expenses	(130,595)	-	-	-	(130,595)
Total undiscounted financial liabilities	(130,595)	-	-	-	(130,595)

The table below shows the Company's financial liabilities as at 30 June 2025:

	Less than 1 year	1 to 5 years	More than 5 years	No maturity date	Total
	£	£	£	£	£
Financial liabilities					
Other payables and accrued expenses	(1,031,130)	-	-	-	(1,031,130)
Total undiscounted financial liabilities	(1,031,130)	-	-	-	(1,031,130)

16.3. Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Group's activities with financial instruments either internally within the Group or externally at the Group's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour.

The Group's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective. The Group manages this risk by having oversight of the Administrator, the Consultants and the Company's employee.

16.4. Market Risk

The fair value of future cash flows of a financial instrument held by the Group may fluctuate. This market risk comprises currency risk, interest rate risk and price risk. The Board reviews and agrees policies for managing these risks.

Currency Risk

The functional and presentation currency of the Group is Sterling and, therefore, the Group's principal exposure to foreign currency risk comprises investments denominated in other currencies, principally US Dollars and Euros. The Company monitors the Group's exposure to foreign currencies. The Board measures the risk to the Group of the foreign currency exposure by considering the effect on the NAV and income of a movement in the rates of exchange to which the Group's assets, liabilities, income and expenses are exposed.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Financial Risk Management (Continued)

16.4. Market Risk (Continued)

Currency Risk (Continued)

The table below details the carrying amounts of the Company's financial assets and financial liabilities that have foreign currency risk exposure:

30 June 2026	GBP £	USD £	EUR £	Total £
Investments including the residual value of finance lease investments	-	-	5,640,907	5,640,907
Cash and cash equivalents	3,577,212	70,227	64,914	3,712,353
Investment receivables and other receivables	29,305	515	430,710	460,530
Investment payables, other payables and accrued expenses	(130,595)	-	-	(130,595)
Total net foreign currency exposure	3,475,922	70,742	6,136,531	9,683,195
Percentage of total	35.90%	0.73%	63.37%	100%

30 June 2025	GBP £	USD £	EUR £	HKD £	Total £
Investments including the residual value of finance lease investments	198,549	-	6,904,019	145,801	7,248,369
Cash and cash equivalents	3,718,187	37,052	242,621	-	3,997,860
Other receivables	68,590	-	1,950,144	-	2,018,734
Investment payables, other payables and accrued expenses	(1,031,130)	-	-	-	(1,031,130)
Total net foreign currency exposure	2,954,196	37,052	9,096,784	145,801	12,233,833
Percentage of total	24.15%	0.30%	74.36%	1.19%	100%

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Financial Risk Management (Continued)

16.4. Market Risk (Continued)

Currency sensitivity analysis

Should the value of Sterling against the Euro, US Dollar and the Hong Kong Dollar increase or decrease by 5% with all other variables held constant and excluding the impact of currency hedging described below, the impact on the net assets of the Group would be as follows:

Currency	30 June 2026		30 June 2025	
	£ Increase of 5%	£ Decrease of 5%	£ Increase of 5%	£ Decrease of 5%
USD	(3,538)	3,538	(1,853)	1,853
EUR	(306,827)	306,827	(454,839)	454,839
HKD	-	-	(7,290)	7,290

The Board believes that a 500 basis point movement in the value of Sterling against other currencies is reasonable given the average volatility in these currency rates during the years ended 30 June 2026 and 30 June 2025.

The Group did not have any open forward foreign exchange contracts as at 30 June 2025 or 30 June 2024.

Interest Rate Risk

Most of the Group's investments receive a fixed rate of interest. The value of fixed income securities usually rise and fall in response to changes in market interest rates. Declining interest rates generally increase the fair value of existing instruments, and rising interest rates generally decrease the fair value of existing instruments. Changes in value usually will not affect the amount of interest income or final principal repayments but could affect the market value of the investment prior to maturity. Interest rate risk is generally greater for investments with longer maturities.

Certain income generating securities pay interest at variable rates. Variable rate securities reset at specified intervals, while floating rate securities reset whenever there is a change in a specified index rate. The market prices of these variable rate securities may fluctuate significantly when interest rates change. As at 30 June 2026 and 30 June 2025, no variable interest rate positions were held, except for cash at bank.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions. Expected cash flows are monitored as investment updates are provided and the Group considers changes to cash flows on a quarterly basis. Each facility has a rate applied to fair value based on market observable transactions, performance, credit type and risk. The waterfall requires a market rate to be applied, if applicable, if not and the facility continues to perform in line with origination, the initial rate is adjusted by the relevant risk free rate change; where these are not appropriate the rate is taken from the fair value rate matrix. The Board reviews on a regular basis the values of the financial instruments.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Financial Risk Management (Continued)

16.4 Market Risk (Continued)

Interest Rate Risk (Continued)

The following table details the Group's exposure to interest rate risks. It includes the financial assets designated at FVTPL and at amortised cost and financial liabilities at amortised cost as at 30 June 2026 and 30 June 2025.

At 30 June 2026	Interest bearing		Non-interest bearing	
	Variable £	Fixed interest £	£	Total £
Assets				
Assets designated at fair value through profit or loss:				
Investments designated at fair value through profit or loss	-	5,640,907	-	5,640,907
Financial assets at amortised cost:				
Cash and cash equivalents	3,712,353	-	-	3,712,353
Other receivables	-	-	460,530	460,530
Total assets	3,712,353	5,640,907	460,530	9,813,790
Liabilities				
Financial liabilities at amortised cost:				
Other payables and accrued expenses	-	-	(130,595)	(130,595)
Total liabilities	-	-	(130,595)	(130,595)
Total interest sensitivity gap	3,712,353	5,640,907	329,935	9,683,195

At 30 June 2025	Interest bearing		Non-interest bearing	
	Variable £	Fixed interest £	£	Total £
Assets				
Assets designated at fair value through profit or loss:				
Investments designated at fair value through profit or loss	-	7,102,568	145,801	7,248,369
Financial assets at amortised cost:				
Cash and cash equivalents	3,997,860	-	-	3,997,860
Other receivables	-	-	2,018,734	2,018,734
Total assets	3,997,860	7,102,568	2,164,535	13,264,963
Liabilities				
Financial liabilities at amortised cost:				
Other payables and accrued expenses	-	-	(1,031,130)	(1,031,130)
Total liabilities	-	-	(1,031,130)	(1,031,130)
Total interest sensitivity gap	3,997,860	7,102,568	1,133,405	12,233,833

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Financial Risk Management (Continued)

16.4 Market Risk (Continued)

Interest Rate Risk (continued)

Interest rate sensitivity

An increase of 175 basis points (30 June 2025: 175 basis points) in interest rates as at the reporting date would increase cash from interest by £64,966 and decrease investments designated at FVTPL by £(98,716), which would decrease NAV by £(33,750) (30 June 2025: increase cash from interest by £69,963 and decrease investments designated at FVTPL by £(240,633), which would decrease NAV by £(170,670)).

A decrease of 175 basis points (30 June 2025: 175 basis points) would decrease cash from interest by £(64,966) and increase Investments designated at FVTPL by £98,716, which would increase NAV by £33,750 (30 June 2025: decrease cash from interest by £(69,963) and increase Investments designated at FVTPL by £255,264, which would increase NAV by £185,301).

Interest rates in the UK decreased from 4.25% as at 30 June 2025 to 3.75% at 30 June 2026. The Board believes that a 175 basis (30 June 2025: 175 basis) point movement in interest rates is reasonable as it captures the expected largest upswing possible from rates as at 30 June 2026 and a down swing appears extremely unlikely to exceed the same level.

Price risk

Price risk is the risk that the Group's performance will be adversely affected by changes in the markets it invests (other than those arising from currency risk and interest rate risk) whether caused by factor specific to an individual investment or all factors affecting all investments traded in the market.

As at 30 June 2026 and 30 June 2025, the Group was exposed to price risk on investments designated at fair value through profit or loss and on its residual value of finance lease investments.

Refer to note 2.3(c) and note 8.1 for detail regarding fair value measurement of investments designated at fair value through profit or loss.

The Group makes assumptions about the residual value of certain assets and equipment. The residual value is a function of the in-place value and/or the secondary market value of the equipment or assets. Equity holdings are valued on a market approach, taking into consideration NAV information of the investee, call options exercisable on the holdings and external pricing of recent transactions (if available).

The Group attempts to mitigate asset pricing risk by using comparable recent market transactions and other valuation/information sources, however, these investments may be extremely difficult to value accurately, and the valuations provided may differ, sometimes significantly. Third-party pricing information may not be available for certain positions held.

The estimated fair values of lease participation investments, equity holdings and residual value of finance lease investments, loans and other investments and finance lease and hire purchase investments are monitored and reassessed on an ongoing basis by the Group.

Refer below for sensitivity analysis on the impact on the Statement of Comprehensive Income and NAV of the Company, if the fair value the investments exposed to price risk increased or decreased by 50% (30 June 2025: 50%). Refer to note 8 for detail on sensitivity analysis on fair value measurement unobservable inputs.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Financial Risk Management (Continued)

16.4 Market Risk (Continued)

Price risk (Continued)

	30 June 2026	Increase by 50%	Decrease by 50%
Financial assets	£	£	£
Investments designated at FVTPL	5,640,907	2,820,454	(2,820,454)
Total	5,640,907	2,820,454	(2,820,454)

	30 June 2025	Increase by 50%	Decrease by 50%
Financial assets	£	£	£
Investments designated at FVTPL	7,248,369	3,624,184	(3,624,184)
Total	7,248,369	3,624,184	(3,624,184)

The Board believes that a 50% (year ended 30 June 2025: 50%) movement is reasonable based on market movements of the investments held during the financial year.

17. Events after the Reporting Period

There were no further events after the Reporting Period.

18. Ultimate Controlling Party

In the opinion of the Directors, there is no single ultimate controlling party.

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Alternative Performance Measures (Unaudited)

1. NAV Total Return

The NAV total return measures how the NAV per Ordinary Share has performed over a period of time, taking into account both capital distributions and dividends paid to shareholders. The Company quotes NAV total return as a percentage change from a certain point in time, such as the initial issuance of Ordinary Shares or the beginning of the period, to the latest reporting date, being 30 June 2026 in this instance. It assumes that capital and dividends paid to shareholders are reinvested back into the Company.

Total return since inception is for the period 31 July 2014 to 30 June 2026 for Ordinary Shares.

Reason for use

To provide transparency in the Company's performance and to help investors identify and monitor the compounded total returns of the Company.

Annualised return

The 3 year annualised return is calculated as the geometric average amount of monthly total returns over the past 3 years.

Reason for use

To provide transparency of the Company's performance and to help investors identify and monitor their total return over a 3 year period if the annual return was compounded.

Ordinary Shares	Year to 30 June 2026	3 year	Since Inception
Opening NAV per share (A)	£0.0344	£0.0694	£1.0000
Closing NAV per share (B)	£0.0273	£0.0273	£0.0273
Dividends paid (C)	-	-	£0.3716
Capital distributions (D)	£0.0050	£0.0350	£0.2800
NAV total return per share (E=(B-A+C+D)/A)	(6.10)%	(10.23)%	(32.11)%

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COMPANY OVERVIEW

The investment objective and policy of the Company is set out in the Strategic Report.

Incorporated in Guernsey on 28 May 2014.

Registered Guernsey Closed-ended Collective Investment Scheme.

On 27 December 2024, the Company was delisted from the Main Market of the London Stock Exchange. The 2016 C shares were also fully redeemed on 26 June 2025.

COMPANY INFORMATION

Non-Executive, Independent Director

David Copperwaite
(Chairman of the Board)

Non-Independent Director

Brett Miller

Brendan Hawthorne served as a Director of the Company until his resignation on 9 October 2026.

Registered Office

1st Floor, Royal Chambers, St. Julian's Avenue, St Peter Port, Guernsey, GY1 3JX

Auditor

Grant Thornton Limited
St James Place, St James Street, St Peter Port, Guernsey, GY1 2NZ

Registrar

MUFG Corporate Markets (Guernsey) Limited
Mont Crevelt House, Bulwer Avenue, St Sampson, Guernsey, GY2 4LH

Principal Banker and Custodian

Liberum Wealth Limited
1st Floor, Royal Chambers, St. Julian's Avenue, St Peter Port, Guernsey, GY1 2HH

Designated Administrator and Secretary

Altum (Guernsey Limited)
1st Floor, Royal Chambers, St. Julian's Avenue, St Peter Port, Guernsey, GY1 3JX

Receiving Agent

MUFG Corporate Markets
The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU

Legal Advisers to the Group (English Law)

CMS Cameron McKenna Nabarro Olswang LLP
Cannon Place, 78 Cannon Street, London, EC4N 6AF

Legal Advisers to the Group (Guernsey Law)

Mourant
Royal Chambers, St Julian's Avenue, St Peter Port, Guernsey, GY1 4HP

Registration number 58519
www.slfrealisationfund.co.uk

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LIST OF ACRONYMS

Terms	Definition
AD	Anaerobic Digestion
AGM	Annual General Meeting
AIFM	Alternative Fund Investment Manager
AIFMD	Alternative Fund Investment Manager Directive
EBITDA	Earnings Before Interest, Tax, Depreciation & Amortisation
FCA	Financial Conduct Authority
FRC	Financial Reporting Council
FV	Fair Value
FVTPL	Fair value through profit or loss
FX	Foreign Exchange
IASB	International Accounting Standards Board
IFRS	IFRS Accounting Standards
LTV	Loan to Value
NAV	Net Asset Value
RNS	Regulatory News Service
PD	Probability of Default
SME	Small & Medium Enterprise
SPV	Special Purpose Vehicle