BAILIWICK INVESTMENTS

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2024

BAILIWICK INVESTMENTS

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Cover image: Guernsey’s south coast cliffs.

SUMMARY FINANCIAL INFORMATION

For the year ended 31 December 2024

Net Asset Value ("NAV") per share
157.65p
(31 December 2023: 146.20p)

Share Price (mid-price) - 31 December
155p
(31 December 2023: 140p)

Number of shares in issue
56,255,000
(31 December 2023: 56,280,000)

Investment Value
£71.79m
(31 December 2023: £79.76m)

Market Capital
£87.195m
(31 December 2023: £78.792m)

Investment Income
£2.301m
(31 December 2023: £2.273m)

Net gain on financial assets at fair value
£8.821m
(31 December 2023: £0.703m

Result for the year
£9.819m
(31 December 2023: £1.560m

Basic earnings per share
17.45p
(31 December 2023: 2.77p)

Annual dividend per share
6p
(31 December 2023: 6p)

Total shareholder return*
15.00%
(31 December 2023: 4.29%)
**Return through dividends received and share price movement*

Financial Calendar
May 2025
Annual General Meeting ("AGM")
August 2025
Interim Financial Statements - anticipated publication

DIRECTORY

For the year ended 31 December 2024

DIRECTORS

Sir Geoffrey Rowland *(Chairman)*
Susie Farnon
Kevin Keen OBE

REGISTERED OFFICE AND BUSINESS ADDRESS

1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey, GY1 2HL

ADMINISTRATOR, REGISTRAR, SECRETARY AND TISE LISTING SPONSOR

Apex Fund and Corporate Services (Guernsey) Limited[1]
(formerly Sanne Fund Services (Guernsey) Limited)
1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey, GY1 2HL

INVESTMENT MANAGER

Ravenscroft Corporate Finance Limited[2]
(formerly Ravenscroft Specialist Fund Management Limited)
PO Box 222
20 New Street
St Peter Port
Guernsey, GY1 4JG

LEGAL ADVISERS

Collas Crill LLP
Glategny Court
PO Box 140
Glategny Esplanade
St Peter Port
Guernsey, GY1 4EW

INDEPENDENT AUDITOR

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

[1] Effective 31 January 2025, the Company's appointed Administrator, Sanne Fund Services (Guernsey) Limited completed an amalgamation of corporate bodies pursuant to Part VI of the Companies (Guernsey) Law, 2008 with Apex Fund and Corporate Services (Guernsey) Limited (the "Amalgamation"). As a result of the Amalgamation, the name of the Administrator changed to Apex Fund and Corporate Services (Guernsey) Limited. There are no further material changes arising from the Amalgamation and all pre-existing contractual arrangements in place between the Company and the Administrator remain in force.

[2] On 24 June 2024 the Investment Manager amalgamated Ravenscroft Consultancy and Listing Services Limited ("RCLSL") with and into Ravenscroft Specialist Fund Management Limited ("RSFML"). RSFML is the surviving entity and has been renamed Ravenscroft Corporate Finance Limited ("RCFL"). RCLSL was a sister company of RSFML, providing corporate advisory, property advisory, placing agent and listing sponsorship services.

CHAIRMAN'S STATEMENT

For the year ended 31 December 2024

Sir Geoffrey Rowland

Chairman

Dear Shareholders,

It has been a busy and prosperous year for the Company, with significant activity across the portfolio, and I am delighted to report a 7.9% increase in the Company's net asset value per share from £1.46 at the start of the year to £1.58 as at 31 December 2024, having paid out 6p per share in dividends over the same period.

SandpiperCI has had a particularly eventful year, announcing in May 2024 that it had agreed to sell part of its food retail business to Wm Morrisons. The disposal completed in November, following which the net sales proceeds equating to 40p per share were distributed to shareholders, with the Company receiving £11.72m. A management buyout is due to be carried out in respect of the remaining retail business in the coming months, led by Tony O'Neill, and a further dividend of 13p per share is expected to be made upon completion. Sandpiper continues to hold its sizeable property portfolio, which it intends to sell in due course, leading to further expected distributions. I would like to take this opportunity to thank and commend Tony and his team for their efforts in growing Sandpiper into a successful and thriving business, which has enabled them to deliver an impressive return to shareholders over the years, including Bailiwick. The Company has maintained a substantial holding in Sandpiper and this stance has proved favourable.

Guernsey Recycling Group continues its consistent path of growth and, following the recent distribution from Sandpiper noted above, it now forms the largest single investment in Bailiwick's portfolio. The Board again demonstrated its support of the management team and their growth plans with a further £5.25m investment into the group in May 2024.

Elsewhere, the Octane Cell completed the sales of the Jersey and Isle of Wight properties over the course of the year and an offer has recently been accepted for the Guernsey Jacksons site.

The Board has taken the decision to sell down the Company's holding in SigmaRoc. Whilst Ronez formed a founding element of the business, SigmaRoc's ongoing programme of acquisitions and expansion in recent years has led it to become a business heavily centred around limestone quarrying across Europe. The Channel Islands is no longer a core focus for SigmaRoc, and therefore no longer aligns with Bailiwick's investment strategy. Furthermore, SigmaRoc has persistently increased its share capital and increased its borrowing. The consequence was that the Company's holding became relatively insignificant. The Investment Manager has been gradually reducing the Company's holding as and when there have been willing buyers at an acceptable price and sold the final tranche of shares last month.

More recently, in 2025, the Board agreed to make a £5m investment into CI Hospitality Limited to fund the acquisition of Randalls, a leading hospitality and wholesale business in Guernsey. This is an exciting opportunity to support a successful, local business which comes with a highly experienced management team and is backed by a large property portfolio.

The International Stock Exchange Group has also recently announced that a recommended cash offer has been received from MIH East Holdings Limited to acquire the entire issued share capital of the company. The offer price of £22.50 per share is at a premium of 18.4% to the share price as at 31 December 2024 and, when taken together with the final dividend of 75p per share, would generate a total return to the Company of £6.98m. If approved, the offer would result in an uplift in value of £1.28m to Bailiwick, which equates to a further 2p per share for shareholders. My fellow directors and I are supportive of the offer.

This review provides only a brief overview of some of the more notable activity which has taken place over the year and so I would encourage you to read the Investment Manager's report, which provides a more detailed update across the full portfolio.

CHAIRMAN'S STATEMENT (CONTINUED)

For the year ended 31 December 2024

The sales noted above, together with the robust performance of the portfolio companies, have meant that the Company was once again able to pay a dividend in June and December, distributing a total of 6p per share (2023: 6p).

The Board has also decided to take the opportunity, given the realisations, to provide a liquidity event for shareholders and declare a special distribution by way of a tender offer to all shareholders.

Further details on the tender offer, including how shareholders can participate, will be set out in a tender offer circular which will be distributed immediately following the publication of the financial statements.

The composition of the Company's portfolio will look very different by the end of this year compared to the start of 2024. However, I am pleased to say that Bailiwick will maintain a diverse portfolio of high-calibre investments with a focus on the Channel Islands and one which will contribute, directly and indirectly, to the growth of the Channel Islands' economies. The Board is cognisant of the importance of this to the Company's shareholder base, which itself comprises hundreds of individual shareholders spread across the islands. To that end, the Board and the Investment Manager continue to evaluate potential investment opportunities which are situate, or which have a material interest, in the Channel Islands.

Kevin Keen OBE joined the Company as a director in April 2021, and after four years of service has decided not to seek re-election at the Company's forthcoming annual general meeting in May, in order to concentrate on his other commitments. Kevin has brought a wealth of business experience which has been invaluable during his time on the Bailiwick Board and both Susie and I wish to thank him for his contribution.

Thank you as always to my fellow directors, Susie Farnon and Kevin Keen, to our Investment Manager and to the Company's shareholders for their continued support.

Sir Geoffrey Rowland
Chairman

14 April 2025

PORTFOLIO MOVEMENTS

For the year ended 31 December 2024

	Fair value at 1 January 2024 £	Investment £	Sale proceeds £	Return of capital £	Realised and unrealised value movement £	Fair value at 31 December 2024 £
Listed investments - 20.43%						
The International Stock Exchange Group Limited	**5,400,000**	-	-	-	300,000	**5,700,000**
Jersey Electricity PLC	**2,100,000**	405,855	-	-	60,645	**2,566,500**
SigmaRoc PLC	**9,438,960**	-	(6,791,667)	-	2,756,457	**5,403,750**
Polygon Group Limited	**-**	1,002,015	-	-	(2,015)	**1,000,000**
Total listed investments	**16,938,960**	**1,407,870**	**(6,791,667)**	**-**	**3,115,087**	**14,670,250**
Unlisted investments - 79.57%						
Proviz Limited	**660,611**	-	-	-	(605,010)	**55,601**
Bailiwick Investment Holding Limited	**400,050**	8,624	-	-	(108,623)	**300,051**
Channel Islands Media Group Limited	**3,570,916**	-	-	-	(109,450)	**3,461,466**
FB Limited - Oatlands Village	**2,513,562**	-	-	-	59,736	**2,573,298**
Guernsey Recycling (1996) Limited	**16,158,247**	5,249,999	(160,218)	-	904,422	**22,152,450**
Le Platon Home LBG	**750,000**	-	-	-	-	**750,000**
MitonOptimal International Limited	**395,012**	-	(151,386)	-	(142,355)	**101,271**
SandpiperCI Limited	**26,230,161**	-	-	(11,722,977)	5,678,542	**20,185,726**
The Octane PCC Limited	**12,141,064**	-	-	(4,630,069)	28,978	**7,539,973**
Total unlisted investments	**62,819,623**	**5,258,623**	**(311,604)**	**(16,353,046)**	**5,706,240**	**57,119,836**
Totals	**79,758,583**	**6,666,493**	**(7,103,271)**	**(16,353,046)**	**8,821,327**	**71,790,086**

INVESTMENT MANAGER'S REPORT

For the year ended 31 December 2024

Ravenscroft Corporate Finance Limited (the "Investment Manager") presents its report on Bailiwick Investments Limited (the "Company" or "Bailiwick") for the year ended 31 December 2024.

The past fifteen months have been particularly exciting for the Company, with significant activity across the investment portfolio during 2024 and 2025 to date, and more set to take place in the coming months. This activity has contributed to a healthy performance in 2024, as evidenced by a 7.9% increase in the NAV which, together with dividends paid out of 6p per share, equates to a total return on NAV of 12% for the year. Shareholders may look forward to a special distribution which will be announced alongside this annual report. Some of the highlights are summarised below, with further details set out in the Portfolio Review.

In November 2024, SandpiperCI Group Limited ("Sandpiper") disposed of its food retail business to Wm Morrison Supermarkets Limited. This included the Morrisons, Iceland and Checkers franchises, whilst Sandpiper retained the M&S franchises in Jersey and its other non-food retail offerings. Bailiwick benefited from a £11.72m dividend from the net proceeds of this transaction, and Sandpiper's management team now intends to carry out a management buy-out of the remaining operating business, subject to obtaining competition approval in Jersey. This, alongside the sale of the group's sizeable property portfolio, is expected to lead to further distributions in due course.

Bailiwick participated in a £9.4m equity fundraise for Guernsey Recycling Group ("GRG") in May 2024, investing a further £5.25m to increase its holding from 32% to 37.7%. This fundraise enabled GRG to acquire part of the land, business and operating assets of a complementary mixed and inert waste business in Jersey. GRG's management continues to work on a number of short and long-term projects which are intended to achieve further growth for GRG and, in turn, value for shareholders.

The International Stock Exchange Group Limited ("TISEG") announced on 19 March 2025 that MIH East Holdings Limited, the owner of the MIAX and Bermuda Stock Exchanges and others, has made a cash offer to acquire the entire issued share capital of the company at a price of £22.50 per share. The acquisition is expected to complete in Q2 2025. If approved, this presents an excellent opportunity for the Company to realise a significant return from its investment.

As noted in the Chairman's statement, the Board decided to sell down the Company's holding in SigmaRoc plc ("SigmaRoc") as the group's focus has shifted away from aggregates towards lime and limestone assets within the European market, such that Ronez in the Channel Islands is becoming a less integral part of the business. The Company reduced its holding from 17.6m shares to 7.5m in 2024, generating net proceeds of £6.78m, and has sold its remaining 7.5m shares in Q1 2025, realising further net proceeds of £5.98m and a further gain of c. £0.57m post year end.

The Company also invested £1m in Polygon Group Limited's 8.75% corporate bonds, due for repayment in 2028.

Post-year end, Bailiwick participated alongside a consortium of local investors to invest £5m in CI Hospitality Limited ("CIHL") for the purposes of acquiring Randalls. Randalls owns and manages more than 20 pubs, restaurants, hotels and shops across Guernsey, Alderney and Sark. It also brews, distils and supplies some of the Bailiwick's most popular drinks. The Company holds a 27.4% interest in CIHL.

The Company currently holds a substantial amount of cash as a result of Sandpiper's disposal to Morrisons and the sale of SigmaRoc shares, notwithstanding its investment into CIHL, and we support a special distribution to shareholders following these realisations. The Company will carry out a special distribution by way of a tender offer to all shareholders immediately following the publication of this annual report, with a total equivalent to 22.5p per share if taken up in full.

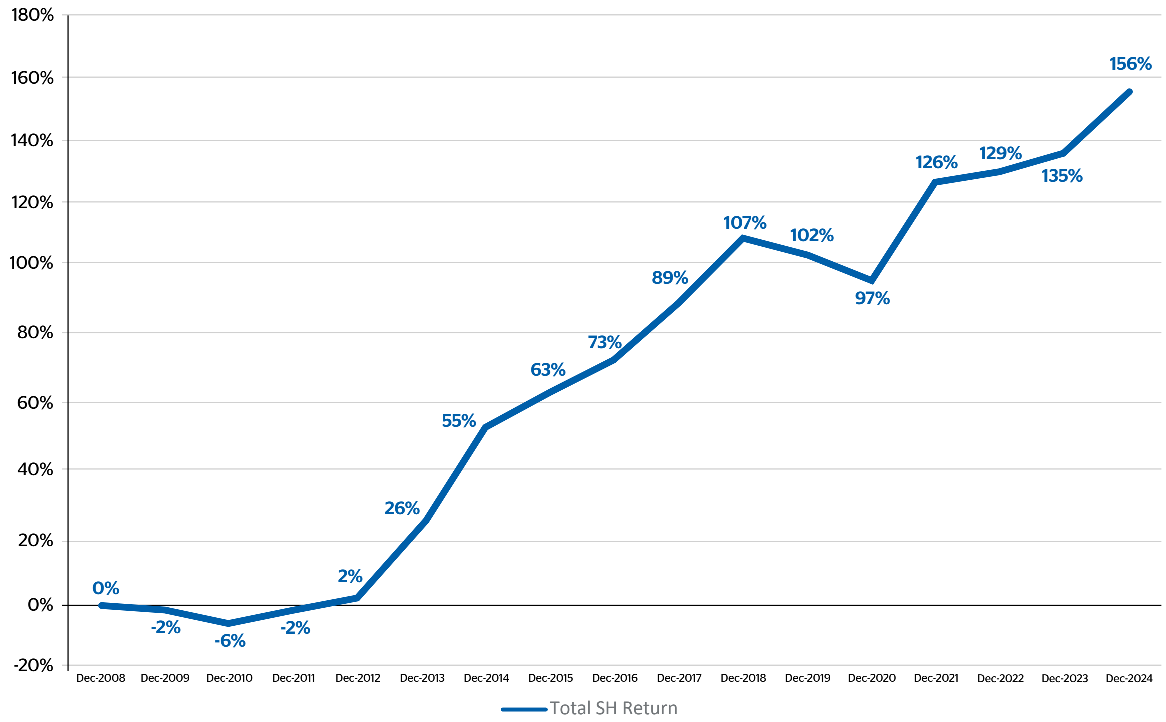
As a result of the various transactions noted above, we expect the Company's portfolio to look very different by the end of 2025, with GRG now representing the single largest investment. With the potential for further disposals over the coming months as noted above, the Board and the Investment Manager continue to look at new investment opportunities with a view to achieving diversification and value growth for shareholders, whilst also remaining open to the possibility of making additional special distributions to shareholders later in the year.

INVESTMENT MANAGER'S REPORT (CONTINUED)

For the year ended 31 December 2024

The primary objective of the Company remains long term capital growth. However, the Company also operates an appropriate dividend policy and, in line with the prior year, paid total dividends of £3.3m in the year, equating to 6p per share (2023: 6p).

The graph below illustrates the returns to shareholders, by year, since incorporation. The returns shown are calculated using the share price movement, plus dividends paid to shareholders and incorporates share buybacks carried out by the Company.



The total shareholder return achieved from inception to 31 December 2024 is 156% (2023: 135%).

The Company had cash and cash equivalents of £17.16m as at 31 December 2024 (2023: £2.77m) and £18.02m as at 31 March 2025, most of which has resulted from the disposals noted above.

Excluding the sales proceeds distributed by way of capital returns from Sandpiper and Octane Cell, dividend and loan interest received from portfolio companies over the period totalled £2.13m. This included £484k from Sandpiper, £456k from CIMG and £960k from TISEG.

The NAV per share increased from 146.06p at the beginning of the year to 157.65p as at 31 December 2024, an increase of 8%.

The Company's listed stock portfolio performed well over 2024, with share prices increasing for each of TISEG, Jersey Electricity and SigmaRoc. Net gains across these three investments were £3.1 million for the year.

Sandpiper's shares delisted from The International Stock Exchange ("TISE") on 2 July 2024, with its share price increasing from 89.5p (mid) as at 1 January 2024 to £1 upon delisting. Having subsequently paid out a 40p dividend to shareholders, its shares remain valued at 68.9p per share and so, including this special dividend has delivered a gain of £5.7 million to Bailiwick over the year.

Elsewhere, an unrealised gain of £0.9m in GRG was largely offset by smaller write-downs across the portfolio.

INVESTMENT MANAGER'S REPORT (CONTINUED)

For the year ended 31 December 2024

PORTFOLIO REVIEW

GRG

% of Bailiwick's portfolio* **30.86%**

% of Voting Rights held **37.70%**

Guernsey Recycling (1996) Limited ("GRG"). Guernsey-headquartered waste to resource management group operating in the Channel Islands, the UK and Cayman Islands. The GRG companies are active in the transportation, processing and trading of all forms of waste.

GRG enjoyed another year of growth in 2024, both organically and through acquisition. Its total revenues topped £47 million for the year, up from £41 million in 2023, and are projected to reach £55 million in 2025. At an underlying EBITDA level, it achieved £7.0 million in 2024 compared to £6.3 million in 2023 and is budgeting for £8.0m in 2025.

Performance was particularly strong in the UK hazardous waste businesses and the non-commodity streams of the Channel Islands businesses. The waste transfer station divisions in the UK have thrived and the brokerage firm Novum, which was acquired in 2021, also had an exceptional year. In terms of processing services, the group has recently invested significant funds in its BKP and Greenway sites and will be continuing to drive returns from these.

In the Channel Islands, Island Waste in Guernsey continues to grow and Guernsey Scrap Metal secured a new three-year scrap metal contract from the government. In Jersey, as well as the investment activity noted below, Abbey Waste has added St Helier and St Saviour parishes to its remit and has also developed a non-ferrous metal business on the island in 2025.

Commodity prices (fibre and ferrous metals) were soft in 2024 which impacted some of the Channel Islands performance, but the diversification strategy employed by management over recent years provided a hedge against this. Less than 25% of GRG's financial performance is now linked to commodity prices and so the bottom line is protected when these fluctuate.

In May 2024, GRG completed a £9.4m fundraise that facilitated the purchase of a 75% stake in the operations and assets of WP Recycling in Jersey, a complementary waste management business run by a well-renowned local operator. The owner is remaining with the business and now owns 25% of the group's Jersey interests, including the existing group company Abbey Waste. As well as this promising acquisition, the fundraise enabled the group to buy out some minority shareholders and to make further value-enhancing investment into existing operations and new development projects across the Channel Islands and the UK.

Amongst others, these new projects include the acquisition of Paul Rouget Aggregates & Demolition in Guernsey, the development of a new waste transfer station in Rochester, and the purchase of a further small waste brokerage business in the UK. Work is ongoing to integrate all recent additions, and GRG's policy of retaining quality management in its new business is a strong enabler in this process.

Bailiwick increased its shareholding in GRG to 37.7% through the fundraise in May and remains very supportive of its management team and its ambitious plans to continue to grow the business. GRG has demonstrated its ability to effectively integrate new businesses whilst building existing operations, and Bailiwick continues to support this path.

INVESTMENT MANAGER'S REPORT (CONTINUED)

For the year ended 31 December 2024

SandpiperCI

% of Bailiwick's portfolio* **28.12%**

% of Voting Rights held **29.31%**

SandpiperCI Group Limited ("Sandpiper"). Jersey-headquartered, international retail and food service operator with over 20 stores across four territories: Jersey, Guernsey, Isle of Man and Gibraltar. Sandpiper works in partnership with blue chip brands including, amongst others, M&S, iQ (Apple authorised premium reseller) and Hotel Chocolat.

It has been an eventful twelve months for Sandpiper, which announced on 7 May 2024 that it had entered into a share purchase agreement with Wm Morrison Supermarkets Limited to sell its indirect subsidiary, Food Retail Limited. This housed the food retail businesses' operating franchises, including Morrisons Daily, Iceland, Checkers Xpress and Le Cocq's Stores. The sale completed on 1 November 2024, leaving net proceeds of c.£40m after repayment of Sandpiper's debt facility. Sandpiper declared and paid a dividend of 40p per share in late November, with Bailiwick receiving £11.72m.

The group performed strongly in the year, despite challenging market conditions. Revenues for the full year to January 2025 are expected to be 2% behind budget but with EBITDA 1.5% ahead of budget due to tight cost control measures.

Sandpiper's shares ceased to be listed on the Official List of TISE with effect from 2 July 2024. The share price had increased from 89.5p per share at the end of 2023 to £1.00 per share as at 30 June 2024. Following its delisting from TISE, the price per share as at 31 December 2024 is 68.9p, the decrease reflective of the 40p per share distribution following the sale to Morrisons.

Excluding the distribution on completion of the sale, Bailiwick received total dividends of £484k from Sandpiper in the period.

At an extraordinary general meeting held on 3 April 2025, approval was obtained from Sandpiper's shareholders to restructure the group and effect a management buy-out by a group of individuals led by Tony O'Neill, the Group CEO. This will leave Sandpiper holding the various freehold properties across the Channel Islands, which will be marketed for sale. A further distribution to Sandpiper's shareholders of 13p per share is expected upon completion of the MBO, with subsequent dividends to be paid when properties are sold. In the interim, it is anticipated that Sandpiper will pay twice yearly dividends from the rental income, after allowing for ongoing maintenance costs and expenses.

Octane Cell

% of Bailiwick's portfolio* **10.50%**

% of Voting Rights held **35.53%**

The Octane PCC Limited – Octane Cell. Holding company for the properties used by the Jacksons and Motor Mall dealerships in Guernsey and the Isle of Man.

The Octane Cell has continued to sell down its property portfolio over the course of the year, disposing of the Jersey and Isle of Wight sites in March and August 2024 respectively. The net proceeds were distributed to shareholders by way of dividends and the Company received £4.63m in aggregate.

An offer has also been accepted on the Jacksons site in Guernsey, which would see the Company receive a further £2.6m from the Octane Cell on completion.

The remaining properties in the portfolio include the flagship Isle of Man property and the Happy Landings site in Guernsey. The properties are being actively marketed and offers will be considered at an appropriate level. As noted previously, the Octane Cell remains content to hold the properties and collect the rental income.

Sigma Roc

% of Bailiwick's portfolio* **7.53%**

% of Voting Rights held **0.67%**

SigmaRoc PLC ("SigmaRoc"). AIM listed lime and minerals group targeting quarried materials assets in the UK and Northern Europe for use in construction, engineering, environmental, food and industrial applications. SigmaRoc was initially founded to purchase Ronez in Guernsey and Jersey which has since been followed by numerous acquisitions in the UK and across Europe.

In its audited full year results for the year ended 31 December 2024, SigmaRoc reported revenue of £998m and underlying EBITDA of £225m, a 72% and 92% increase on the prior year respectively. Net debt has increased significantly from £182m to £506m in the year, as a result of drawing on the group's syndicated senior credit facility of up to EUR 750m and EUR 125m bridge loan.

SigmaRoc completed its transformational £1bn acquisition of lime and limestone assets from CRH plc in three stages over the course of 2024. This has effectively doubled the size of the group, making it one of the leading lime businesses in Europe. The group is now focussing predominantly on high grade minerals, and less on aggregates for construction (including Ronez in Guernsey and Jersey). In 2023, 29% of SigmaRoc's revenue came from minerals and 26% from aggregates. This shifted to 71% and 12% respectively last year. Management has also advised that it is seeking to achieve profitable exits for all non-core assets within its portfolio.

This change in the group's forward-looking strategy to centre the business around lime and limestone assets in Europe means that it is no longer complementary to the Company's investment objective of investing in businesses situate, or with a material interest, in the Channel Islands.

As noted in the Chairman's Statement, the Board therefore decided to start selling down the Company's holding in SigmaRoc where willing buyers could be found at an acceptable price.

A total of 10.1m shares were sold in 2024 at an average price of 68p per share, generating net proceeds of £6.78m for the Company. The total return to the Company over the lifetime of its investment in SigmaRoc is £7.14m at an IRR of 9.7%.

INVESTMENT MANAGER'S REPORT (CONTINUED)

For the year ended 31 December 2024

TISE
The International Stock Exchange

% of Bailiwick's portfolio*
7.93%

% of Voting Rights held
10.56%

The International Stock Exchange Group Limited ("TISEG"). TISEG, headquartered in Guernsey, is the holding company of The International Stock Exchange Authority Limited, which operates the investment exchange known as The International Stock Exchange ("TISE"). Built on a culture of responsiveness and innovation, TISE is a regulated market specialising in listing international bond issues.

On 19 March 2025, TISEG announced that it had reached agreement with MIH East Holdings, Limited ("MIH") on the terms of a recommended cash offer to be made by MIH for the entire issued and to be issued ordinary share capital of TISEG. MIH owns the MIAX Futures Exchange, The Bermuda Stock Exchange and MIAX Derivatives Exchange and has made a number of strategic minority equity investments in companies that offer access to commercial opportunities to develop new products and accelerate the growth of its business. It currently holds 837,032 shares in TISEG, representing 29.46% of the issued share capital.

Under the terms of the offer, shareholders will be entitled to receive £22.50 per share which will be paid in cash. This represents a premium of 18.42% to the share price of £19.00 (mid) as at 31 December 2024 and would equate to net proceeds of £6.75m for the Company. If successful, this would represent a healthy total return of £10.5m at an internal rate of return ("IRR") of 16.3%, when viewed over the life of the Company's investment, together with its former interest in the Channel Islands Stock Exchange and including dividends. If viewed as a standalone investment, this return on the Company's investment in TISEG would increase to a total of £11.6m at an IRR of 46.5%.

TISEG has also declared a final dividend of 75p per share which will be paid in April. The offer price, combined with this dividend, would represent a £1.28m uplift in value for Bailiwick compared to 31 December 2024, equating to 2p per share for Bailiwick shareholders.

It is intended that the acquisition shall be effected by way of a scheme of arrangement approved by the Royal Court of Guernsey, subject to obtaining the necessary shareholder approvals and regulatory/competition authority consents. It is anticipated that completion will occur in Q2 2025.

In its annual report and audited financial statements for the year ended 31 December 2024, TISEG reported turnover of £13.3m and profit after tax of £6m (2023: £10.8m and £4.9m). It distributed a total of £9.1m to shareholders in the year (2023: £2.6m), reflective of the cash generative nature of the business.

Bailiwick received total dividends of £960k from TISEG in 2024, including 45p per share in April and 75p per share in October.

INVESTMENT MANAGER'S REPORT (CONTINUED)

For the year ended 31 December 2024

CHANNEL ISLANDS MEDIA GROUP

% of Bailiwick's portfolio* **4.82%**

% of Voting Rights held **46.64%**

Channel Islands Media Group Limited ("CIMG"). CIMG comprises two wholly owned subsidiaries: TPA Guernsey Limited ("TPA") and The Guernsey Press Limited (the "GP"). TPA is a full service creative agency that aims to deliver winning communications to help brands and businesses. The GP is a key source of news and information across the Bailiwick of Guernsey both via a print newspaper and online.

TPA produced another robust set of results in 2024, largely driven by significant growth in its Jersey business whilst maintaining its position as a market-leader within the Channel Islands. It has also set up a new digital agency, Genie Limited, which will enable it to focus on smaller business clients where TPA has a smaller share of the market.

2024 was a challenging year for the GP, seeing a continued decline in newspaper circulation volumes and advertising revenue. Whilst increases to the cover price have partially offset these, its full year outturn was behind budget. With digital media increasingly taking precedence over paper, the GP's focus continues to be on developing its digital offering.

The group's overall performance enabled CIMG to repay a further £230k of its external debt in 2024, reducing the outstanding balance to £568k. It is also pleasing to report that CIMG continues to pay semi-annual dividends, with the Company receiving a total of £455k in the year.

OATLANDS VILLAGE
A FAMILY RETREAT

% of Bailiwick's portfolio* **3.59%**

% of Voting Rights held **33.33%**

Oatlands Village (F B Limited) ("Oatlands"). Oatlands Village is home to a variety of attractions for locals and tourists in Guernsey and comprises a number of rental units, including a range of high quality retail outlets and a popular restaurant, The Kiln. Oatlands also owns and operates Oaty and Joey's Playbarn ("the Playbarn"), Guernsey's premier children's attraction.

Oatlands enjoyed a steady year of trading in 2024, generating revenues in excess of budget. The leisure business saw a significant increase in corporate events and food home deliveries. In addition, a focus on property asset management in the year has also contributed increased revenues through the negotiation of new leases, rent reviews and inflationary increases to the service charge.

Management is working on a number of initiatives to drive long-term growth. These include improvements to the existing offering, whilst also looking at ways to appeal to different audiences.

Oatlands continues to generate positive cashflow, enabling it to consistently pay its preference share dividend to the Company and its other shareholders semi-annually.

INVESTMENT MANAGER'S REPORT (CONTINUED)

For the year ended 31 December 2024

Jersey Electricity

% of Bailiwick's portfolio* **3.58%**

% of Voting Rights held **1.93%**

Jersey Electricity PLC ("JEL"). An LSE listed, vertically integrated power utility dealing in the importation, generation, transmission and distribution of electricity. Its core objective is to provide affordable, secure and sustainable energy. Related businesses include commercial and domestic building services, energy solutions, environmental engineering, retail, IT and property. The States of Jersey owns 62% of the ordinary share capital, which is unlisted.

After celebrating its 100th birthday in 2024, JEL released another robust set of results for the financial year ending 30 September 2024 despite the challenging macroeconomic conditions. The ongoing war between Russia/Ukraine and rising tensions in the Middle East continue to create uncertainty in the energy markets and they remain unstable and above historical levels, notwithstanding some easing during the year and falling inflation. It is therefore pleasing to report that JEL generated £135.7m of revenue, an increase of £10.6m or 8.5% on the prior year, and profit before tax of £15.1m, an increase of 1.8%.

The Company took advantage of an opportunity to purchase an additional 90,000 ordinary shares, increasing its total shareholding from 500,000 to 590,000 shares. The total price paid was £405k or £4.50 per share, equating to a discount of 40% to JEL's net asset value per share.

A final dividend of 12p per ordinary share was declared, representing a 5.3% increase on the prior year. Together with the interim dividend of 8.4p, JEL paid total dividends of 19.8p per share or £6.1m (2023: 18.8p or £5.8m), with the Company receiving £103k.

Polygon

% of Bailiwick's portfolio* **1.39%**

% of Voting Rights held **20%**

Polygon Group Limited ("Polygon"). A family-owned investment company which holds a range of investments, including property, financial services and angel investment assets across the Channel Islands.

In 2024, Polygon raised £5m through the issue of corporate bonds, with the Company investing £1m in October 2024. Interest is payable on the bonds semi-annually at a rate of 8.75% and the bonds are due for repayment in December 2028.

LE PLATON
RESIDENTIAL HOME · EST 1914

% of Bailiwick's portfolio* **1.04%**

% of Voting Rights held **57.69%**

Le Platon Residential Home ("Le Platon"). Established in 1914 as a care home for elderly residents of Guernsey. Construction started in November 2018 to extend the building and refurbish other existing parts to create a fully compliant, market standard 50-bedroom care home for elderly residential and dementia care.

The latest phase of development works were completed in 2023 and occupancy levels in the new wing are high. Le Platon continues to pay the coupon on the loan notes when due.

INVESTMENT MANAGER'S REPORT (CONTINUED)

For the year ended 31 December 2024

% of Bailiwick's portfolio*
0.14%

% of Voting Rights held
11.9%

MitonOptimal International Limited ("Miton"). Formerly independent investment services group delivering focussed investment solutions and support to advisers. Now in orderly wind up, with one remaining office in South Africa.

Following the disposal of various of its subsidiary businesses, Miton received deferred payments in the year which enabled it to carry out two further share buy backs in January and July 2024. Bailiwick received a total of £151k from these buy backs.

The last remaining subsidiary to be sold is Miton's South African business, and management has approached shareholders in 2025 with a management buy-out proposal. This proposal has received majority shareholder approval and is expected to complete in the coming months.

% of Bailiwick's portfolio*
0.08%

% of Voting Rights held
19.06%

Proviz Limited ("Proviz"). A Jersey headquartered, multi-award winning cycling, running and outdoor sportswear specialist renowned for style, innovation and quality. It offers the largest range of reflective and enhanced visibility clothing and accessories on the markets which are sold globally online and through select retail partners.

Despite implementing a number of changes to reduce its cost base and improve operations, Proviz delivered another disappointing set of results in 2024. Trading conditions remain challenging, margins have dipped and the changes made to date have not yet been sufficient to move Proviz back into profitability. Management is forecasting for the business to return to profit over the coming year, but its recent results have necessitated a significant reduction in the carrying value of the investment as at the year end.

Ravenscroft Corporate Finance Limited

14 April 2025

**Percentage of Bailiwick's portfolio including Bailiwick Investment Holdings Limited.*

DIRECTORS' REPORT

For the year ended 31 December 2024

The Directors are pleased to present their annual report together with the audited financial statements of Bailiwick Investments Limited (the "Company") for the year ended 31 December 2024, prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

BACKGROUND

The Company is a closed-ended investment company registered under the provisions of the Companies (Guernsey) Law, 2008, as amended (the "Companies Law") on 22 September 2008 and is authorised under Section 8 of the Protection of Investors (Bailiwick of Guernsey) Law 2020, as amended. The Company is listed on The International Stock Exchange ("TISE") under the mnemonic "BAIL".

PRINCIPAL ACTIVITY

The principal activity of the Company is to achieve long term capital growth by investment in a diversified portfolio of investments, principally in businesses, property and assets situated, registered, headquartered in or managed from the Channel Islands or in relation to which through the involvement of Channel Islands businesses or individuals, resident in the Channel Islands, there is a Channel Islands interest.

RESULTS AND DIVIDENDS

The results for the year are set out in the Statement of Comprehensive Income on page 39. Following approval by the Directors, on 28 May 2024 the Company declared an interim dividend of 3.00 pence per share which was paid on 14 June 2024. On 2 December 2024 the Company declared a final dividend of 3.00 pence per share which was paid on 16 December 2024 (2023: an interim dividend, declared on 25 May 2023, of 3.00 pence per share which was paid on 20 June 2023 and a final dividend, declared on 14 December 2023, of 3.00 pence per share paid on 22 December 2023).

Immediately following the release of this report, the Board will declare a special distribution by way of tender offer. The total distribution will be equivalent to c. 22.5 pence per share if taken up in full by shareholders.

NET ASSETS

At 31 December 2024, the Company had net assets of £88,683,963 (2023: £82,279,127).

GOING CONCERN

The Directors have assessed the financial position of the Company as at 31 December 2024 and the factors that may impact its performance and that of its underlying portfolio (including the potential impact on markets and supply chains of geo-political risks such as the current crises in Ukraine and the Middle East, potential trade wars arising from actions taken by the new US administration and continuing macro-economic factors and inflation) in the forthcoming year.

Having considered the Company's objectives and available resources along with its projected income and expenditure, the Directors are satisfied that the Company has adequate resources to meet its liabilities as they fall due, for at least a minimum period of 12 months from the anticipated audit report date and continue in operational existence for the foreseeable future.

The Company is currently in a positive net asset position and holds a variety of quality assets with no leverage. Current assets include cash reserves at 31 March 2025 of £18 million which would be used to fund any liabilities that become due or payable. The Company's liquidity is further supported by a portfolio of listed investments with a fair value at 31 March 2025 of £9.2 million, which could be sold in a worst-case scenario.

Accordingly, the financial statements have been prepared on a going concern basis.

THE ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE

The Alternative Investment Fund Managers Directive ("AIFMD" or the "Directive"), which was implemented by EU Member States in 2013, covers the management, administration and marketing of alternative investment funds ("AIFs"). Its focus is on regulating alternative investment fund managers ("AIFMs") established in the EU and prohibits such managers from managing any AIFs or marketing shares in such funds to investors in the EU unless an AIFMD authorisation is granted to the AIFM. The Company is registered as a non-EU AIF whose AIFM is the Company itself (i.e. self-managed) for the purpose of the Directive. Like many other investment companies, its administration, investment management and certain other services have been delegated to third party providers.

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 December 2024

CORPORATE GOVERNANCE

A report on the Company's corporate governance is included on pages 23 to 32.

DIRECTORS

The Directors who served on the Board during the year, together with their beneficial interests at 31 December 2024 and at 31 December 2023, were as follows:

	2024		2023	
	Ordinary shares	% of shareholdings	Ordinary shares	% of shareholdings
Sir Geoffrey Rowland	885,000	1.57%	820,000	1.46%
Susie Farnon	327,118	0.58%	327,118	0.58%
Kevin Keen	60,000	0.11%	60,000	0.11%

In addition, the following Directors had beneficial interests at 31 December 2024 and at 31 December 2023 in Ravenscroft Holdings Limited, which was, until 31 December 2024, the ultimate holding company of the Investment Manager, as follows:

	2024		2023	
	Ordinary shares	% of shareholdings	Ordinary shares	% of shareholdings
Sir Geoffrey Rowland	185,000	1.25%	185,000	1.25%
Susie Farnon	70,000	0.47%	70,000	0.47%

On 31 December 2024, the Investment Manager's immediate parent company was sold and Ravenscroft Holdings Limited ceased to be its ultimate holding company. The Directors therefore ceased to hold any beneficial interest in the Investment Manager as of that date.

DIRECTORS' INFORMATION

Sir Geoffrey Rowland (appointed 5 October 2016)

Sir Geoffrey Rowland read law at Southampton University and was called to the Bar in London. Returning to Guernsey he practised as an Advocate in the firm Collas, Day & Rowland, where he became the Senior Partner. In 1992 he was appointed to Crown Office and served successively as HM Comptroller, HM Procureur, Deputy Bailiff and Bailiff. He is a Master of the Bench of his Inn of Court, Grays Inn. For four years he was the Vice Chairman of the Guernsey Financial Services Commission ("GFSC").

He served as non-executive director until accepting his first Crown appointment in 1992. He has served on the boards of 3i Guernsey, 3i Jersey, The Guernsey Press Company (as Chairman), Garenne Group, Blue Diamond, a number of Channel Island banks, trust and captive insurance companies and collective investment schemes. He was appointed Queen's Counsel in 1993 and was honoured with the award of a Knighthood in 2009. The Universities of Southampton and Bournemouth have conferred on Sir Geoffrey Honorary Doctorates of Law.

He is a non-executive director of two family investment companies, but holds no other directorships.

Susie Farnon (appointed 30 June 2018)

Susie Farnon is a Fellow of the Institute of Chartered Accountants in England and Wales. She is a non-executive director of a number of property and investment companies. Susie was a banking and finance partner with KPMG Channel Islands from 1990 until 2001 and head of audit KPMG Channel Islands from 1999.

She has served as president of the Guernsey Society of Chartered and Certified Accountants and as a member of the States of Guernsey Audit Commission and Vice Chairman of the Guernsey Financial Services Commission. Susie was a non-executive director of the Association of Investment Companies, the UK Investment Companies' trade body.

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 December 2024

DIRECTORS' INFORMATION (continued)

Kevin Keen (appointed 1 April 2021)

Kevin Keen is a fellow of The Association of Chartered Certified Accountants, The Chartered Institute of Management Accountants and is a chartered director. He has held a wide range of senior roles over a long career in Jersey, including finance director of Le Riche Group, managing director of Le Riche's Stores, managing director of Jersey Dairy, chief executive of Jersey Post, Chairman of Jersey Water and Chairman of the Association of Jersey Charities.

Kevin is currently Chairman of Jersey Post International and serves on the boards of a number of companies that trade in the Channel Islands.

SIGNIFICANT SHAREHOLDINGS

The following shareholdings represent interests of 10 per cent or more of the shares of the Company as at 31 December 2024 and 31 December 2023:

	2024		2023	
	Ordinary shares	% of shareholdings	Ordinary shares	% of shareholdings
Huntress (CI) Nominees Limited – KGCLT	54,330,050	96.58%	54,641,250	97.09%

Huntress (CI) Nominees Limited – KGCLT is a nominee for clients of Ravenscroft (CI) Limited.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

The Board acknowledges that ESG issues are becoming increasingly important among investors and the broader society. The Directors note that the airline used for Company business, Blue Islands, automatically offsets carbon emissions for passengers on its flights.

ESG factors are key areas the business considers when assessing new and follow-on investments. The Company's administrator, Apex Fund and Corporate Services (Guernsey) Limited (formerly Sanne Fund Services (Guernsey) Limited), is part of the Apex Group. It has a commitment to people, planet and society and, through different initiatives such as an employee mentoring scheme, an ESG supplier assessment, and a Women's Accelerator Program, which seeks to drive positive change in the financial services industry.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

The Directors are responsible for preparing financial statements for the period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss of the Company for that period in accordance with the Companies Law. Under the Companies Law, the Directors have elected to prepare the financial statements in accordance with IFRS as issued by the IASB. In preparing these financial statements, the Directors are required to:

- select suitable accounting standards and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as issued by the IASB subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements have been properly prepared in accordance with the Companies Law. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 December 2024

STATEMENT OF DISCLOSURE TO AUDITOR

The Directors confirm that they have complied with the above requirements in preparing the financial statements and that to the best of our knowledge and belief:

(a) the Chairman's Statement, the Investment Manager's Report and the Directors' Report include a fair review of the development and performance of the business and the position of the Company together with a description of the significant risks and uncertainties that the Company faces;

(b) in the opinion of the Board, the annual report and financial statements taken as a whole, is fair, balanced and understandable and it provides the information necessary to assess the Company's performance, business model and strategy; and

(c) the financial statements, prepared in accordance with IFRS as issued by the IASB, give a true and fair view of the assets, liabilities, financial position and results of the Company.

DISCLOSURE OF INFORMATION TO AUDITOR

In accordance with the Companies Law, each Director confirms that there is no relevant audit information of which the Company's Auditor is unaware. Each Director also confirms that they have taken all steps they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

SECRETARY

The secretary of the Company as at 31 December 2024 was Apex Fund and Corporate Services Guernsey) Limited (formerly Sanne Fund Services (Guernsey) Limited).

INDEPENDENT AUDITOR

The independent Auditor, Grant Thornton Limited ("Grant Thornton" or "GT"), has expressed its willingness to continue in office and a resolution for its re-appointment will be proposed at the 2025 Annual General Meeting.

WHISTLE BLOWING

The Company has no employees however the key service providers have suitable whistle blowing policies in place.

MODERN SLAVERY

The Board conducts the business of the Company ethically and with integrity, and has a zero tolerance policy towards modern slavery in all its forms. As the Company has no employees, all its Directors are non-executive and all its functions are outsourced, there are no further disclosures to be made in respect of employees and human rights.

Sir Geoffrey Rowland
Chairman

14 April 2025

CORPORATE GOVERNANCE REPORT

For the year ended 31 December 2024

The Directors present their Corporate Governance Report for the year ended 31 December 2024.

THE AIC CODE OF CORPORATE GOVERNANCE

The Company is a member of the Association of Investment Companies (the "AIC"), and the Board of the Company has applied the principles and recommendations of the AIC Code of Corporate Governance Guide for Investment Companies (the "AIC Code") in the preparation of this Annual Report. The AIC Code addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company.

The Board considers that reporting against the principles and recommendations of the AIC Code will provide better information to shareholders. The Company has complied with the recommendations of the AIC Code, where applicable to the Company, and the relevant provisions of the UK Corporate Governance Code.

This Corporate Governance Report addresses each of the principles of the AIC Code in turn under the five main areas of: board leadership and purpose; division of responsibilities; composition, succession and evaluation; audit, risk and internal control; and remuneration.

BOARD LEADERSHIP AND PURPOSE

How the principles are addressed

The Board regularly assesses the basis on which the Company generates and preserves value over the longterm. The Board considers formal strategy reports prepared by the Investment Manager at a separate meeting at least once a year. Together with the Investment Manager, the Board is committed to the active management of the investment portfolio to ensure the best possible returns for shareholders. The Investment Manager continues to explore other investment opportunities for future investment by the Company. The Board regularly considers the risks to the Company's future success and details of the risk mitigation policies are included in this report.

During the year, the Board has undertaken a comprehensive evaluation of its own performance and that of individual Directors including their independence. This was conducted using detailed questionnaires. The Board has considered and discussed the outcomes of the evaluations and is satisfied that it is operating well, focused on the correct strategic issues and has policies and practices which are aligned with the Company's purpose, values and strategy.

Whilst not directly applicable to companies domiciled outside of the UK, the intention of the UK Code and the AIC Code is that matters set out in Section 172 of the UK Companies Act 2006 ("Section 172") are reported on by all companies, irrespective of domicile. The following disclosure provides guidance on how the Board has discharged its duties in accordance with Section 172. Section 172 requires that a director of a company must act in a way that he considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, and in doing so, have regard (amongst other matters) to likely long term consequences of any decision undertaken, the interests of any employees, the need to foster the company's business relationships with suppliers, customers and others, the impact of the company's operations on the community and the environment, the desirability of the company maintaining a reputation for high standards of business conduct, and the need to act fairly as between members of the company.

The Board aims to have due regard to the views of the Company's key stakeholders and take these views into consideration as part of its decision-making process. The primary stakeholders are deemed to be its shareholders, suppliers, community and the environment. Shareholder engagement is critical to the continual success of the company's investments and the achievement of our objectives. The Board is committed to regular dialogue with shareholders via the Annual General Meeting or making direct contact with any of the directors by contacting the Secretary at the address detailed on page 5.

As an investment company, the Company does not have any employees. Key activities are performed via its third-party service providers. Through oversight and control, and engagement with regulated third-party service providers, the Board, together with its key service providers, ensures that high standards of business conduct are maintained, shareholders are treated fairly, and high standards of corporate governance are adhered to.

CORPORATE GOVERNANCE REPORT (CONTINUED)

For the year ended 31 December 2024

BOARD LEADERSHIP AND PURPOSE (continued)

How the principles are addressed (continued)

The Company places a great deal of importance on communicating clearly and openly with its shareholders. The Board welcomes correspondence from shareholders, addressed to the Company's registered office. All shareholders have the opportunity to attend and vote at the Annual General Meeting and put questions to the Board and the Investment Manager. The Board hopes that as many shareholders as possible will attend the meeting and if not then they will vote by proxy.

In accordance with the AIC Code the Board would consult with shareholders where votes exceeding 20% of the total votes cast are against a given resolution and an update would be published within six months and a summary of each qualifying vote would be presented in the annual report. At the Annual General Meeting held on 20 June 2024 there were no votes against the resolutions proposed at the meeting.

The Company recognises the importance of considering environmental, social and governance factors in its decision-making process and as part of its operations.

DIVISIONS OF RESPONSIBILITIES

How the principles are addressed

The AIC Code recommends that the responsibilities of the chairman, senior independent director, board and committees should be clear, set out in writing, agreed by the board and made publicly available. Each Director of the Company has an appointment letter setting out in detail their appointment, time commitment, role and other requirements. In addition, the Company has terms of reference for each of its committees.

Sir Geoffrey Rowland fulfils the role of independent Non-Executive Chairman of the Board of Directors. There have been no significant changes to the external commitments of the Chairman during the year. The Chairman is responsible for the leadership of the Board, the creation of conditions necessary for overall Board and individual Director effectiveness and ensuring a sound framework of corporate governance, which includes a channel for shareholder communication.

The responsibilities of the Chairman include, but are not limited to:

- chairing the Board and general meetings of the Company, including preparation of the agenda of such meetings;
- promoting the highest standards of integrity, probity and corporate governance throughout the Company, and in particular at Board level;
- ensuring that the Board receives accurate, timely and clear information;
- ensuring effective communication with shareholders of the Company;
- facilitating the effectiveness of the contributions and constructive relationships between the Directors of the Company; and
- ensuring that the performance of the Board, its Committees and individual Directors is evaluated at least once a year.

The AIC Code recommends that when making new appointments the Board should take into account other demands on Directors' time. The AIC Code also recommends that additional external appointments should not be undertaken without prior approval of the Board, with the reasons for permitting significant appointments explained in the annual report. Under the terms of appointment each Director must inform the Board before accepting any additional appointments that they are intending to undertake.

A summary of the Directors' attendance at meetings during 2024 to which they were eligible to attend is provided below.

Board and committee meeting attendance	Formal Board meetings	Audit Committee meetings	Nomination Committee Meetings	Remuneration Committee Meetings
Total number of meetings held	**9**	**3**	**1**	**1**
Sir Geoffrey Rowland	9	3	1	1
Susie Farnon	9	3	1	1
Kevin Keen	9	3	1	1

DIVISIONS OF RESPONSIBILITIES (continued)

How the principles are addressed (continued)

The Board is composed of three Non-Executive Directors who are independent of the Investment Manager. The Directors' biographies can be found on pages 20 and 21. The Board has carefully considered the Directors' independence including taking into consideration material business relationships and tenure and has determined that all Directors discharge their duties in an independent manner.

The AIC Code recommends that the Board should appoint one of the independent Non-Executive Directors as Senior Independent Director. Susie Farnon was appointed as Senior Independent Director on 29 July 2021.

The role of Senior Independent Director serves as an important check and balance in the governance process. The role includes, but is not limited to:

- providing a sounding board for the Chairman and serving as an intermediary for the other Directors when necessary; and
- being available to shareholders if they have concerns which contact through the normal channels of Chairman has failed to resolve or for which such contact is inappropriate.

The Board has engaged external companies to undertake the investment management, administrative and secretarial activities of the Company. Clearly documented contractual arrangements are in place with these firms which define the areas where the Board has delegated responsibility to them.

In addition to the formal Board meetings there is regular contact with the Investment Manager and other advisors and service providers. The focus of these meetings is a review of investment performance, investment opportunities and related matters such as gearing, property valuations, asset allocation, investor relations, risk management, administration and compliance.

Members of the Board have formally met with the Investment Manager on a number of occasions throughout the financial year and there are regular ad hoc meetings with the Chairman and other members of the Board.

The Company appointed Apex Fund and Corporate Services (Guernsey) Limited (the "Administrator") in 2021 as Administrator, Company Secretary, Registrar and TISE Listing Sponsor of the Company. The Administrator is responsible for the Company's general administrative requirements such as the calculation of the Net Asset Value and maintenance of the Company's accounting and statutory records. The Administrator is licensed by the GFSC under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 to act as "designated administrator" under that law and provide administrative services to closed-ended investment funds.

Effective 31 January 2025, the Company's appointed Administrator, Company Secretary & Listing Sponsor, Sanne Fund Services (Guernsey) Limited (the "Administrator"), completed an amalgamation of corporate bodies pursuant to Part VI of the Companies (Guernsey) Law, 2008 with Apex Fund and Corporate Services (Guernsey). Limited (the "Amalgamation"). As a result of the Amalgamation, the name of the Administrator, Company Secretary & Listing Sponsor has changed to Apex Fund and Corporate Services (Guernsey) Limited.

There are no further material changes arising from the Amalgamation and all pre-existing contractual arrangements in place between the Company and the Administrator remain in force.

The Board ensures that it receives, in a timely manner, information of an appropriate quality to enable it to adequately discharge its responsibilities. Papers are provided to the Directors in advance of the relevant Board or Committee meeting to enable them to make further enquiries about any matters prior to the meeting, should they so wish. This also allows Directors who are unable to attend to submit views in advance of the meeting.

CORPORATE GOVERNANCE REPORT (CONTINUED)

For the year ended 31 December 2024

COMPOSITION, SUCCESSION AND EVALUATION

How the principles are addressed

Nomination Committee

The Board has established a Nomination Committee, which the Board has decided should consist of all three Non-Executive Directors in view of the small size of the Board. The Nomination meets formally once a year and is chaired by Kevin Keen.

The main roles and responsibilities of the Nomination Committee include:

- regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to changes;
- give full consideration to succession planning for Directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and the potential skills and expertise that may be required to support the Board in the future;
- be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise; and
- review annually the time required from non- executive directors. Performance evaluation should be used to assess whether the Non-Executive Directors are spending sufficient time in fulfilling their duties.

The terms of reference for the Nomination Committee are available from the Company Secretary on request.

The Board recognises the importance of its members having an appropriate range of diverse skills, specialist knowledge, experiences and independent thinking that are relevant to the Company. Board members should add value and deliver performance. For its composition the Board seeks to achieve evolution, continuity and stability.

The Board has adopted a formal diversity statement, which confirms that the Board is mindful and supportive of the principle of widening diversity of its composition together with the need for regular refreshment and diversity.

The Board is mindful of the importance of basing its appointment and succession plans on merit and objective criteria, and within this context promoting diversity of gender, social and ethnic backgrounds, and cognitive and personal strengths.

It is also committed to appointing the most appropriate available candidate taking into account the skills and attributes of both existing members and potential new recruits and thereby the balance of skills, experience and approach of the Board as a whole, which will lead to optimal Board effectiveness.

The Board considers its composition and diversity as part of its annual board evaluation process.

With one female director on a Board of three Directors, the Board meets the diversity targets recommended by the Hampton Alexander Review. The recommendations of the Parker Review concerning ethnic diversity of UK Boards are acknowledged by the Board and will be taken into consideration as part of its succession planning arrangements.

The Board believes that the Directors provide the appropriate balance of skills, knowledge and diversity necessary to manage the affairs of the Company and to operate effectively as a Board.

The Company has a Nomination Committee which comprises directors all of whom are independent Non- Executive Directors.

The AIC Code recommends that the Board has a policy on tenure of the Chairman. The Board considered the Chairman to be independent with valuable experience of Channel Island companies and substantial experience in the affairs of the Company. The Board does not consider it appropriate that Directors should be appointed for a specific term but acknowledges the need for periodical refreshment and diversity, with succession also discussed regularly at board meetings. The Chairman was appointed as a Director on 5 October 2016 and was appointed Chairman in 2018, Susie Farnon was appointed on 30 June 2018 and Kevin Keen was appointed on 1 April 2021 (the profiles of the Board members can be found on pages 20 and 21).

CORPORATE GOVERNANCE REPORT (CONTINUED)

For the year ended 31 December 2024

COMPOSITION, SUCCESSION AND EVALUATION (continued)

How the principles are addressed (continued)

The Board has determined that all Directors will be subject to election annually by shareholders at the Annual General Meeting ("AGM") in accordance with the AIC Code recommendation.

As previously reported, Directors undertake a comprehensive annual evaluation of their own performance and that of individual Directors and the Board as a whole using detailed questionnaires. The Board has considered and discussed the outcomes of the evaluations and is satisfied that it is operating well.

AUDIT, RISK AND INTERNAL CONTROL

How the principles are addressed

Audit and Risk Committee

The Board has established an Audit and Risk Committee, which the Board has decided should consist of all three Non-Executive Directors in view of the small size of the Board. The Audit and Risk Committee meets formally at least three times a year and is chaired by Susie Farnon who has recent and relevant financial experience. The ultimate responsibility for reviewing and approving the annual report and financial statements remains with the Board.

The main roles and responsibilities of the Audit and Risk Committee include:

- reviewing in detail the content of the interim report and this annual report, the work of the service providers in producing it and the results of the external audit (the ultimate responsibility for reviewing and approving the annual report and financial statements remains with the Board);
- considering those areas of judgement or estimation arising from the application of International Financial Reporting Standards to the Company's activities and documenting the rationale for the decisions made and estimation techniques selected. This includes the valuation of investments;
- focusing on compliance with legal requirements, the AIC Code, accounting standards and the TISE Rules and ensuring that the Company has an effective system of internal controls, including financial, operational and compliance controls and risk management systems and has procedures in place for the review of such controls on an annual basis;
- keeping under review the policy on the supply of non-audit services by the external auditors, which has taken into account ethical guidance and related legislation;
- conducting an annual review of the performance of the external auditor, which has included a general review of the co-ordination of the external audit function with the activities of the Company, any appropriate internal controls, the suitability and independence of the external auditor;
- conducting a quarterly review of the risk control framework with the assistance of the Investment Manager and the Company Secretary;
- meeting with the external auditors to review and discuss their independence, objectivity and proposed scope of work for their audit of this annual report and financial statements; and
- meeting with the Company's principal service providers to review the controls and procedures operated by them to ensure that the Company's operational risks are properly managed and that its financial reporting is complete, accurate and reliable.

The terms of reference for the Audit and Risk Committee are available from the Company Secretary on request.

CORPORATE GOVERNANCE REPORT (CONTINUED)

For the year ended 31 December 2024

AUDIT, RISK AND INTERNAL CONTROL (continued)

How the principles are addressed (continued)

Risk management and internal controls

The Company's risk assessment process and the way in which significant business risks are managed is a key area of focus for the Audit and Risk Committee. The work of the Audit and Risk Committee is driven primarily by the Company's assessment of its significant risks and uncertainties, which are detailed below, and it receives regular reports from the Investment Manager and the Administrator on the Company's risk evaluation process and reviews changes to significant risks identified.

Investment risk, including investment valuation risk, is a significant risk for the Company. The success of the business model of the Company and also its future performance is dependent upon the identification, acquisition, management and realisation of suitable investments. There can be no guarantee that such investments will be successful. Poor performance by any investment, or stock market sentiment, could severely affect the NAV per Ordinary Share and/or the market price of the Ordinary Shares. Investments to be made by the Company are dependent upon the judgement and ability of the Board, with the advice of the Investment Manager. Prior to making an investment the Board takes into consideration a detailed acquisition report, including extensive due diligence, prepared by the Investment Manager which has extensive knowledge of the market. All investment acquisitions must be within strict guidelines monitored by the Board, the Investment Manager and the Administrator.

The Board tracks investment valuation risk throughout the year and receives regular updates from the Investment Manager. Other significant risks identified by the Board include market risk, credit risk and liquidity risk. Details of the mitigation of these risks can be found in Note 12 to the financial statements.

The Board is responsible for establishing and maintaining the Company's system of internal control. The Audit and Risk Committee is responsible for reviewing the company's internal financial controls and internal control and risk management systems. Internal control systems are designed to meet the particular needs of the Company and the risks to which it is exposed, and, by their very nature, provide reasonable, but not absolute, assurance against material misstatement or loss. The key procedures which have been established to provide effective internal controls are as follows:

- Apex Fund and Corporate Services (Guernsey) Limited is responsible for the provision of administration, company secretarial, listing sponsor and registrar duties including the independent calculation of the Company's NAV and the production of the Annual Report and Financial Statements, which are independently audited;
- The duties of investment management, accounting and the custody of assets are segregated. The procedures are designed to complement one another;
- The Non Executive Directors of the company clearly define the duties and responsibilities of their agents and advisers in the terms of their contracts;
- The Board reviews financial information and Board reports produced by the Investment Manager and the Administrator at each quarterly board meeting. A representative from the Investment Manager is asked to attend these meetings; and
- On an ongoing basis, compliance reports are provided at each board meeting by the Administrator.

The Company does not have an internal audit department. All of the Company's management functions are delegated to independent third parties all of whom have formal contractual agreements in place. The Board has reviewed the need for an internal audit function and has decided that the systems and procedures employed by the Investment Manager and the Administrator, including their own internal review processes, and the work carried out by the Company's external auditors, provide sufficient assurance that a sound system of internal control, which safeguards the Company's assets, is maintained. An internal audit function specific to the Company is therefore considered unnecessary.

The Audit and Risk Committee reviews an in-depth risk matrix setting out the Company's risk exposure and the effectiveness of its risk management and internal control systems. The Board gains additional comfort in internal control processes through the Administrator's ISAE3402 internal control report. The Board believes that the Company has adequate and effective systems in place to identify, mitigate and manage the risks to which it is exposed and to highlight any emerging risks.

AUDIT, RISK AND INTERNAL CONTROL (continued)

How the principles are addressed (continued)

Risk management and internal controls (continued)

Principal risks

The principal risks associated with the Company include:

Risk/Description	Control/Mitigation
Strategic risks	
Long term strategic risk The Company is subject to the risk that its long-term strategy and its level of performance fail to meet the expectations of its shareholders. The shares may trade at a discount to Net Asset Value ("NAV") per share and shareholders may be unable to realise their investments through the secondary market at NAV per share.	The Board monitors investment strategy and performance on an on-going basis and regularly reviews the Objective and Investment Policy in light of prevailing investor sentiment to ensure the Company remains attractive to its shareholders. While the Board may seek to mitigate any discount to NAV per share, there can be no guarantee that they will do so, and the Board accepts no responsibility for any failure of any such strategy to affect a reduction in any discount or premium. The Board monitors the level of premium or discount of share price to NAV per share. When liquidity allows, the Board may take the opportunity to buy back the Company's own shares when it is to the advantage of the remaining shareholders. On 19 November 2024, the Company purchased 25,000 of its own shares for £37,750 (151p per share). On 2 May 2023, the Company purchased 720,000 of its own shares for £896,400 (124.5p per share). These shares were subsequently cancelled.
Target portfolio returns and dividend The Company's targeted returns are based on estimates and assumptions that are inherently subject to significant business and economic uncertainties and contingencies, and the actual rate of return may be materially lower than the targeted returns. In addition, the pace of investment may be slower than expected. If repayments are not promptly re-invested this may result in cash drag which may lower portfolio returns. As a result, the level of dividends and other distributions to be paid by the Company may fluctuate and there is no guarantee that any such distributions will be paid.	The Investment Manager regularly provides the Board with reports on pipeline opportunities, which include analysis of the returns available. When suitable pipeline opportunities are not available, the Board will seek to return surplus funds to shareholders by way of special distributions.
Principal financial/portfolio risk	
Valuation Valuation of the Company's investments are the key value driver for the Fund's NAV and income. Judgments over fair value estimates could significantly affect these key performance indicators.	Listed investments are valued according to listed prices in the market. The private equity investments are valued using appropriate valuation models, including property valuation and a multiple of earnings. Recent purchases are valued at cost due to the conclusion that there has not been a change in the valuation.
Market Risk Market risk is the risk that the fair value and future cash flows of a financial instrument or investment will fluctuate because of changes in market factors. Market risk includes interest rate risk, liquidity risk and other price risk.	The Company's market risk is managed by the Investment Manager and summarised in these financial statements. The Investment Manager monitors the impact of market parameters on the future cash flows of the instruments held by the Fund. These include the credit risk, price risk, interest rate risk and liquidity risk.

CORPORATE GOVERNANCE REPORT (CONTINUED)

For the year ended 31 December 2024

AUDIT, RISK AND INTERNAL CONTROL (continued)

How the principles are addressed (continued)

Risk management and internal controls (continued)

Principal risks (continued)

Risk/Description	Control/Mitigation
Principal financial/portfolio risk (continued)	
Concentration Risk The risk of the portfolio valuation being concentrated in a small number of assets. The Company maintains large holdings in Sandpiper and GRG. These holdings, as a result of investments made and share price increases, represent a large portion of the Company's net assets. The Company's assets are mainly concentrated in the Channel Islands.	The Board acknowledges that exposure to the Channel Islands is what attracts many investors. The Company holds a diversified portfolio of investments within varying industrial sectors within both Jersey and Guernsey. The Company seeks protection through shareholder reserved matters and board representation for significant investments.
Geopolitical Risk Geopolitical risk has a potential impact on the supply chains on some of the Company's investee companies which may affect their valuation and performance. Rapidly rising energy prices pose a risk to the Company's investee companies.	The Company has been closely monitoring Geopolitical related developments to ensure that any potential impact to the valuation of financial assets at fair value through profit or loss is considered. The Board and Investment Manager regularly review the portfolio to ensure that it is diverse, that it can withstand macroeconomic shocks and minimise the effect but recognises that some world events can have a detrimental effect on the portfolio including risks arising from heightened global geopolitical tensions and protectionist trade strategies. Rapidly rising energy prices pose a risk to the Company's investee companies and, as such, the portfolio will continue to be monitored.
Principal Operational Risk	
Key Person Event If the Key Person leaves or ceases to participate in the Investment Manager's provision of services.	The Investment Manager will inform the Board to explain the situation. The origination of assets would continue to be provided by the wider team. The procurement of the Company's investments is not specific to any particular portfolio manager at the Investment Manager. It follows a pro-rata allocation policy that would remain in place. The day-to-day operation of the Company would continue to be managed by the wider team.

CORPORATE GOVERNANCE REPORT (CONTINUED)

For the year ended 31 December 2024

AUDIT, RISK AND INTERNAL CONTROL (continued)

How the principles are addressed (continued)

Review of the Independent Auditor

The Audit and Risk Committee has responsibility for making recommendations on the appointment, reappointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor. Subject to the annual appointment of the external auditor by the shareholders, the Audit and Risk Committee conducts a continuous review of the relationship between the Company and the external auditor.

During 2019, following a tender process, Grant Thornton Limited continued in their role as auditor to the Company. The audit committee reviewed the audit tender presented by Grant Thornton and recommended to the Board that Grant Thornton should continue in their role as auditor to the Company. The auditor is required to rotate the audit partner responsible for the audit every seven years.

The Audit and Risk Committee reviews the effectiveness of the external audit process on an annual basis. This assessment includes consideration of the auditor's independence and objectivity, taking into consideration relevant laws, regulations and professional requirements; consideration of the audit fees and fees in respect of non-audit services; the nature and scope of the external audit and discussions on such issues as compliance with accounting standards. The assessment involves considering all relationships between the Company and the auditor, including the nature and quantum of non-audit services. Assurances are obtained from the auditor that it and its staff have no financial, business, employment, family or other personal relationship with the Company that could affect the auditor's independence and objectivity. The auditor explains to the Audit and Risk Committee its policies and processes for maintaining independence and monitoring compliance with relevant requirements.

The Audit and Risk Committee, having considered the auditor's performance during their period in office, recommends the re-appointment of Grant Thornton Limited. The audit fees of £53,200 (2023: £52,000) for Grant Thornton Limited were discussed by the Audit and Risk Committee and considered appropriate given the current size of the Company and the level of activity undertaken during the year.

Having reviewed the annual report and accounts in detail and considered all matters brought to the attention of the Board during the year, the Audit and Risk Committee members consider that, taken as a whole, the report and accounts provide a fair, balanced and understandable representation of the Company's affairs and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

The Audit and Risk Committee met with the auditors three times during the year. Significant issues considered by the Audit and Risk Committee since 1 January 2024 have been the review of the annual report and audited financial statements for the year ended 31 December 2023 and the half yearly report and unaudited condensed financial statements for the period from 1 January 2024 to 30 June 2024.

The Audit and Risk Committee received from Grant Thornton Limited a detailed audit plan, identifying their assessment of high-risk areas of the audit. For the period under review, the significant risks identified were in relation to the fair valuation of investments as it forms the majority of the Company's net asset value and it is, by its nature, subjective and management over-ride of controls. The Audit and Risk Committee has considered the significant judgements made in the Annual Report and Financial Statements. The Audit and Risk Committee pays particular attention to the matters it considers to be important by virtue of size, potential impact, complexity and level of judgement. The Audit and Risk Committee has considered the valuation of Level 3 investments at fair value through profit or loss. It is satisfied that the valuations are in accordance with the Company's accounting policies and that the carrying values used in these financial statements represent an appropriate fair value. The Board regularly meets with the Investment Manager to discuss and review valuations. The Audit and Risk Committee also meet with the Investment Manager after the financial year end and, after the interim period end, to review valuations in detail.

CORPORATE GOVERNANCE REPORT (CONTINUED)

For the year ended 31 December 2024

DIRECTORS' REMUNERATION REPORT

How the principles are addressed

The Company has established a Remuneration Committee which comprises all the independent Non-Executive Directors. The Remuneration Committee meets formally once a year and is chaired by Kevin Keen.

The main roles and responsibilities of the Remuneration Committee include:

- setting the remuneration policy for all non-executive directors and Chairman. The shareholders, on an annual basis, are asked to consider the adoption of the Board Remuneration Policy. Shareholders are also responsible for authorising the Board to fix the remuneration of the non-executive directors. No director shall be involved in any decisions as to their own remuneration;
- in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the The AIC Code of Corporate Governance and associated guidance. The objective of such policy shall be to attract, retain and motivate Directors of the quality required to run the company successfully without paying more that is necessary, having regard to views of shareholder and other stakeholders. The remuneration policy should have regard to the risk appetite of the company and alignment to the company's long term strategic goals;
- review the on-going appropriateness and relevance of the remuneration policy;
- obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it fulfil its obligations the committee shall have full authority to appoint remuneration consultants if deemed necessary and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the company but within any budgetary restraints imposed by the board;
- due to the size of the Board the Committee would deem it not necessary to employ recruitment consultants;
- ensure that contractual terms on termination, and any payments made, are fair to the individual, and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- agree the policy for authorising claims for expenses from the directors; and
- work and liaise as necessary with all other board committees.

The terms of reference for the Remuneration Committee are available from the Company Secretary on request.

The Company's policy is that the fees payable to the Directors should reflect the time spent by the Directors on the Company's affairs and the responsibilities borne by the Directors and be sufficient to attract, retain and motivate Directors of a quality required to run the Company successfully. Remuneration for all Non-Executive Directors does not include share options or other performance-related elements. Provision can be made for additional Directors' fees where Directors are involved in duties beyond those normally expected as part of the Director's appointment. There are no pension arrangements in place for the Directors of the Company. Accordingly, there were no other items in the nature of remuneration, pension entitlements or incentive scheme arrangements which were paid or accrued to the Directors during the year.

Details of Directors' fees can be found in Note 3 to the financial statements.

INDEPENDENT AUDITOR'S REPORT

For the year ended 31 December 2024

TO THE MEMBERS OF BAILIWICK INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Bailiwick Investments Limited (the "Company") for the year ended 31 December 2024, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of material accounting policies.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cashflows for the year then ended;
- are in accordance with IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB'); 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 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 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.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Unquoted financial assets held at fair value through profit or loss (2024: £57.12m, and 2023: £36.60m) 79.57% (2023: 45.88%) of the fair value of the Company's financial assets held at fair value through profit or loss, consist of unquoted financial assets held at fair value through profit or loss which are valued using different valuation techniques, as described in Note 8 to the financial statements. We identified the valuation of unquoted financial assets held at fair value through profit or loss as a significant risk of material misstatement due to the reliance on unobservable market inputs and judgement-based valuation models, such as earnings multiples and property market comparables. The use of significant estimates and subjective assumptions increases the risk of misstatement, whether due to inappropriate methodologies, inaccurate inputs, or potential management override of controls. As a result, this area requires heightened audit attention.	**Audit responses** We performed the following procedures for material unquoted financial assets held at fair value through profit or loss in the Company's portfolio: • Through inquiries to the investment manager, updated our understanding of management's processes, policies and methodologies, and controls concerning the valuation of the unquoted financial assets held at fair value through profit or loss and confirmed our understanding by performing walkthrough tests of the design and implementation of relevant controls; • Obtained and inspected the valuation models prepared by the investment manager as well as the supporting data to assess whether the data used is appropriate and relevant; • Reviewed the company's accounting policy for the valuation of unquoted financial assets held at fair value through profit or loss against the requirements of IFRS 13 *'Fair Value Measurement'* and assessed if the valuation models were in compliance therewith; • Held discussions with the investment manager to obtain information and update our understanding of how they valued the unquoted financial assets held at fair value through profit or loss and through obtaining supporting documents, we corroborated the information provided;

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

For the year ended 31 December 2024

Key audit matters (continued)

The key audit matter	How the matter was addressed in our audit
Relevant disclosures in the Annual Report and Audited Financial Statements • Investment Manager's Report on pages 9 to 17 • Corporate Governance Report on pages 23 to 32 • Accounting policy note 2(f) (Fair value estimation) • Note 7 (Financial assets and liabilities) • Note 8 (Fair value of financial instruments)	• Assessed whether the valuation methodologies applied to estimate the fair values of unquoted financial assets held at fair value through profit or loss are consistent with methods usually used by market participants by comparing them with similar types of instruments; • Assessed the key assumptions considered within management's valuation expert's report, which included earnings multiples and property market comparables, and ensured that these assumptions were reasonable and consistent with the requirements of IFRS 13; • Agreed key inputs/data used in the calculation of the fair value, such as, but not limited to, investee entity financial information, multiples, and property valuations, through inspecting supporting documents, sourcing comparable entity multiples from an independent source and through discussions with management; • Determined if the fair value estimates are within the range of values determined by the audit team; and • We assessed whether the fair value disclosures in the financial statements are appropriate, complete and in accordance with the requirements of IFRS 13. **Our results** Our testing did not identify material misstatements in relation to the valuation of unquoted financial assets at fair value through profit or loss.

Other information in the Annual Report

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the audited financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of financial statements set out on page 21, the Directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRS as issued by the IASB and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

For the year ended 31 December 2024

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wynand Pretorius.

Use of our report

This report is made solely to the Company's members, 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 members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members 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 Company; or
- the Company's 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

14 April 2025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STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 £	2023 £
INCOME			
Net gains on financial assets at fair value through profit or loss	7	8,821,327	702,511
Investment income	6	2,301,321	2,273,267
Bank interest income		186,274	67,117
		11,308,922	**3,042,895**
EXPENSES			
Management fee	3	975,766	1,002,829
Administration fees	3	164,069	127,765
Audit fees		53,500	57,707
Directors' fees	3	127,500	120,000
Custodian fees		63,259	62,956
Legal and professional fees		15,915	10,066
Other expenses	4	90,277	101,403
		1,490,286	**1,482,726**
TOTAL PROFIT AND COMPREHENSIVE INCOME FOR THE YEAR		**9,818,636**	**1,560,169**
Weighted average shares in issue during the year	18	56,277,131	56,520,658
Earnings per ordinary share (basic and diluted)	18	**17.45p**	**2.77p**

All items in the above statement are derived from continuing operations.

The accompanying notes on pages 44 to 65 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 £	2023 £
ASSETS			
Cash and cash equivalents	10	17,161,994	2,774,089
Trade and other receivables	9	64,304	44,040
Financial assets at fair value through profit or loss	7, 8	71,790,086	79,758,583
Total assets		**89,016,384**	**82,576,712**
LIABILITIES			
Trade and other payables	11	332,421	297,585
Total liabilities		**332,421**	**297,585**
NET ASSETS		**88,683,963**	**82,279,127**
EQUITY			
Share premium	13	58,948,569	58,986,319
Retained earnings		29,735,394	23,292,808
Total equity		**88,683,963**	**82,279,127**
NET ASSET VALUE PER ORDINARY SHARE	15	**157.65p**	**146.20p**

The accompanying notes on pages 44 to 65 form an integral part of these financial statements.

The financial statements on pages 39 to 65 were approved and authorised for issue by the Board of Directors and signed on its behalf by:

Sir Geoffrey Rowland
Chairman

14 April 2025

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Note	Share Capital £	Share Premium £	Retained Earnings £	Total equity £
At 1 January 2024		**-**	**58,986,319**	**23,292,808**	**82,279,127**
Total comprehensive income:					
Profit for the year		-	-	9,818,636	9,818,636
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**-**	**-**	**9,818,636**	**9,818,636**
Transactions with Shareholders:					
Share buyback and cancellation	13	-	(37,750)	-	(37,750)
Dividends declared and paid during the year	14	-	-	(3,376,050)	(3,376,050)
TOTAL TRANSACTIONS WITH SHAREHOLDERS		**-**	**(37,750)**	**(3,376,050)**	**(3,413,800)**
At 31 December 2024		**-**	**58,948,569**	**29,735,394**	**88,683,963**

	Note	Share Capital £	Share Premium £	Retained Earnings £	Total equity £
At 1 January 2023		**-**	**59,882,718**	**25,109,440**	**84,992,158**
Total comprehensive income:					
Profit for the year		-	-	1,560,169	1,560,169
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**-**	**-**	**1,560,169**	**1,560,169**
Transactions with Shareholders:					
Share buyback and cancellation	13	-	(896,399)	-	(896,399)
Dividends declared and paid during the year	14	-	-	(3,376,801)	(3,376,801)
TOTAL TRANSACTIONS WITH SHAREHOLDERS		**-**	**(896,399)**	**(3,376,801)**	**(4,273,200)**
At 31 December 2023		**-**	**58,986,319**	**23,292,808**	**82,279,127**

The accompanying notes on pages 44 to 65 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Notes	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Total profit and comprehensive income for the year		9,818,636	1,560,169
Adjusted for:			
Net gains on financial assets at fair value through profit or loss	7	(8,821,327)	(702,511)
(Increase)/decrease in trade and other receivables		(20,264)	45,013
Increase in trade and other payables		34,836	208,808
		1,011,881	**1,111,479**
Purchase of financial assets at fair value through profit or loss	7	(6,666,493)	(161,033)
Return of capital		16,353,046	-
Proceeds from sale of financial assets at fair value through profit or loss	7	7,103,271	4,952,042
Net cash flows from operating activities		**17,801,705**	**5,902,488**
CASH FLOWS USED IN FINANCING ACTIVITIES			
Share buyback and cancellation		(37,750)	(896,399)
Dividends paid to shareholders	14	(3,376,050)	(3,376,801)
Net cash flows used in financing activities		**(3,413,800)**	**(4,273,200)**
Net increase in cash and cash equivalents		**14,387,905**	**1,629,288**
Cash and cash equivalents at start of year		**2,774,089**	**1,144,801**
CASH AND CASH EQUIVALENTS AT END OF YEAR		**17,161,994**	**2,774,089**

The accompanying notes on pages 44 to 65 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. GENERAL INFORMATION

Bailiwick Investments Limited (the "Company") is a closed-ended investment company registered under the Companies (Guernsey) Law, 2008, in Guernsey on 22 September 2008 and is authorised under Section 8 of the Protection of Investors (Bailiwick of Guernsey) Law 2020, as amended. The Company is listed on The International Stock Exchange ("TISE").

The principal activity of the Company is to achieve long-term capital growth by investing in a diversified portfolio of investments, principally in businesses, property and assets situated, registered, headquartered in or managed from the Channel Islands or in relation to which through the involvement of Channel Islands businesses or individuals, resident in the Channel Islands, there is Channel Islands interest.

2. MATERIAL ACCOUNTING POLICIES

The following material accounting policies have been applied consistently in the preparation of the financial statements:

Statement of compliance and basis of preparation

The financial statements, which give a true and fair view, have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and effective at 31 December 2024; and comply with the Companies (Guernsey) Law, 2008.

The financial statements have been prepared on a historical-cost basis, except for financial assets held at fair value through profit or loss that have been measured at fair value.

The preparation of financial statements in conformity with IFRS as issued by the IASB requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from such estimates.

Going concern

The Directors have assessed the financial position of the Company as at 31 December 2024 and the factors that may impact its performance and that of its underlying portfolio (including the potential impact on markets and supply chains of geo-political risks such as the current crises in Ukraine and the Middle East, potential trade wars arising from actions taken by the new US administration and continuing macroeconomic factors and inflation) in the forthcoming year.

Having considered the Company's objectives and available resources along with its projected income and expenditure, the Directors are satisfied that the Company has adequate resources to meet its liabilities as they fall due, for at least a minimum period of 12 months from the anticipated audit report date and continue in operational existence for the foreseeable future.

The Company is currently in a positive net asset position and holds a variety of quality assets with no leverage. Current assets include cash reserves at 31 March 2025 of £18 million which would be used to fund any liabilities that become due or payable. The Company's liquidity is further supported by a portfolio of listed investments with a fair value at 31 March 2025 of £9.2 million, which could be sold in a worstcase scenario. Accordingly, the Directors have determined that it is appropriate to adopt the going concern basis in preparing these Financial Statements.

Significant accounting estimates and judgements

The preparation of financial statements in conformity with IFRS as issued by the IASB 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.

The estimates and associated assumptions are based on industry standards and various other 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. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in future periods.

2. MATERIAL ACCOUNTING POLICIES
(continued)

Significant accounting estimates and judgements (continued)

The 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 estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

Significant accounting estimates

Fair value measurement

When the fair values of financial assets recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The estimates include using valuation models based on a multiple of earnings, percentage of funds under management, multiple of gross margin, and also on freehold property valuations and recent purchase prices. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the statement of financial position and the level where the instruments are disclosed in the fair value hierarchy. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2024 is included in Note 7 and Note 11 and relates to the determination of fair value of financial instruments with significant unobservable inputs.

Significant judgements

Assessment as an investment entity

Entities that meet the definition of an investment entity in accordance with IFRS 10 are required to measure their subsidiaries at fair value through profit or loss rather than consolidate them. The criteria which define an investment entity are as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment management services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both;
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.
- An entity has more than one investment;
- An entity has more than one investor;
- An entity has investors that are not related parties of the entity; and
- An entity has ownership interests in the form of equity or similar interests.

The Directors have determined that the Company meets the definition of an "Investment Entity" as it is defined by IFRS 10 and, as such, is required not to consolidate investments in subsidiaries, except to the extent that a subsidiary provides investment related services to a group. Unconsolidated subsidiaries are classified as fair value through profit or loss in accordance with IFRS 9 and measured at fair value. There are no consolidated subsidiaries.

Accounting Standards and interpretations adopted during the year

The Directors consider that the adoption of these amended standards has had no material impact on the Financial Statements of the Company.

- IAS 1 (amended), '"Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants"' (amendments regarding the classification of debt with covenants, effective for periods commencing on or after 1 January 2024);
- IFRS S1, 'General Requirements for Disclosure of Sustainability-related Financial Information' (effective for accounting periods commencing on or after 1 January 2024);
- IFRS S2, 'Climate-related Disclosures' (effective for accounting periods commencing on or after 1 January 2024);
- IAS 7 (amended), '"Statement of Cash Flows"' (amendments regarding supplier finance arrangements, effective for periods commencing on or after 1 January 2024); and
- IAS 8 (amended), 'Basis of Preparation of Financial Statements' (superseded by IAS 8 (2024) Basis of Preparation of Financial Statements when an entity applies IFRS 18 Presentation and Disclosure in Financial Statements (effective for accounting periods commencing on or after 1 January 2023).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICIES

(continued)

New Accounting Standards and interpretations applicable to future reporting periods

At the date of approval of these Financial Statements, the following standards and interpretations, which have not been applied in these Financial Statements, were in issue but not yet effective:

- IAS 7 (amended), 'Financial Instruments: Disclosures' – (published in May 2024 and relate to the classification and measurement of financial instruments, effective for accounting periods commencing on or after 1 January 2026);
- IAS 9 (amended), 'Financial Instruments' – (published in May 2024 and relate to the classification and measurement of financial instruments, effective for accounting periods commencing on or after 1 January 2026);
- IFRS 18, 'Presentation and Disclosures in Financial Statements' – (sets out requirements for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. effective for accounting periods commencing on or after 1 January 2027); and
- IAS 8 (amended), 'Basis of Preparation of Financial Statements' (amendments regarding the concepts of fair presentation, whether an entity is a going concern, the accrual basis of accounting and disclosure of an entity's selection and application of accounting policies. Change to the title from 'Accounting Policies, Changes in Accounting Estimates and Errors' to 'Basis of Preparation of Financial Statements' (effective for annual periods beginning on or after 1 January 2027).

The Directors are in the process of assessing the impact that these amended standards will have on future periods and the impact of their adoption in relation to the Financial Statements of the Company.

Functional and presentation currency

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates (its functional currency). The Directors have considered the primary economic currency of the Company; the currency in which the original finance was raised; the currency in which distributions will be made; and ultimately what currency would be returned to Shareholders if the Company was wound up. The Directors have also considered the currency to which the Company's investments are exposed. The Directors believe that Sterling best represents the functional currency of the Company. Therefore, the books and records are maintained in Sterling and, for the purpose of the Financial Statements, the results and financial position of the Company are presented in Sterling, which has been selected as the presentation currency of the Company.

Financial assets and financial liabilities

Financial assets and financial liabilities comprise financial assets at fair value through profit or loss, cash and cash equivalents, amounts due from broker, trade and other receivables (excluding prepayments) and trade and other payables.

Financial instruments

(a) Classification

In accordance with IFRS 9 the Company classifies its financial assets and financial liabilities at initial recognition into the following categories of financial assets and financial liabilities discussed below.

Financial assets

The Company classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company includes in this category short-term non-financing receivables including cash, amounts due from broker, accrued income and other receivables.

Financial assets at fair value through profit or loss

The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Company has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Company's debt securities are solely principal and interest, however, these

2. MATERIAL ACCOUNTING POLICIES
(continued)

Financial instruments (continued)

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

securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Company's business model's objective to manage them on a fair value basis for investment income and fair value gains. Consequently, all investments are measured at fair value through profit or loss.

Financial liabilities measured at amortised cost
This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Company includes in this category other short-term payables and borrowings.

(b) Recognition and initial measurement
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets at fair value through profit or loss are measured initially at fair value, being the transaction price, on the trade date. Transaction costs on financial assets at fair value through profit or loss are expensed immediately. Financial assets or financial liabilities not at fair value through profit or loss are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue.

(c) Subsequent measurement
Subsequent to initial recognition, financial assets and liabilities at fair value through profit or loss are measured at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net gain or loss on financial assets and liabilities at fair value through profit or loss. The Company records its transactions in investments and the related revenue and expenses on a trade date basis. Unrealised gains and losses comprise changes in the fair value of financial instruments at the period end. These gains and losses represent the difference between an instrument's initial carrying amount and disposal amount. Dividends or interest earned on these instruments are recorded in the statement of comprehensive income. Fair value is determined in the manner described in Note 8.

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in the income statement. Any gain or loss on derecognition is also recognised in the income statement.

(d) Impairment
The Company holds receivables at amortised cost with no financing component and which have maturities of less than 12 months. The Company has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9 to all its trade receivables. The Company's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

(e) Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar assets) is derecognised where:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and
- Either: (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICIES
(continued)

Financial instruments (continued)

(f) 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.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

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

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations, without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined using valuation techniques deemed to be appropriate in the circumstances. These financial instruments contain unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Valuation techniques include the market approach (i.e., using recent arm's length market transactions, adjusted as necessary, and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

Cash and cash equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash at bank with a maturity of less than three months at the date of inception.

Ordinary shares

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of Ordinary Shares are recognised as a deduction from equity.

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Funds received from the issue of Ordinary Shares are allocated to share capital, to the extent that they relate to the nominal value of the Ordinary Shares, with any excess being allocated to distributable reserves.

Segmental reporting

In accordance with IFRS 8, Operating Segments, it is mandatory for the Company to present and disclose segmental information based on the internal reports that are regularly reviewed by the Board in order to assess each segment's performance.

The Chief Operating Decision Maker, which is the Board, is of the opinion that the Company is engaged in a single segment of business being investment in in a diversified portfolio of investments, principally in businesses, property and assets situated, registered, headquartered in or managed from the Channel Islands or in relation to which through the involvement of Channel Islands businesses or individuals, resident in the Channel Islands, there is a Channel Islands interest with the aim of providing long term capital growth. The financial information used by the Chief Operating Decision Maker to manage the Company presents the business as a single segment. Segment information is measured on the same basis as that used in the preparation of the Company's Financial Statements. The Company receives no revenues from external customers.

Income and expenses

Investment income comprises interest income and dividend income. Interest income is recognised on a time-proportionate basis using the effective interest method. It includes interest income from cash and cash equivalents and on debt securities at fair value through profit or loss. Dividend income is recognised when the right to receive payment is established.

Expenses are recognised on an accrual basis.

Taxation

The Company is eligible for exemption from taxation in Guernsey under the provisions of the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 and has paid an annual exemption fee of £1,600 (2023: £1,200).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

3. MATERIAL AGREEMENTS

The Company is responsible for the continuing fees of the Administrator and the Investment Manager in accordance with the Administration and Secretarial Agreement dated 29 November 2021 and the Investment Management Agreement dated 12 December 2024, as amended and restated on 22 March 2021 and 14 April 2025.

Administration fees

Apex Fund and Corporate Services (Guernsey) Limited, as the Administrator, is entitled to receive an annual fee equal to 0.12% of the Net Asset Value ("NAV") of the Company payable quarterly in arrears, excluding disbursements, and is subject to a minimum annual fee of £92,268 (2023: £80,000) where the NAV is below £60 million; a minimum annual fee of £115,336 (2023: £100,000) where the NAV is between £60 million and £70 million; or a minimum fee of £144,169 (£125,000) while the NAV is above £70 million. Administration fees incurred in the current year amounted to £164,069 (2023: £127,765) and as at the year end £36,031 (2023: £31,250) was due to the Administrator.

Effective 31 January 2025, the Company's appointed Administrator, Sanne Fund Services (Guernsey) Limited completed an amalgamation of corporate bodies pursuant to Part VI of the Companies (Guernsey) Law, 2008 with Apex Fund and Corporate Services (Guernsey) Limited (the "Amalgamation"). As a result of the Amalgamation, the name of the Administrator changed to Apex Fund and Corporate Services (Guernsey) Limited. There are no further material changes arising from the Amalgamation and all preexisting contractual arrangements in place between the Company and the Administrator remain in force.

The Administration Agreement can be terminated by either party giving not less than 3 months' written notice.

Management fees

In accordance with the Investment Management Agreement, Ravenscroft Corporate Finance Limited (formerly Ravenscroft Specialist Fund Management Limited) (the "Investment Manager"), is entitled to a management fee equal to 1.25% of the adjusted closing NAV, calculated quarterly, excluding cash and cash equivalents, and 0.1% on cash and cash equivalents. Management fees accrued in the current year amounted to £975,766 (2023: £1,002,829) and as at the year end an amount of £223,644 was payable to the Investment Manager (2023: £213,318).

Performance fees

The Investment Manager is entitled to earn a performance fee. The hurdle rate, which determines whether a performance fee is paid is 6% over the Bank of England base rate. The performance fee is calculated by taking an amount equal to 12.5% of the amount by which, at the end of any accounting period, the NAV per Ordinary Share exceeds the greater of (i) the Hurdle NAV per Ordinary share; and (ii) the High Watermark and multiplying such amount by the weighted average number of Ordinary Shares in issue for the relevant performance period. The performance fee is calculated quarterly and is payable upon realisation of individual investments. No performance fee becomes payable unless the Hurdle NAV per Ordinary Share of 6% over the Bank of England base rate is exceeded for the relevant period.

When the performance fee becomes payable, 80% is payable to the Investment Manager and the remaining 20% is paid into a clawback account. The purpose of the 20% clawback provision is to protect the Fund from a fall in the NAV during the subsequent 3 year period following a Performance Fee becoming due. If at the end of a subsequent accounting period the Adjusted Closing NAV is lower than the Opening NAV per share or the High Water Mark, then the 20% retained in the clawback account (or a proportion thereof) will become recallable back to the Fund. Amounts remaining in this account that have not been subject to clawback after 36 months or more after the end of the Accounting Period to which they relate, are then paid to the Investment Manager.

No performance fees were incurred during the year and none are outstanding as at 31 December 2024 (31 December 2023: Nil outstanding).

Directors' fees

The Company, as a self-managed AIF, is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under the Directive. The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its directors and senior management is in line with the risk policies and objectives of the alternative investment fund. Directors' fees are subject to annual review by the Remuneration Committee. The total remuneration paid to the Directors for the year ended 31 December 2024 amounted to £127,500 (2023: £120,000). Effective from 1 January 2024, the Chairman was entitled to an annual fee of £48,500 (2023: £45,000) and the remaining Directors were each entitled to an annual fee of £39,500 (2023: £37,500).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. OTHER EXPENSES

	2024 £	2023 £
Directors' and officers' insurance fees	26,319	26,446
Listing fees	2,785	2,833
Regulatory fees	8,627	9,231
Sponsor's fees	7,400	8,975
Printing expenses	990	10,022
Sundry expenses	44,156	43,896
	90,277	**101,403**

5. ANNUALISED ONGOING CHARGES RATIO

The annualised ongoing charges ratio (the "OCR") is the annual percentage reduction in shareholder returns as a result of recurring operational expenditure. Ongoing charges are classified as those expenses which are likely to recur in the foreseeable future, and which relate to the operation of the company, excluding investment transaction costs, financing charges, gains or losses on investments and any other expenses of a non-recurring nature. The OCR is calculated as the total ongoing charges for a period divided by the average net asset value over that period.

	2024 £	2023 £
Management fee (see Note 3)	975,766	1,002,829
Other expenses	514,520	479,897
	1,490,286	**1,482,726**
Excluded expenses	-	-
Total ongoing expenses	**1,490,286**	**1,482,726**
Average NAV*	85,964,357	84,061,406
Annualised ongoing charges ratio	1.73%	1.76%

**Average NAV is calculated as the average of all the NAVs published on the TISE during the period.*

6. INVESTMENT INCOME

	2024 £	2023 £
Interest income	140,857	152,116
Dividend income	2,160,464	2,121,151
	2,301,321	**2,273,267**

During the year ended 31 December 2024, the following amounts were paid as dividends but classified as returns of capital and are therefore not included in the dividend income amount within the table above:

- a return of capital of £11,722,977 from SandpiperCI Group Limited following the disposal of part of its food retail business to Wm Morrisons Supermarkets Limited which completed on 1 November 2024; and
- a return of capital totalling £4,630,069 from The Octane PCC Limited – Octane Cell following the disposal of its Jersey and Isle of Wight properties.

The Board believes that the recognition of the above returns of capital as a reduction in the cost of the investments provides a more accurate reflection of the Company's results for the current year.

During the year ended 31 December 2023, an amount of £533,500 was recognised within dividend income in relation to a return of capital from The Octane PCC Limited – Octane Cell.

7. FINANCIAL ASSETS AND LIABILITIES

31 December 2024	Financial assets at FVTPL £	Financial assets measured at amortised cost £	Total £
Financial assets			
Listed investments	14,670,250	-	14,670,250
Unlisted investments	57,119,836	-	57,119,836
Trade and other receivables (excluding prepayments)	-	55,952	55,952
Cash and cash equivalents	-	17,161,994	17,161,994
	71,790,086	**17,217,946**	**89,008,032**

31 December 2024	Financial liabilities measured at amortised cost £	Total £
Financial liabilities		
Trade and other payables	332,421	332,421
	332,421	**332,421**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7. FINANCIAL ASSETS AND LIABILITIES (continued)

31 December 2023	Financial assets at FVTPL £	Financial assets measured at amortised cost £	Total £
Financial assets			
Listed investments	43,169,121	-	43,169,121
Unlisted investments	36,589,462	-	36,589,462
Trade and other receivables (excluding prepayments)	-	36,429	36,429
Cash and cash equivalents	-	2,774,089	2,774,089
	79,758,583	**2,810,518**	**82,569,101**

31 December 2023	Financial liabilities measured at amortised cost £	Total £
Financial liabilities		
Trade and other payables	297,585	297,585
	297,585	**297,585**

A description of the Company's financial instrument risks, including risk management objectives and policies is given in Note 12.

	2024 £	2023 £
Designated at fair value through profit or loss at inception		
Listed investments	14,670,250	43,169,121
Unlisted investments	57,119,836	36,589,462
	71,790,086	**79,758,583**

	2024 £	2023 £
Fair value brought forward	79,758,583	83,847,081
Purchases at cost	6,666,493	161,033
Sales proceeds	(7,103,271)	(4,952,042)
Return of capital	(16,353,046)	-
Net gain on financial assets at fair value through profit or loss	8,821,327	702,511
Fair value carried forward	**71,790,086**	**79,758,583**
Closing book cost	44,354,290	42,890,804
Closing revaluation of investments	27,435,796	36,867,779
	71,790,086	**79,758,583**

Details of the Company's investments can be found in the schedule of portfolio movements on page 8.

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS has a hierarchical disclosure framework which prioritises and ranks the level of market price observability used in measuring investments at fair value. The three levels of inputs are:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources actively involved in the relevant market.

When fair values of listed equity and debt securities at the reporting date are based on quoted market prices or binding dealer price quotations and are actively traded, without any deduction for transaction costs, the instruments are included within Level 1 of the hierarchy. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These may include investment-grade corporate bonds and listed equities. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments may include private equity and corporate debt securities. As observable prices are not available for these securities, the Company uses valuation techniques to derive the fair value.

The following is a reconciliation of assets for which Level 3 inputs were used in determining value:

	£
Opening balance	36,589,462
Purchases	5,258,623
Sale proceeds	(311,604)
Net gain on financial assets at fair value through profit or loss	27,698
Return of capital	(4,630,069)
Transfer from level 1	20,185,726
Closing balance	**57,119,836**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

8. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Transfers between levels

Transfers between levels during the year are determined and deemed to have occurred at each financial reporting date.

During the year SandpiperCI Limited delisted from The International Stock Exchange and has been reclassified from a level 1 investment to a level 3 investment at the reporting date (2023: there were no transfers between levels).

The following table analyses within the fair value hierarchy the Company's financial assets measured at fair value at 31 December 2024:

		Level 1 £	Level 2 £	Level 3 £	Total £
Listed securities					
SigmaRoc PLC	Construction	5,403,750	-	-	5,403,750
The International Stock Exchange Group Limited	Financial services	5,700,000	-	-	5,700,000
Jersey Electricity PLC	Utilities	2,566,500	-	-	2,566,500
Polygon Group Limited	Investment Holding	-	1,000,000	-	1,000,000
Total listed securities		**13,670,250**	**1,000,000**	**-**	**14,670,250**
Unlisted securities					
Proviz Limited	Retail	-	-	55,601	55,601
SandpiperCI Limited	Retail	-	-	20,185,726	20,185,726
The Octane PCC Limited	Investment Property	-	-	7,539,973	7,539,973
Channel Islands Media Group Limited	Media	-	-	3,461,466	3,461,466
Guernsey Recycling (1996) Limited	Waste recycling	-	-	22,152,450	22,152,450
FB Limited - Oatlands Village	Property and leisure	-	-	2,573,298	2,573,298
Le Platon Home LBG	Healthcare	-	-	750,000	750,000
Bailiwick Investment Holdings Limited	Investment Property	-	-	300,051	300,051
MitonOptimal International Limited	Financial Services	-	-	101,271	101,271
Total unlisted securities		**-**	**-**	**57,119,836**	**57,119,836**
Total securities at fair value		**13,670,250**	**1,000,000**	**57,119,836**	**71,790,086**

8. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The following table analyses within the fair value hierarchy the Company's financial assets measured at fair value at 31 December 2023:

		Level 1 £	Level 2 £	Level 3 £	Total £
Listed securities					
SigmaRoc PLC	Construction	9,438,960	-	-	9,438,960
The International Stock Exchange Group Limited	Financial services	5,400,000	-	-	5,400,000
Sandpiper CI Limited	Retail	26,230,161	-	-	26,230,161
Jersey Electricity PLC	Utilities	2,100,000	-	-	2,100,000
Total listed securities		**43,169,121**	**-**	**-**	**43,169,121**
Unlisted securities					
Proviz Limited	Retail	-	-	660,611	660,611
The Octane PCC Limited	Investment Property	-	-	12,141,064	12,141,064
Channel Islands Media Group Limited	Media	-	-	3,570,916	3,570,916
Guernsey Recycling (1996) Limited	Waste recycling	-	-	16,158,247	16,158,247
FB Limited – Oatlands Village	Property and leisure	-	-	2,513,562	2,513,562
Le Platon Home LBG	Healthcare	-	-	750,000	750,000
Bailiwick Investment Holdings Limited	Investment Property	-	-	400,050	400,050
MitonOptimal International Limited	Financial Services	-	-	395,012	395,012
Total unlisted securities		**-**	**-**	**36,589,462**	**36,589,462**
Total securities at fair value		**43,169,121**	**-**	**36,589,462**	**79,758,583**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

8. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Quantitative information of significant unobservable inputs - Level 3

Description	31 December 2024 £	Valuation technique	Unobservable input
Bailiwick Investment Holdings Limited	300,051	Investment Manager's valuation based on offer received	Formal offer to purchase property
Proviz Limited	55,601	Investment Manager's valuation based on EBITDA multiple	EBITDA multiple
Channel Islands Media Group Limited	3,461,466	Investment Manager's valuation based on EBITDA multiple	EBITDA multiple
FB Limited (Oatlands Village)	2,573,298	Investment Manager's valuation based on EBITDA multiple, plus property valuation	EBITDA multiple and property valuation
Guernsey Recycling (1996) Limited	22,152,450	Investment Manager's valuation based on EBITDA multiple; plus property valuation	EBITDA multiple and property valuation
Le Platon Home LBG	750,000	Investment Manager's valuation based on debt instrument recoverability	Income approach – expected future cash flows
MitonOptimal International Limited	101,271	Investment Manager's valuation based on purchase offer	Formal purchase offer
SandpiperCI Limited	20,185,726	Investment Manager's valuation based on purchase offer, property valuation and surplus assets	Formal purchase offer, property valuation and surplus assets
The Octane PCC Limited - Octane Cell (Jackson's Group Limited)	7,539,973	Investment Manager's valuation based on property valuation and offers received	Property valuation and formal offers received
	57,119,836		

8. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Quantitative information of significant unobservable inputs - Level 3 (continued)

Description	31 December 2023 £	Valuation technique	Unobservable input
Bailiwick Investment Holdings Limited	400,050	Investment Manager's valuation based on offer received	Informal conditional offer to purchase property
Proviz Limited	660,611	Investment Manager's valuation based on EBITDA multiple	EBITDA multiple
Channel Islands Media Group Limited	3,570,916	Investment Manager's valuation based on EBITDA multiple	EBITDA multiple
FB Limited (Oatlands Village)	2,513,562	Investment Manager's valuation based on EBITDA multiple, plus property valuation	EBITDA multiple and property valuation
Guernsey Recycling (1996) Limited	16,158,247	Investment Manager's valuation based on EBITDA multiple; plus property valuation; plus debt recoverability	EBITDA multiple and property valuation plus expected debt repayment
Le Platon Home LBG	750,000	Investment Manager's valuation based on debt instrument recoverability	Income approach – expected future cash flows
MitonOptimal International Limited	395,012	Investment Manager's valuation based on recent transaction	Recent transaction price
The Octane PCC Limited - Octane Cell (Jackson's Group Limited)	12,141,064	Investment Manager's valuation based on property valuation and offers received	Property valuation and offers received
	36,589,462		

Sensitivity analysis to significant changes in unobservable inputs within Level 3 hierarchy

Significant changes in any of the unobservable inputs could result in significantly lower or higher fair value measurements. The most significant unobservable inputs are EBITDA multiples and property valuations. At 31 December 2024, if EBITDA multiples had increased by 1x with all other variables remaining constant, the fair value would increase by approximately £2.2 million (2023: £2.2 million). For a decrease of 1x in EBITDA multiples with all other variables remaining constant, the fair value would decrease by approximately £2.1 million (2023: £2.2 million). If property valuations increased by 5% with all other variables remaining constant, the fair value would increase by approximately £1.0 million (2023: £0.2 million). For a decrease of 5% in property valuations with all other variables remaining constant, the fair value would decrease by approximately £1.0 million (2023: £0.2 million).

9. TRADE AND OTHER RECEIVABLES

	2024 £	2023 £
Investment income receivable	33,053	35,048
Prepayments	8,352	7,611
Other receivables	22,899	1,381
	64,304	**44,040**

The Directors consider that the carrying amount of other receivables approximates their fair value.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

10. CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash held at financial institutions	**17,161,994**	**2,774,089**

The cash is held at the following financial institutions: The Royal Bank of Scotland International Limited ("RBSI") and Ravenscroft Cash Management Limited.

11. TRADE AND OTHER PAYABLES

	2024 £	2023 £
Management fee	223,644	213,318
Administration fee	36,031	31,250
Audit fee	53,200	27,200
Custody fee	14,046	15,317
Market maker fee	2,500	2,500
Other payables	3,000	8,000
	332,421	**297,585**

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

12. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks including market risk (including price risk, foreign currency risk and interest rate risk), credit risk and liquidity risk. The Company's use of borrowings can increase the exposure to these risks, which in turn can also affect the returns. Risk management procedures are in place to minimise the Company's exposure to these financial risks.

The Company uses different methods to measure and manage the various types of risk to which it is exposed. These methods are explained below.

Market Risk

Risk management structure
The Investment Manager is responsible for identifying and managing risks where possible. The Board of Directors supervises the Investment Manager and is ultimately responsible for the overall risk management approach within the Company. The Company has no employees and is reliant on the performance of third-party service providers. Failure by the Investment Manager, Administrator, Depositary, Registrar, or any other third-party service provider to perform in accordance with the terms of its appointment could have a significant detrimental impact on the operation of the Company.

12. FINANCIAL RISK MANAGEMENT (continued)

Market Risk (continued)

Risk concentration
Concentration indicates the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities, sources of borrowing facilities or reliance on a particular market in which to realise liquid assets. The Company seeks protection through shareholder reserved matters and board representation for significant investments.

Price risk
Price risk represents the potential loss the Company may suffer through holding market positions in the face of price movements. The Company is exposed to securities price risk arising from investments held by the Company for which future prices are uncertain. The Company is also exposed to property price risk and property valuations form a significant part of the level 3 investment valuation methodologies. The Investment Manager seeks to moderate this risk through a careful selection of securities and other financial instruments.

At 31 December 2024, if market prices of listed investments had moved by +/- 5% with all other variables remaining constant, the change in net assets attributable to ordinary shareholders along with change in profit or loss for the period would amount to approximately +/- £0.73 million (2023: +/- £2.19 million). A percentage of 5% has been deemed appropriate by management, having considered reasonable market volatility applicable to entities similar in nature to those held by the Company.

The maximum exposure to price risk is the carrying amount of the assets as set out below.

	2024 £	2023 £
Listed investments	14,670,250	43,169,121
	14,670,250	**43,169,121**

Foreign currency risk
There is no direct foreign currency risk as all the transactions of the Company are carried out in Sterling, the functional and presentational currency.

Interest rate risk
The Company is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on the fair value of its financial instruments and future cash flow. The Company holds cash and cash equivalents that expose the Company to cash flow interest rate risk.

The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest costs may increase as a result of such changes. They may reduce or create losses in the event that unexpected movements arise. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Company calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for liabilities that represent major interest-bearing positions.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

12. FINANCIAL RISK MANAGEMENT (continued)

Market Risk (continued)

Interest rate risk (continued)
The following table highlights the fair value of the Company's exposure to fixed interest rates, variable interest rates and non interest bearing financial instruments:

31 December 2024	Fixed interest £	Variable interest £	Non interest bearing £	Total £
ASSETS				
Investments at fair value	2,602,010	-	69,188,076	71,790,086
Trade and other receivables (excluding prepayments)	-	-	55,952	55,952
Cash and cash equivalents	16,502,227	659,767	-	17,161,994
Total assets	**19,104,237**	**659,767**	**69,244,028**	**89,008,032**
LIABILITIES				
Trade and other payables	-	-	332,421	332,421
Total liabilities	**-**	**-**	**332,421**	**332,421**
Total interest sensitivity gap	**19,104,237**	**659,767**	**68,911,607**	**88,675,611**

31 December 2023	Fixed interest £	Variable interest £	Non interest bearing £	Total £
ASSETS				
Investments at fair value	1,762,229	-	77,996,354	79,758,583
Trade and other receivables (excluding prepayments)	-	-	36,429	36,429
Cash and cash equivalents	1,727,985	1,046,104	-	2,774,089
Total assets	**3,490,214**	**1,046,104**	**78,032,783**	**82,569,101**
LIABILITIES				
Trade and other payables	-	-	297,585	297,585
Total liabilities	**-**	**-**	**297,585**	**297,585**
Total interest sensitivity gap	**3,490,214**	**1,046,104**	**77,735,198**	**82,271,516**

At 31 December 2024, if interest rates had moved by 175 basis points (2023: 175 basis points) with all other variables remaining constant, the change in net assets attributable to holders of ordinary shares along with change in profit or loss for the period would amount to approximately +/- £11,546 (2023: +/- £18,307), arising substantially from variable rate bank accounts. In accordance with Company's policy, the Investment Manager monitors Company's interest sensitivity on a quarterly basis and the Board of Directors reviews the analysis during board meetings.

12. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk that an issuer or counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's maximum credit exposure is limited to the carrying amount of financial assets recognised at the reporting date which amounted to £89,008,032 (2023: £82,569,101).

The credit risk of the Company's cash and cash equivalents is managed by only holding cash balances and deposits with major reputable financial institutions. The investments of the Company are recommended by the Investment Manager and approved by the Board in accordance with the criteria set out in the Company's scheme particulars. Investment performance is continuously monitored on an ongoing basis and impairment provisions are provided for losses, both actual and estimated, that have been incurred by the balance sheet date, if any.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in realising assets or otherwise raising funds to meet financial commitments. The Company is closed ended and therefore is not exposed to the risk of shareholder redemptions. In order to mitigate liquidity risk the Company has the ability to borrow, borrowings may not exceed 50 per cent of the last announced NAV at the time of draw down of any such borrowings. The Company's main assets are private equity investments which are traded in an environment where deal timescales can take place over months. As a result, the Company may not be able to quickly liquidate some of its investments at an amount close to its fair value in order to meet liquidity requirements. The Board monitors this risk by reviewing future cash flow projections of the Company to ensure that future liabilities can be met as and when they fall due.

The contractual maturities of the Company's financial liabilities are summarised below.

	Current	Non-current	
31 December 2024	**within 1 year £**	**1 to 5 years £**	**later than 5 years £**
Trade and other payables	332,421	-	-
	332,421	**-**	**-**
31 December 2023			
Trade and other payables	297,585	-	-
	297,585	**-**	**-**

Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and to maintain a strong capital base to support the development of the investment activities of the Company.

The Company may borrow funds and such borrowings may, if required, be secured on its investments. Borrowings may not exceed 50 per cent (or such other percentages as may be determined in accordance with the investment guidelines determined for the Manager by the Board from time to time) of the Company's last announced NAV at the time of the draw down of such borrowings without approval of the Board.

The Company may also be indirectly exposed to the effects of gearing to the extent that any investee company has borrowings.

The Company may, from time to time, for the purposes of efficient portfolio management, for strategic purposes, enter into contracts for differences, options and other derivative investment products.

The Company's share capital is an unlimited number of Ordinary Shares of no par value. There are no other classes of share in the Company and there are no warrants or options existing over any new share in the Company.

No issue of ordinary share capital may occur to provide funds for the investment by the Company as and when market conditions are suitable or opportunities for further investments arise.

The Company is not subject to any externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

13. SHARE CAPITAL AND SHARE PREMIUM

Authorised share capital	31 December 2024 £
Unlimited ordinary shares of no par value	-

Issued share capital	Number of shares	Share premium £
As at 31 December 2024	**56,255,000**	**58,948,569**
As at 31 December 2023	**56,280,000**	**58,986,319**

The Company's authorised share capital consists of an unlimited number of ordinary shares of no par value.

All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting.

On 19 November 2024 the Company announced that it had purchased 25,000 of its own ordinary shares of no par value at a price of 151 pence per share. On 2 May 2023 the Company announced that it had purchased 720,000 of its own ordinary shares of no par value at a price of 124.5 pence per share. In each case the purchased shares were subsequently cancelled. The purchases were made pursuant to the authority to carry out on-market buy backs granted by the Company's shareholders at the prior annual general meeting. The Board instructed these purchases in order to take advantage of an opportunity to acquire shares at a discount to NAV and thus enhance shareholder returns.

14. DIVIDEND

	2024 £	2023 £
Dividend of 3.00p per share paid 14 June 2024	1,688,400	-
Dividend of 3.00p per share paid 16 December 2024	1,687,650	-
Dividend of 3.00p per share paid 20 June 2023	-	1,688,400
Dividend of 3.00p per share paid 22 December 2023	-	1,688,401
	3,376,050	**3,376,801**

The dividend level has been consistent at 3.00p per share in both 2024 and 2023, however the ordinary shares in issue decreased in November 2024 and May 2023 following the share buybacks (see Note 13).

15. NET ASSET VALUE PER ORDINARY SHARE

The net asset value per ordinary share of £1.5765 (2023: £1.4620) is calculated based on the net assets attributable to ordinary shareholders of £88,683,963 and on 56,255,000 ordinary shares in issue at 31 December 2024 (2023: net assets attributable to ordinary shareholders of £82,279,127 and on 56,280,000 ordinary shares in issue).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

16. RELATED PARTY TRANSACTIONS

Sir Geoffrey Rowland had a beneficial interest in 885,000 (2023: 820,000) shares in the Company at the date of this report.

Susie Farnon had a beneficial interest of 327,118 (2023: 327,118) shares in the Company at the date of this report.

Kevin Keen had a beneficial interest of 60,000 shares (2023: 60,000) in the Company at the date of this report.

Jon Ravenscroft, Group CEO of the Investment Manager, had a beneficial interest of 1,480,000 shares (2023: 1,380,000) in the Company at the date of this report.

Brian O'Mahoney, Director of the Investment Manager, had a beneficial interest of 161,000 shares (2023: 161,000) in the Company at the date of this report.

Jim McInnes, Director of the Investment Manager, had a beneficial interest of 15,000 shares (2023: 15,000) in the Company at the date of this report.

In addition to this, other key members of the Investment Manager held 18,130 shares at the date of this report (2023: 18,130).

Details of the Investment Manager's fees and the Directors' fees are disclosed in Note 3.

17. INTEREST IN UNCONSOLIDATED SUBSIDIARY

	Date of incorporation	Domicile	Ownership
Bailiwick Investment Holdings Limited	Incorporated 13 May 2009	Guernsey	100%

Bailiwick Investment Holdings Limited is accounted for as an investment at fair value. Included within the fair value of the investment in Bailiwick Investment Holdings Limited is a loan from Bailiwick Investments Limited to Bailiwick Investment Holdings Limited of £256,230 (2023: £247,606) which is unsecured, interest free and repayable on demand. As at 31 December 2024, the fair value of the investment in Bailiwick Investment Holdings Limited was £300,051 (2023: £400,050).

18. EARNINGS PER SHARE

Basic earnings per share ("EPS") is calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares outstanding during the year.

	2024 £	2023 £
Total profit for the year	9,818,636	1,560,169
Weighted average number of shares in issue	56,277,131	56,520,658
Earnings per share - basic and diluted	17.45p	2.77p

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

19. NAV RECONCILIATION

There were no adjustments to the Company's 31 December 2024 NAV following the publication to TISE.

The following reconciliation shows the adjustments made between the Financial Reporting NAV and the published NAV at 31 December 2023:

	31 December 2024		31 December 2023	
	NAV per share	£	NAV per share	£
Published per TISE	1.5765	88,683,963	1.4606	82,201,510
Investment manager fees		-		982
Investment revaluations		-		76,635
Financial reporting NAV	**1.5765**	**88,683,963**	**1.4620**	**82,279,127**

20. ULTIMATE CONTROLLING PARTY

The Directors consider that the Company has no ultimate controlling party.

21. COMMITMENTS AND CONTINGENCIES

There are no commitments or contingencies to report.

22. EVENTS AFTER THE REPORTING DATE

On 18 March 2025, the Company completed a £5m investment into CI Hospitality Limited ("CIHL") as part of a consortium of local investors for the purposes of acquiring Randalls, a leading hospitality and wholesale business in Guernsey. Bailiwick holds a 27.4% interest in CIHL.

On 19 March 2025, TISEG announced that it had reached agreement with MIH East Holdings, Limited ("MIH") on the terms of a recommended cash offer to be made by MIH for the entire issued and to be issued ordinary share capital of TISEG. The Company holds 300,000 shares in TISEG, which were valued at 31 December 2024 at the listed mid-price of £19.00 per share. If the Acquisition takes place on the terms outlined by TISEG, then the offer price of £22.50 per share, combined with the declared dividend of 75 pence per share, would deliver total proceeds of £6,975,000 in cash to the Company. This would represent an overall uplift of £1,275,000, or approximately 2.2 pence per Bailiwick share, compared to the December NAV.

On 21 March 2025, the Company announced that it had completed its planned exit from SigmaRoc. The 7,500,000 shares held at the year end at a valuation of 72 pence per share were sold by the Company at an average price of 80 pence per share, realising a gain of approximately £570,000 since the year end, or approximately 1.0 pence per Bailiwick share.

At an extraordinary general meeting held on 3 April 2025, Sandpiper's shareholders voted to approve the terms of the proposed management buyout in respect of the remaining retail business. Once complete, Sandpiper expects to make a further distribution of 13.0 pence per share, which would amount to £3.81m for the Company.

On 8 April 2025, the Company agreed to advance an unsecured loan of £339,300 to GRG to be used in relation to development costs in the UK. Interest is payable on the loan at a rate of 7% per annum and the loan is due to be repaid on or before 31 March 2027.

The Company intends to carry out a special distribution by way of a tender offer to all shareholders immediately following the publication of this annual report. If taken up in full, the Company will return £12.64m to shareholders, equating to 22.5p per share.

22. EVENTS AFTER THE REPORTING DATE (continued)

There were no other significant events after year end which would require revision of the figures or disclosures in the Financial Statements.