
EJF Investments Ltd

Annual Report and Audited Financial Statements 2025



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2025 Performance Highlights

Performance

Total Return¹

2025: 4.94%

2024: 9.80%

Total Return since inception¹

106.62%

Delivered on Dividends

Dividends paid

2025: 10.7p

2024: 10.7p

Dividend Declared

2025: 10.9p

2024: 10.7p

Annualised Dividend Yield¹

2025: 8.8%

2024: 8.9%

Market View

Ordinary Share Price

2025: 123.5p

2024: 120p

2029 ZDP Share Price

2025: 108.5p

2024: Not applicable

Market Capitalisation

2025: £71.7m

2024: £73.4m

Asset Performance

Net Asset Value

2025: £94.5m

2024: £100.7m

NAV per Ordinary Share¹

2025: 163p

2024¹: 165p

Share Price Discount to NAV per Ordinary Share¹

2025: 24.2%

2024: 27.3%

Portfolio Investments

Securitisation & Related Investments

£79.9m

(31 December 2024: £85.6m)

Credit Risk Transfer

£7.7m

(31 December 2024: £4.7m)

Specialty Finance Investments

£nil

(31 December 2024: £8.8m)

US Treasuries

£nil

(31 December 2024: £3.1m)

US Bank debt

£nil

(31 December 2024: £1.6m)

¹ These are APMs as defined on pages 76 to 77.

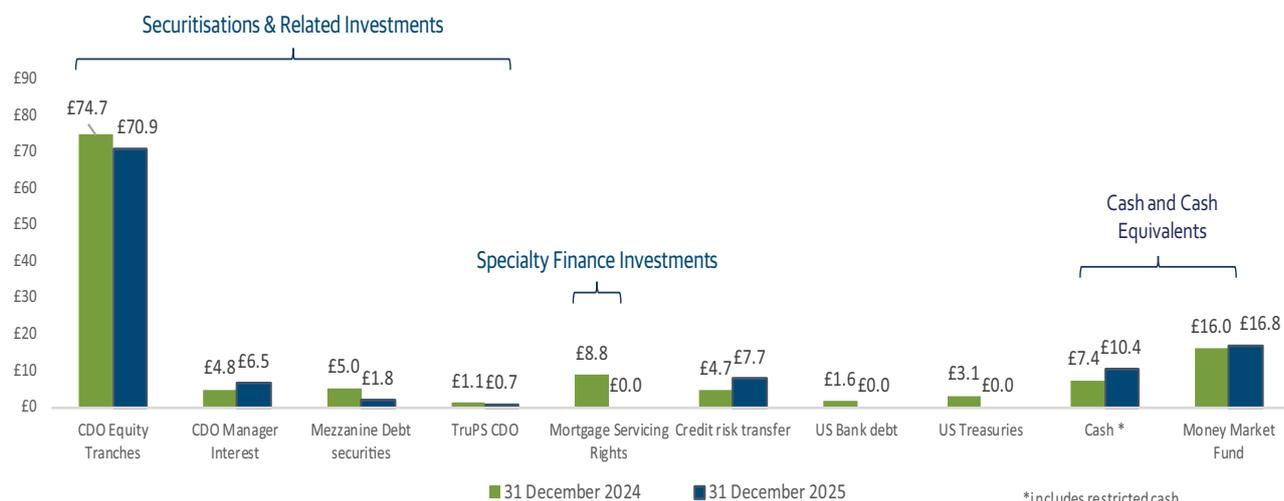
Portfolio Summary

The objective of the Company is to provide Shareholders with attractive risk adjusted returns through regular dividends and capital growth over the long term. EJFI generates exposure primarily to a diversified portfolio of loans issued by financial institutions and related or similar assets in the US, UK and Europe, as well as participation in CDO management fees earned by an affiliate of the Manager.

EJFI primarily invests in Risk Retention Investments in the form of CDO Equity Tranches structured by an EJV affiliate, providing levered exposure to a highly diversified portfolio of securities issued by US banks and insurance companies.

CDOs are a securitisation product collateralised by a diversified pool of loans. In the case of the CDO Equity Tranches owned by the Company, the underlying collateral loans are issued by US financial institutions (being predominantly small banks and insurance companies). A CDO is issued in several tranches with interest and principal repayments being paid in sequence based on their seniority in the structure. The Company invests in the CDO Equity Tranches which are the most junior tranche ranking below the debt tranches. This synthetic leverage allows for the greatest level of return opportunity. EJFI also receives income from CDO management fees, which are paid first in a CDO structure, through an ownership interest in an affiliate of the Manager.

Portfolio Overview as at 31 December 2025 (£ millions)



Key Portfolio Investments

CDO Equity Tranches

The investments into the equity tranches of 6 CDOs, via EJV Investments LP, provide the Company with exposure to underlying collateral comprising 384 debt instruments issued by 186 US banks and 30 US insurance company unique issuers with a combined principal outstanding balance of USD1.93bn.

CDO Manager Interest

Through its 49% interest in the CDO Manager, which currently manages 10 different CDO structures with an underlying AUM of USD2.99bn, the Company receives regular streams of income that rank senior in the cashflow waterfall of these CDOs.

Credit Risk Transfer

The issue of CRT bonds enables a bank to reduce its regulatory capital on an identifiable pool of loans that are carried on its balance sheet. The Company currently has £7.7m invested in 2 CRT investments with underlying exposure to prime jumbo residential mortgages and commercial real estate.

Please refer to the Manager's Report on pages 9 to 13, for a more detailed description of the Portfolio.

Corporate Summary

Overview

The Company is a closed-ended investment company incorporated with limited liability in the Bailiwick of Jersey on 20 October 2016 under the provisions of the Companies Law with registered number 122353 and is regulated as a collective investment fund under the Collective Investment Funds (Jersey) Law 1988. The Company's registered office and principal place of business is IFC 5, St. Helier, Jersey, JE1 1ST, Channel Islands. The principal legislation under which the Company operates is the Companies Law. The Company's capital comprises Ordinary Shares and 2029 ZDP Shares admitted to trading on the SFS of the LSE.

The Company does not have a fixed life. Under the Articles, on or about each fifth anniversary of the Ordinary Shares being admitted to trading on the LSE on 7 April 2017, a Continuation Vote will be held. The first Continuance Resolution was passed at the EGM on 5 May 2022. The next Continuation Vote will take place around May 2027.

Investment Objective

The Company seeks to generate risk adjusted returns for its Shareholders by investing, through its Subsidiary, in opportunities created by regulatory and structural changes impacting the financial services sector. These opportunities are anticipated to include structured debt and equity, loans, bonds, preference shares, convertible notes, FinTech debt securities (including European debt securities) and private equity, in both cash and synthetic formats issued by entities domiciled in the US, UK and Europe. Investments consist primarily of Securitisation and Related Investments and Specialty Finance Investments. The Company seeks to operate in a way to enable it to make quarterly dividend payments to Shareholders in addition to targeting Net Asset Value growth.

The Company targets a Total Return of 8% to 10% per annum and had a Target Dividend for the year ended 31 December 2025 of 10.7 pence per Ordinary Share (31 December 2024: 10.7 pence per Ordinary Share). The Company exceeded the 2025 Target Dividend with total dividends declared for the year of 10.9 pence per Ordinary Share (31 December 2024: 10.7 pence per Ordinary Share).

Purpose

The Company is an essential part of EJJ's overall strategy and acts as a public vehicle to provide exposure to investments in the equity tranches of EJJ sponsored securitisations, subject to Directors' approval. The Manager believes that through investments in niche asset classes, with a target of making quarterly dividend payments and growing the NAV per Ordinary Share, the Company offers attractive risk adjusted returns for its Shareholders.

Strategy

The Company seeks to achieve its Investment Objective by pursuing a policy of investing in a diversified portfolio of loans issued by financial institutions and related or other specialty finance assets in the US, UK and Europe.

Values

To promote the long-term success of the Company through responsible investing, focusing on the values of the Company in a world with constantly evolving social and economic demographics. The Board believes that a strong corporate governance structure is crucial to the pursuit of this goal along with trusted relationships with our counterparties and advisors.

The Company's detailed Investment Policy can be found on pages 74 to 76 of its Prospectus, which is available on the Company's website, www.ejfi.com.

Structure

The Company has one subsidiary, EJFIH (incorporated in Jersey on 9 June 2017), of which the Company owns 100% of the issued capital.

The holding of assets via EJFIH allows the Company to manage the upstreaming of portfolio income with greater flexibility and cash flow management and conduct its affairs in accordance with the criteria for the non-UK investment trust exemption to the UK Unregulated Collective Investment Schemes and Close Substitutes Instrument 2013.

Manager

The Company is externally managed by the Manager. EJJ holds 100% of the voting rights in the Manager. EJJ is an investment adviser principally located in the US and registered as such with the SEC.

To meet the requirements of Rule 206(4)-2 under the Investment Advisors Act 1940, the Audited Financial Statements of the Company have also been audited in accordance with US GAAS.

The Company has appointed the Manager to act as the AIFM for the purposes of the AIFM Directive.

Listing-Information

As at 31 December 2025

	Ordinary Shares	2029 ZDP Shares
ISIN	JEO0BFOD1M25	JEO0BRZSNL95
SEDOL	BFOD1M2	BRZNL9
TICKER	EJFI	EJFZ
Total Issued Shares at year end	73,896,447	19,702,159
Total Issued Shares Held in Treasury at year end	15,808,509	-
Total Issued Shares with voting rights at year end	58,087,938	-

As at 31 December 2024

	Ordinary Shares	2025 ZDP Shares
ISIN	JEO0BFOD1M25	JEO0BK1WV903
SEDOL	BFOD1M2	BK1WV90
TICKER	EJFI	EJFO
Total Issued Shares at year end	76,953,707	19,273,903
Total Issued Shares Held in Treasury at year end	15,808,509	-
Total Issued Shares with voting rights at year end	61,145,198	-

Significant Events during the Year

Manager's continued reinvestment of management fee into the CompaOny's Ordinary Shares

In June 2024, the Manager informed the Board that it would reinvest up to 20% of the management fee earned from the Company for the immediately preceding quarter in Ordinary Shares, for so long as the average share price during the prior quarter traded at least 15% below the NAV per share at the prior quarter end. In line with its new policy, the Manager reinvested approximately 20% of its management fee in Ordinary Shares for the four consecutive quarters up to Q2 2025.

In June 2025, the Manager informed the Board that for at least the next four consecutive quarters (Q3 2025 to Q2 2026) it would reinvest an amount equal to approximately 10% of the management fee in Ordinary Shares on the same terms as before. The Manager may elect to continue with this programme beyond Q2 2026, in which case Shareholders will be informed.

Since June 2024 and as at the date of this report and in line with policies outlined above, EJP Capital Limited, an affiliate of the Manager, has reinvested the relevant proportions of the management fee via the purchase of a total of 203,630 Ordinary Shares.

Rollover Offer, Initial Placing and ZDP Placing Programme

In April 2025, the Company issued a prospectus offering up to 28 million new 2029 ZDP Shares, comprising of the Rollover Offer, and an initial placing of additional 2029 ZDP Shares. Following this, the Company converted 7,982,227 2025 ZDP Shares into 2029 ZDP Shares at a conversion price of £1.3909 per share. 2029 ZDP Shares were issued at a Gross Redemption Yield of 8.5% with a redemption value of 145.48 pence per share. An aggregate of 17,001,593 2029 ZDP Shares were issued pursuant to the Rollover Offer and the initial placing. Further in May 2025, in order to simplify the Company's capital structure and following the completion of the Rollover Offer and initial placing as above, the Company announced that it was bringing forward the repayment date for the Company's 2025 ZDP Shares to 14 May 2025. All remaining 2025 ZDP Shares were repaid as a result.

ZDP Block Listing

On 21 July 2025, the Company made an application to the LSE for a block listing of 4,700,000 new 2029 ZDP Shares, to rank pari passu with the existing 2029 ZDP Shares in issue, to be admitted to trading on the SFS of the main market of the LSE. Such additional 2029 ZDP Shares were permitted to be issued pursuant to the Company's existing general authority to issue shares on a non-pre-emptive basis to satisfy market demand, as and when market conditions permitted. A total of 4,700,000 2029 ZDP Shares were issued pursuant to the block listing.

Post year end, on 24 February 2026, the Company made an additional application for a block listing of a further 6,290,000 new 2029 ZDP Shares on the same conditions as the first application. A total of 2,900,000 2029 ZDP Shares have been issued pursuant to this block listing as at the date of this report.

At year end, 19,702,159 2029 ZDP Shares were in issue. A further 4,899,434 2029 ZDP Shares have been issued post year end, resulting in the total number of 2029 ZDP Shares in issue at the date of this report being 24,601,593.

Tender Offer

On 12 September 2025, the Company published a liquidity option memorandum for its first tender offer of up to 5% of its issued Ordinary Shares, representing a maximum of 3,057,260 shares. In October 2025, the Company successfully completed the tender offer, through which 3,057,260 Ordinary Shares were purchased at a price of 143.40 pence per Ordinary Share. A maximum of approximately 10.5% of Ordinary Shares tendered by individual Shareholders were accepted for purchase. Ordinary Shares were purchased at a 5% discount to the 31 August 2025 NAV, adjusted for the costs of the tender offer, which resulted in a 0.52% NAV accretion to the benefit of non-tendering Shareholders.

AGM

The 2025 AGM was held on 24 June 2025. All resolutions tabled were duly passed by Shareholders, averaging 99.8% of total votes cast all in favour.

General Information

The Board of Directors

John Kingston III (Chair)
Alan Dunphy
Nick Watkins
All c/o the Company's registered office

Registered Office

IFC 5
St. Helier
Jersey JE1 1ST
Channel Islands

Administrator and Company Secretary

Apex Financial Services (Alternative Funds) Limited
IFC 5
St. Helier
Jersey JE1 1ST
Channel Islands

Manager

EJF Investments Manager LLC
The Corporation Trust Company
Corporation Trust Center
1209 Orange Street
Wilmington, DE 19801-1120
US

Corporate Brokers & Financial Advisers

Panmure Liberum Limited
Ropemaker Place
Level 12
25 Ropemaker Street
London EC2Y 9LY
UK

Barclays Bank PLC
1 Churchill Place
London E14 5RB
UK

Custodians

Citigroup Global Markets Inc.
390 Greenwich Street
New York City
NY 10013-2396
US

Citibank N.A.
399 Park Avenue
New York City
NY 10043

Registrar

Computershare Investor Services (Jersey) Limited
13 Castle Street
St. Helier
Jersey JE1 1ES
Channel Islands

Independent Auditor

Ernst & Young¹
25 Churchill Place
Canary Wharf
London E14 5EY
UK

Legal Adviser to the Group

Carey Olsen Jersey LLP
47 Esplanade
St. Helier
Jersey JE1 1ES
Channel Islands

KPMG LLP²
15 Canada Square
London E14 5GL
UK

¹ Appointed on 19 May 2025.

² Resigned on 19 May 2025.



Introduction

On behalf of the Board, I am pleased to present the Annual Report for the year ended 31 December 2025.

The Company's underlying portfolio continued to display increasing strength during 2025, reflected in a Total Return (excluding the impact of FX losses) of 12.09%. While the return profile of the underlying US Dollar denominated assets continued to improve (in line with the Company's belief that there are very compelling risk-adjusted returns in this asset class), overall performance in 2025 was adversely impacted by the strong rally of Sterling against the US Dollar primarily due to shifting rate expectations and the continuing adverse currency effects of President Donald Trump's "Liberation Day" tariffs.

Including FX losses, the Total Return for the Company on a Sterling basis was 4.94%. While the Manager hedges a portion of the Company's USD exposure to reduce the impact of overall FX movements (at 31 December 2025, 47.1% of such USD exposure was hedged), given the dimension of the movement, our currency hedge was more than offset. Across time, the Company has taken a relatively neutral stance to currency, maintaining a Sterling covering hedge close to 50% in more recent periods, which balances the dual needs of addressing the Sterling denomination of the Company's Ordinary Shares and ZDP Shares and minimising the inefficient deployment of cash for the FX hedges. The Manager and the Board believe that while there will be currency losses across certain periods (such as 2025), there will be gains in others, which will generally offset over time and net to a neutral outcome, all of which will serve to highlight the Manager's emphasis on maintaining the recurring double digit total returns of the Company's underlying assets on a multi-year basis.

The strong cash flows produced by the Company's portfolio led the Board to increase the Company's dividend for the fourth quarter of 2025 by 7%, translating into a total dividend of 10.9p per Ordinary Share for 2025.

As a result of the strong recurring cash flows, and its belief that the return of the portfolio will continue to strengthen, the Board was pleased to announce an increased Dividend Target for FY 2026 of 11.45p per Ordinary Share, which represents a 7% increase on the 2025 dividend target and a dividend yield of 7.02% on the 31 December 2025 NAV per Ordinary Share.

Portfolio Activity and Performance

Portfolio highlights for the year include:

- 15.64% gains from Securitisation and Related Investments, of which 3.44% was attributable to an increase in the CDO Manager valuation following the closing of its TFINS 2025-1, 2025-2 and 2025-3 securitisation transactions. Each time EJV sponsors a new securitisation, there is an opportunity for the CDO Manager to negotiate an increased management fee, which in 2025 led to an increase in the value of the CDO Manager interest held by the Company. In September 2025, the Company also contributed its interest in USCAP4 (acquired in July 2025) as part of the TFINS 2025-2 transaction which resulted in a 1.35% gain. The remaining gain related to regular interest accruals.
- In June, the Company invested USD 6m in its third Credit Risk Transfer ("CRT") transaction. At the end of the year, CRT positions account for 6.7% of gross assets, in line with our expectation that CRTs will provide an attractive and growing opportunity for the Company. CRTs contributed 0.89% to the Total Return for the year.
- The Company sold the remainder of its MSR portfolio, recording a 0.86% loss for the year following final settlement in December 2025. Over the life of its MSR portfolio investment, the Company realised an IRR in excess of 20%. US Treasuries, previously used to hedge the MSR portfolio, were also sold and contributed 0.11% to the Total Return for the year.

"... The Company's underlying portfolio continued to display increasing strength during 2025, reflected in a Total Return (excluding the impact of FX losses) of 12.09%. While the return profile of the underlying US Dollar denominated assets continued to improve, overall performance in 2025 was adversely impacted by the strong rally of Sterling against the US Dollar. Including FX losses, the Total Return for the Company on a Sterling basis was 4.94%."

2029 ZDP Share Issuance

In April 2025, the Company issued a prospectus offering up to 28 million new 2029 ZDP Shares, comprised of a rollover offer to 2025 ZDP Shareholders to convert their existing 2025 ZDP Shares into new 2029 ZDP Shares, as well as an initial placing of additional 2029 ZDP Shares; holders of 2025 ZDP Shares that chose not to participate in the rollover were repaid in May 2025.

The Board believes the 2029 ZDP Shares (issued at a Gross Redemption Yield of 8.5% with a redemption value of 145.48 pence per share) are an attractively priced source of fixed-

term capital for the Company. Accordingly, in July 2025, the Company listed a further block of 4.7 million 2029 ZDP Shares, all of which were subsequently issued; and since year-end, the Company has listed a further block of 6.29 million 2029 ZDP shares, which may be issued *pari passu* with existing 2029 ZDP Shares to satisfy market demand as and when market conditions permit.

Approximately 24.6 million 2029 ZDP Shares have been issued to date.

Share Price

We remain very pleased with the historical and ongoing performance of the Company; from inception in April 2017 to the end of February 2026 (a little less than nine years), the Company has more than doubled the capital of its Shareholders, providing a Total Return (inclusive of dividends) of 110.7%.

Against the backdrop of this strong performance, the Board and the Manager continue to be highly focused on narrowing the Ordinary Share price discount to NAV; since 31 December 2024, that discount has narrowed to 19.6% at 28 February 2026.

In part, the narrowing of the discount has been a result of a generally more constructive market environment for UK investment trusts, but also importantly – it is the benefit and consequence of meaningful steps taken by the Board and the Manager over the past 18 months. The most recent step was the successful completion of the Company's first tender offer in October 2025 through which approximately 3.06 million Ordinary Shares were purchased; these were purchased at a 5% discount to the 31 August 2025 NAV, which resulted in a 0.52% NAV accretion to the benefit of non-tendering Shareholders.

In addition, the Manager has also continued its efforts to reduce the discount by utilising a portion of its management fee to purchase Company shares through the Company's broker, Panmure-Liberum. Under this management fee reinvestment programme, an affiliate of the Manager purchased a little over 100,000 shares in 2025. The Board is encouraged by the Manager's ongoing commitment to and alignment with, the Company, evidenced not only by these additional purchases (adding to the already substantial holdings of the Manager and its affiliates), but by its ongoing investment in marketing efforts to help inform the marketplace of the strength of the Company and its assets, which in turn is expected to enhance potential shareholder demand.

“... We remain very pleased with the historical and ongoing performance of the Company; from inception in April 2017 to the end of February 2026 (a little less than nine years), the Company has more than doubled the capital of its Shareholders, providing a Total Return (inclusive of dividends) of 110.7%.”

In addition to these ongoing programmes (anticipated annual tender offers, management fee reinvestments, and further investment in marketing), in 2026 the Board will continue to evaluate potential additional measures to narrow the discount.

Principal Risks and Uncertainties

The Directors have carried out a robust review and assessment of the emerging and principal risks and uncertainties facing the Company, a summary of which, including any changes from last year, can be found on pages 14 to 17.

Outlook

The increasing yields produced by the Company's portfolio of regulated US small bank has been welcome news after an extended period of historically low interest rates and a flat interest rate curve. In 2025, the steepening yield curve caused by the Federal Reserve's lowering of rates at the front end of the curve, and the market's continuing normalising of 5 and 10 year rates at higher levels, produced a more profitable dynamic for banks. Wider net interest margins, combined with a constructive regulatory backdrop and healthy US economy, is very encouraging for US domestically focused banks and therefore, for the Company.

Against this backdrop of a positive interest rate and policy environment, robust securitisation markets allowed the Manager in 2025 to sponsor three securitisations (each with its own diversified basket of high quality, low risk US regulated bank debt) with expected multi-year yields to maturity of 16%, 18% and 14%, respectively.

While we believe the substantial majority of our new investment opportunities will come from such securitisations (with similar return profiles in the mid-teens), the Board is also encouraged by the complementary opportunities provided by the Manager's investments in small US bank CRTs. While the CRT structure and marketplace differs from that of the CDOs that the Company invests in, the investment attributes are very similar – high quality, low risk loan exposures, and relatively consistent mid-teens performance returns.

The Board is optimistic that such opportunities in the CDO and CRT markets will continue apace into 2026 and beyond, offering the prospect of double digit total returns and continued strong dividends for the foreseeable future.

If you are interested in more information, please note that the Manager will be hosting webinars regarding the Company and its performance and operations at 10:00am on 30 March 2026 and 31 March 2026. Details on how to register for these webinars can be found on the Company's website here (www.ejfi.com). The Company's AGM is to be held on 10 June 2026 at the Company's registered address.

We sincerely thank our Shareholders for your ongoing support and look forward to future opportunities to engage with you.

John Kingston III

Chair

Date: 25 March 2026

Manager's Report

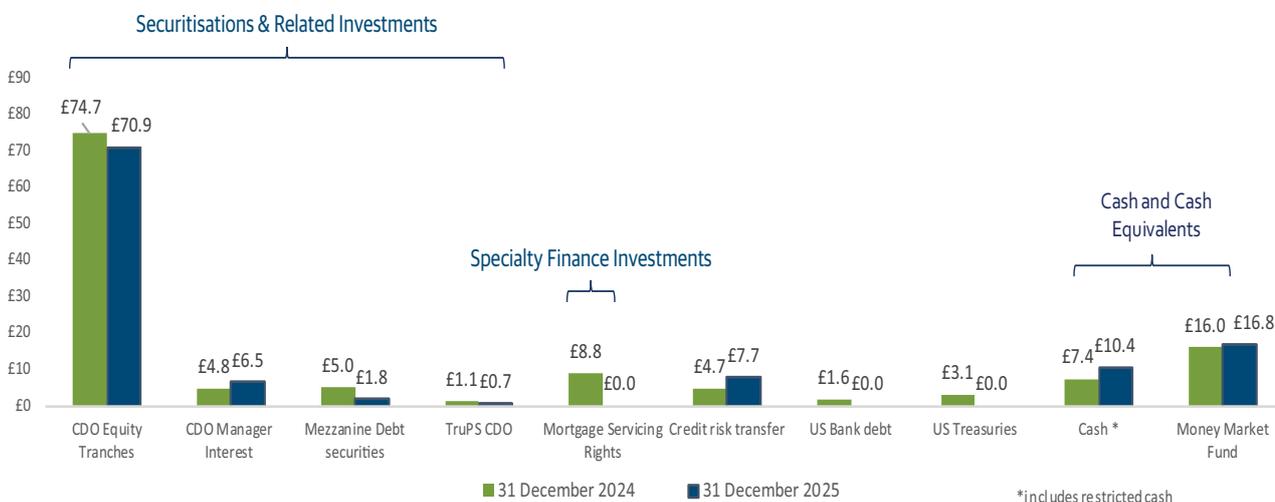
We are pleased to present our review for the year ended 31 December 2025 and our outlook for 2026.

2025 was perhaps the strongest performance year for US financials since the period following the Great Financial Crisis of 2007-2008. A steepening yield curve - a positive for financials which borrow short and lend long - in combination with a constructive regulatory backdrop and an improving US economy provided a fertile ground for improved profits at smaller, domestically-focused US banks and insurance companies. This dynamic accelerated M&A activity within the sector, which helps the Company to achieve positive return uplift in addition to regular yield income and management fees. Perhaps as importantly, the securitisation markets were robust in 2025, which allowed the Manager to construct three transactions that included cheaper borrowing, higher leverage, and accommodative terms for the Company.

The Company's underlying portfolio provided consistent and strong returns, allowing the Company to distribute more than its 2025 Target Dividend. As the Chair mentions in his statement, the Total Return for the year was 12.09% excluding the impact of FX losses. FX losses impacting the Total Return for the year were -7.15%, leaving the net Total Return for the year at 4.94%. Even with this downdraft in the USD versus the GBP, the annualised Total Return since inception for the Company at year end was 8.58%, consistent with the Company's stated Target Return of 8-10% p.a. There have been no reported underlying defaults during the year.

Portfolio Update and Investment Activity

The portfolio continues to perform in line with expectations from an income yield perspective. Please see the chart below for portfolio composition (£ millions) as at 31 December 2024 and 31 December 2025. The slight decrease year-over-year in CDO Equity Tranche exposure reflects the increased leverage in EJF's CDO structures; the notable increase in CDO Manager fees reflects the increased size of the CDO structures; and the increase in the Company's cash position reflects the raise of additional capital through new ZDP Share issuances during 2025 in preparation for anticipated investment opportunities from the expected increased pace of CDO transactions in 2026.

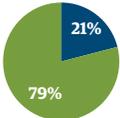
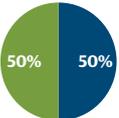
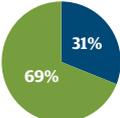
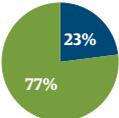
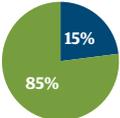
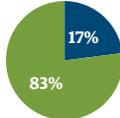


Securitisation and Related Investments represented approximately 69.6% of the Group's assets as of 31 December 2025.

- CDO Equity Tranches that represented approximately 61.7% of the Group's assets as of 31 December 2025, have underlying exposure to regulated debt issued by US banks and insurance companies and are managed by an affiliate of EJF.
- In 2025, the Group participated in three new securitisation transactions sponsored by EJF which involved calling four existing deals and adding additional collateral to these deals.
- As at 31 December 2025, through its investment in six CDO Equity Tranches, the Company had exposure to 384 debt instruments issued by 186 US banks and 30 insurance company unique issuers.
- The Group also held four Mezzanine debt securities of securitisations sponsored by EJF which represented 1.6% of the Group's assets as of 31 December 2025.
- The remainder of the Securitisation and Related Investment portfolio consisted of the CDO Manager (which earns management fees for providing collateral management services to various CDO structures) and a TruPS CDO, which represented approximately 5.7% and 0.6% of the Group's assets, respectively.

A summary of underlying collateral diversification is provided below, along with forward projected returns analysis:

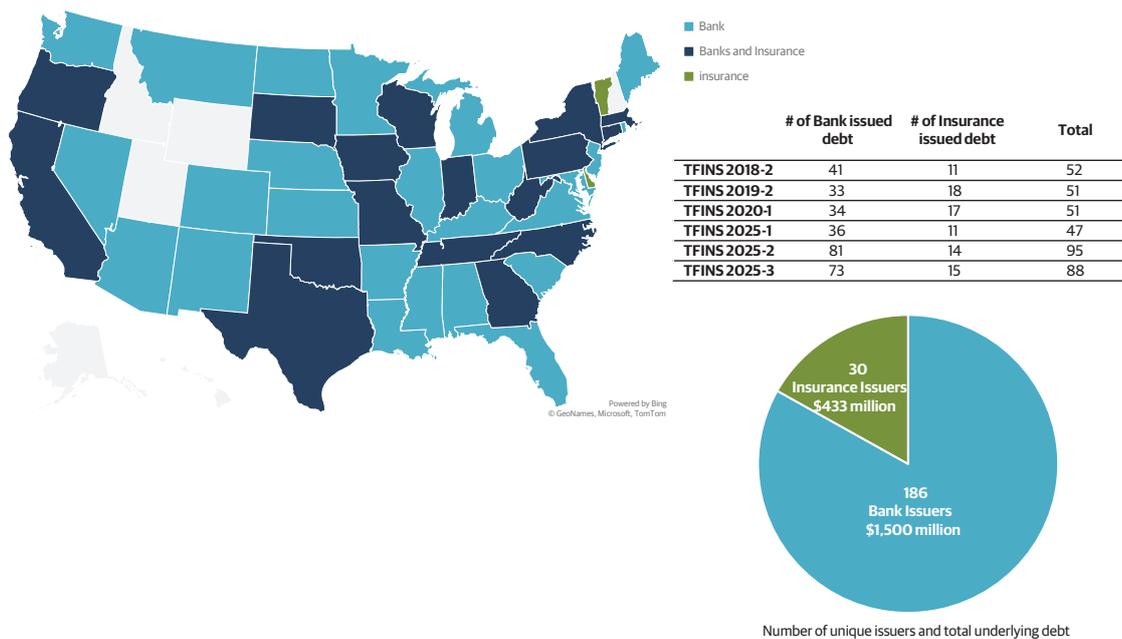
Equity Tranche Investments (as of 31 December 2025)

	TFINS 2018-2 December 2018	TFINS 2019-2 December 2019	TFINS 2020-1 September 2020	TFINS 2025-1 March 2025	TFINS 2025-2 September 2025	TFINS 2025-3 December 2025
Equity Tranches amount (\$ million)	11.8	13.2	13.3	14.0	18.9	21.3
Estimated return profile¹						
Yield to Maturity (%)	9.2	11.0	9.5	14.2	17.0	11.4
Yield to Maturity including management fee income (%)	9.7	11.4	9.9	15.3	19.0	12.9
Collateral overview (on closing date) TruPS, senior, subordinated and surplus notes issued by US banks and insurers.						
<ul style="list-style-type: none"> ● Insurance companies ● Banks 						
CDO structure						
Original collateral principle balance (\$ million)	351.0	338.4	282.9	279.8	447.5	483.0
Initial implied rating ²	Baa3	Ba1	Ba2	Ba1	Baa3	Baa3
Initial leverage ratio ³	5.7x	4.9x	3.0x	4.6x	7.0x	9.0x
Other key terms						
Non call/Auction call	Passed/ Dec. 2026	Passed/ Nov. 2027	Passed/ Jul. 2028	Feb. 2027/ Feb 2032	July 2027/ July 2032	Oct. 2027/ Oct. 2032
Legal final deadline	Sept. 2039	Feb. 2039	Apr. 2040	Feb 2039	July 2039	July 2041
Senior collateral management fee (bps)	20	20	30	30	30	30

1. Estimated returns are as of 31 December 2025 and they reflect the fair valuation of the Equity Tranches as of that date. Estimated returns assume, among other things, repayment of collateral at par, no delinquency, deferral or other non-payment by collateral, and do not include cash flows previously received. Prepayments are estimated by EJV based on past experience and judgements. Any changes in cash flows can materially impact returns. There can be no assurances that the estimated returns will be realised as portrayed in this document and investors should place no reliance on such estimated returns in making any investment decision. Estimated returns are targets only and not a profit forecast. This information is intended to be illustrative only and is not designed to predict the future performance of the Company or its investment portfolio.
2. Implied Ratings are as of issuance by the engaged nationally recognised statistical rating organisation. Ratings are subject to change and may not reflect current creditworthiness of issuer.
3. Initial leverage ratio calculated as par value of debt tranches over par value of underlying collateral less par value of debt tranches.

Geographic Diversification of Bank and Insurance Debt Exposure

Below is a summary of geographic diversification of US bank and insurance company debt based on the headquarters of the underlying collateral issuers in the six CDO Equity Tranches held by the Company as at 31 December 2025:



Specialty Finance Investments at the end of 31 December 2024 were represented by the Group's investment in MSRs.

- In March 2025, prior to the tariff tumult and resulting decline in the 10-year US Treasuries (which impact mortgage and prepayment rates), the Group sold its MSR portfolio to a third-party buyer. The Group, in line with its expectations, received the majority of the proceeds (subject to customary holdbacks) from the sale by the end of April 2025 and final settlement was received in December 2025. Over the life of its MSR portfolio investments, the Group realised an IRR in excess of 20%.

CRTs represented approximately 6.7% of the Group's assets as of 31 December 2025.

- In July 2024, the Group invested USD5m, in its second CRT. This was part of a USD86m CLN issued for a CRT executed by a US regional bank located in the Southeast US. This transaction referenced a USD1.7 billion portfolio of prime jumbo residential mortgages and was originated and underwritten by EJF. To the Manager's knowledge, this deal represented the first CRT transaction referencing a residential mortgage pool by a US bank with less than USD100 billion in assets. The current yield of this investment is 11.58%.
- In June 2025, the Company invested in its third CRT transaction with an expected duration of 2.75 years. This investment was part of a USD150 million securitisation transaction for Third Coast Bank, a Texas banking association and wholly owned bank subsidiary of Third Coast Bancshares, Inc. (NASDAQ: TCBX). The transaction was secured by interest in a portfolio of commercial real estate loans originated by the bank. Certain funds managed by EJF invested an aggregate of USD22.5m in the first loss tranche of the securitisations, USD6m of which was invested by the Group. The current yield of this investment is 14.91%.
- The Manager believes future CRTs on strong loan pools originated by small US banks may be a growing and attractive opportunity for the Company.

Post Year End Investment Activity

Following the end of the year, on 27 February 2026, the Group closed a USD13.7m investment in TFINS 2026-1. This was funded using proceeds of USD11.6m received from the Group's investment in TFINS 2018-2, which was called at the same time, and USD0.7m of proceeds from the redemption at par of its mezzanine debt investment in TFINS 2018-2, resulting in a net investment outlay of USD1.4m. The Manager believes that the investment in TFINS 2026-1 will generate approximately 15% yield to maturity. The Group also invested USD7m in a no-fee share class of EJF Financial Services Offshore Fund that holds, on an unlevered basis, a basket of sub debt securities issued by small US banks. The historic and expected yield on this investment is approximately 10%.

US Bank Market Update

Outside of the currency volatility created by the Liberation Day tariff episode in April 2025, full-year returns were quite in line with the Manager's initial expectations given a strong fundamental outlook for the sector. To use a US baseball analogy, the Manager believes that bank share prices are in the middle innings of a multi-year cycle. NIM (net interest margin) expansion, M&A, and the return of loan growth were the key catalysts for the sector in 2025. Spread revenues improved across the board for most banks through a combination of securities and loan portfolio repricing as well as funding cost declines due to the FOMC (Federal Reserve Open Market Committee) cutting interest rates. The Manager believes that the sector has another two years of margin expansion driving year over year earnings growth for the typical bank. In addition, with the most recent FOMC cuts in the fourth quarter of 2025, yield curve steepening may set the stage for even more profitable lending margins on future originations.

With that said, industry loan growth was underwhelming for the first three quarters of the year. The Manager believes that uncertainty around tariff policy was the primary culprit, but fourth quarter loan growth improved, and 2026 is expected to look much better. The US Federal Reserve's H.8 data shows that loan growth for the fourth quarter trended higher at 4.2% year over year versus the 3.5% pace seen in the prior quarter. Regulatory reform has also helped provide improved clarity for the banking industry, which should stabilise market share losses to shadow banking competitors. The Company's focus on small and mid-sized banks allows the Manager to find management teams in certain geographies around the US that have outsized loan growth opportunities.

Lastly, the regulatory reform and pro-business agenda of the current presidential administration fuelled a return of M&A to the sector in 2025. In the wake of the pandemic in 2020 and the bank failures of 2023, the past few years have seen some of the slowest dealmaking in decades. In a stark turnaround, banking regulators revised asset thresholds and dramatically reduced the deal closing timelines to create enhanced transparency within the industry. As a result, 2025 saw an uplift in deal activity, finishing with 183 deals and an average time to close

since announcement of 129 days. Surprisingly, though, the industry has not seen consistent deal premiums in the 20%+ range like those seen in prior cycles. Even more surprising has been the fact that the market seems to be penalising bank acquirer shares in deals that the Manager believes are very attractively priced from a historical perspective, but the Manager believes that the return of shareholder activism will also improve these dynamics in line with traditional norms as the cycle moves forward. The Manager also expects that as earnings and valuations continue to improve in the sector, premiums paid for scarce franchises will also improve.

While the 2025 catalysts are expected to persist in the coming years, the Manager also expects share buybacks to become a more important factor in 2026. Through a combination of rising earnings and gradually lower interest rates, tangible equity ratios are growing rapidly for the sector. In order to maintain current return on equity levels, many institutions trading near tangible book value are likely to buy back shares actively in the coming year.

US Insurance Market Update

The US insurance sector delivered a year of divergence between P&C and Life segments, with performance shaped by interest rate movements, underwriting discipline and capital market conditions. Early expectations of wildfire-related loss development in P&C gave way to a generally favourable underwriting environment, supported by firm pricing, resilient capital levels and ample reinsurance capacity, although signs of moderating premium growth and "late cycle" dynamics emerged in the second half. Catastrophe experience in the fourth quarter proved better than anticipated, further underpinning balance sheet strength. Life insurers, by contrast, benefited for much of the year from structurally higher investment yields, solid application growth, and strong annuity demand, though investor sentiment fluctuated as reinvestment risk and the outlook for future Federal Reserve rate cuts came into sharper focus. Overall, fundamentals across both segments remain constructive, albeit with greater emphasis on underwriting execution in P&C and spread management and asset quality discipline in Life as the sector moves into 2026.

Risk Management

We believe the Portfolio contains a selection of diversified borrowers within the context of its financial institution focused mandate. The Manager's credit team conducts regular reviews of issuer financial and business profiles and the broader portfolio, and there were no defaults during the year on the underlying securitisation collateral positions.

The Group's base currency is denominated in Sterling although most of the Group's investments are denominated in USD. Under an approved authority from the Board, we hedge a

portion of this exposure. As at 31 December 2025, USD 71.7m of approximately USD 152.3m exposure was hedged.

Outlook

The Manager believes that 2026 will be a robust year for the US economy in the wake of both AI-related infrastructure and energy industry spending and the pro-growth measures enacted in the "One Big Beautiful Bill" (OBBB) in July 2025. As with all pro-growth pieces of legislation, there has been a lag effect from the OBBB's provisions which should significantly benefit the 2026 US economy. The OBBB: (1) makes permanent lower corporate and income tax rates; (2) provides immediate tax expensing of capital expenditures such as those on factories, equipment and R&D; (3) preserves key aspects of the Biden Administration's tax incentives for building renewable energy infrastructure; (4) makes permanent tax incentives for Opportunity Zone real estate development projects; and (5) increases child tax credits and decreases taxes on retirees. The capital spending related to AI is unprecedented in American history and is buttressed by a pro-growth energy policy under the Trump administration. The opportunities for banks and insurance companies to benefit from these pro-growth dynamics are numerous and considerable in scope. As noted above, the Manager has seen a marked increase in bank loan growth in Q4 2025 and expects this to continue through 2026.

Another aspect of the US economy that should be highlighted is the relatively low impact of the Trump Administration's tariff policies on small banks and insurance companies. Such institutions are primarily domestic facing and thus suffer much less of the tax drag of tariffs felt more acutely by larger financial institutions and their global clients. The Manager discussed the dichotomy between the impact of Trump's tariff policies on small and larger financial institutions in a thought piece entitled 'After the Interregnum: What Is the Best Second Term Trump Trade?' available on the Company's website (www.ejfi.com) here.

In the Manager's opinion, a longer term, but significant positive for the financial sector, the US Treasury market and the US Dollar occurred in July 2025 with the passage of The GENIUS Act (the "Act"). President Trump signed the Act into law after it received broad bipartisan support in the House and Senate. The Act is the first federal statute to directly regulate the digital asset market and provides a comprehensive regulatory framework for payment stablecoins. The Act inexorably links payment stablecoins to US Treasuries, and by natural corollary, to the US Dollar. The Manager believes that banks must and will embrace payment stablecoins, becoming natural adopters over time. Critically important is the fact that the Act prohibits the payment of interest on payment stablecoins. This means that banks, which can pay interest on deposits, can link tokenised deposits with payment stablecoins. Under the Act, the interest being paid on US Treasuries must inure to the benefit of the stablecoin issuer, thus representing a financial incentive for and benefit to banks to engineer the link of new payment

stablecoins to deposit accounts. With blockchain technology, smart contracts can be programmed to allow the conditional and reliable flow of digital money from interest-bearing deposit accounts to payment stablecoins as needed (operating just like bill pay technology features). This potential, but logical, symbiotic relationship between interest-bearing depository accounts and payment stablecoins is a natural for banks. Although the implementing rules and regulations of the Act have yet to be promulgated by the Department of Treasury and other federal financial regulators, the Act accomplishes the objectives of placing regulation and supervision of payment stablecoins at the federal level and does so in a way that should complement and not undermine the existing banking industry. The Act also promises to meaningfully increase demand for federal government debt. In this way, the bipartisan policy decision in July 2025 to enact the Act will tremendously strengthen the US Dollar and thereby maintain the status of the US as the dominant financial player in the global market. EJF's 2026 Thematic Outlook, entitled The "Hamilton Blessing" of the 2025 GENIUS Act, which discusses the above in further detail, is available on the Company's website (www.ejfi.com) here.

Principal Risks and Uncertainties

Principal Risks, Uncertainties and Emerging Risks

The Principal Risks of the Company are those risks, or a combination thereof, that the Directors believe may materially threaten the Company's ability to meet its Investment Objective, solvency, liquidity or viability.

Risks faced by the Company include (but are not limited to) strategic risk, financial risk, investment risk, compliance risk and operational risk, as summarised in the Prospectus on pages 12 to 43.

In determining the Principal Risks, a robust assessment of all risk factors that the Directors believe the Company is exposed to has been performed. During the year, the Manager and the Directors monitor for any new uncertainties and emerging risks that may arise which, if manifested, will be considered within the existing risk framework. The Board recognises the continued geopolitical pressures and the uncertainty surrounding the future direction and conduct of the Trump administration, the impact of which are considered within the Principal Risks identified below.

As at 31 December 2025, the Principal Risks that the Group faces, along with related mitigants and changes since last year, are set out below. The Board is satisfied that all of the Company's Principal Risks are consistent with its risk appetite and that each risk is within tolerance.

Principal Risks: Strategic

Changes in the geopolitical and macro-economic environment

Changes to global geopolitical and macro-economic conditions may adversely impact the Company's investment performance, the availability of investment opportunities, and the Manager's ability to source and securitise investments, and prevent the Company from meeting its Investment Objective.

Mitigants

The Manager evaluates and monitors the macro-economic, geopolitical and market cycle risks it deems material to the Investment Policy, both on an ongoing basis and ahead of any new investment. The Manager can control the timing of entry into investments and markets to ensure that the Portfolio adheres to the Investment Policy and to manage the aforementioned risks. The Board is kept informed on a regular basis by the Manager and is also updated at quarterly Board meetings.

Analysis and Change during the year

Although the Manager continues to see an attractive pipeline of investments, geopolitical tensions continue to have significant macro-economic implications for the global economy and financial markets. Notwithstanding such headwinds, the US banking sector has experienced increasing stability since Trump's victory in the presidential elections, as reflected by the re-opening of the US securitisation market and increased M&A activity in the sector.

With the US banking system appearing to have stabilised, the Directors believe that the residual risk has decreased during the year.



Changes in law, tax and regulation reduce investment opportunities or undermines the Group's legal, tax or regulatory structure

The Group is subject to regulations enacted by national and local governments, changes to which may reduce the investment opportunities available or undermine or invalidate the tax, legal or regulatory rationale for the structure and make it difficult to pursue the Investment Policy.

Mitigants

The Manager, along with the Company's Financial Advisers, Administrator and legal advisers, continually monitors and evaluates the legal and regulatory horizon for any new or changes to existing legislation and regulation that could potentially invalidate the Investment Policy or the Group's structure or impact market practice.

The Board is kept abreast of any potential changes on a regular basis through its committee and Board meetings and regular communication with the Manager and advisers. In addition, the Investment Policy allows the Company to pursue a wide variety of investment opportunities. The Manager believes that the Trump administration has created the potential for a more favourable environment in respect of M&A in the banking sector, which should benefit much of the underlying exposure of the Company. The Manager and the Board are monitoring developments in this regard.

Analysis and Change during the year

The Directors are conscious of the potential for further significant political and regulatory changes under the Trump administration. As at the date of the Annual Report, the Directors have not been advised of any expected changes in law, tax or regulation that would materially adversely impact the Investment Policy or Group structure.

Therefore, the Directors believe there has been no material change in the residual risk during the year.



Availability of cash for investment opportunities and payment of liabilities

The Company requires regular ongoing funding and available cash to be in a position to take full advantage of investment opportunities as and when they arise, along with meeting liabilities as and when they fall due. The risk of the Company having insufficient cash to meet investment opportunities continues to be a Principal Risk due to several factors:

- (i) the potential for the volatility of Sterling to require unencumbered cash to be used to meet margin calls on the currency hedge;
- (ii) the Ordinary Share Price discount to NAV and difficulty in raising capital;
- (iii) the depreciation of the USD having an impact on the performance of the Company; and
- (iv) the complex nature of the underlying Portfolio may deter potential investors.

Mitigants

The Manager continually monitors the current and projected cash flows required by the Company to meet its current and future liabilities, including control over the timing of entry into investments and expectations on when the Manager may recommend calling and/or refinancing underlying securitisations.

On a quarterly basis, the Manager produces for the Board a working capital memorandum showing forecast cash balances covering a period of at least 18 months which is also supplemented every six months by appropriate scenario analysis.

In addition, the Board and the Manager continually seek to improve the discount of the share price to NAV and the liquidity of the Ordinary Shares stock by working with the Corporate Brokers and meeting investors to raise market awareness and explain the Company's strategy and investment thesis.

Analysis and Change during the year

Pursuant to the Rollover Offer, initial placing and subsequent block listing of new 2029 ZDP Shares, 19,702,159 2029 ZDP Shares were in issue as at 31 December 2025. Approximately 24.6 million 2029 ZDP Shares have been issued to date, with capacity to issue a further 3.4 million 2029 ZDP Shares.

Taking into account the realistic prospect of raising further capital via the second block listing and the healthy level of the Company's existing cash reserves, the Directors believe that the residual risk has decreased during the year.



Dependency on the Manager

To successfully pursue its Investment Objective, the Company is dependent on the Manager and the Manager's ability to retain and recruit staff. The loss of a small number of key individuals in key roles at the Manager could adversely impact the ability of the Manager to meet the Investment Objective.

Mitigants

The Manager's senior management team has a proven track record, with strength and depth of relevant experience and is recognised as an expert in its field. The Manager employs experienced individuals and regularly reviews remuneration levels against the employment market and the requirements for skills and headcount. The Manager's remuneration policies are designed to strike an appropriate balance between short-term and long-term rewards, alignment and retention. The Manager is committed to retaining additional resources in key operational areas such as EJJ's legal department and having appointed a new marketing resource dedicated to the Company.

Analysis and Change during the year

The Company continues to have no direct listed competitors with a similar investment thesis. The Directors carried out their annual due diligence visit at the London office of the Manager in November 2025 and held meetings with each key function to gain comfort over their continued performance and operations. The Directors reaffirm their positive view of the Manager, EJJ's senior management team and its business, which they consider to be highly cohesive and aligned with the Company in pursuing its Investment Objective.

The Directors believe there has been no material change in the residual risk during the year.



Valuation

The nature of the Group's investments makes them inherently difficult to value compared to more liquid investments due to the number of assumptions involved. Furthermore, a general market collapse and/or a seizing-up of credit markets may render it difficult to price certain investments with any degree of accuracy, or at all.

Mitigants

There is a stated valuation policy, reviewed and updated periodically for all underlying investments, which is applied by the Manager and the Administrator when preparing the NAV. In most cases, the Manager obtains quotes from multiple independent brokers to mark the securities. The Manager has also appointed a recognised independent valuation agent to provide comfort over the valuations derived from models developed by the Manager where appropriate. From time to time, the Manager may also commission independent positive assurance reports on the valuation of the Company's portfolio, or certain positions within its portfolio.

The Manager has a valuation committee which meets monthly to review the valuation of investments which feeds into the NAV process. The NAV is prepared by the Administrator on a monthly basis, which is then reviewed and approved by the Manager and the Directors.

Analysis and change during the year

The Group's core investment allocation continues to be focused on Risk Retention assets which are inherently difficult to value compared to more liquid investments.

Where collateral from called securitisation structures was contributed to new securitisations during the year, there was no material variance from the prior CDO Equity Tranche mark, which supports the valuation methodology being used.

The Directors believe there has been no material change in the residual risk during the year.



Principal Risks: Investments

Credit Risk

The value of the Group's investments may be impacted by adverse credit events with recovery of initial investments being lengthy and uncertain..

Mitigants

The Manager carefully assesses the credit risks of every investment, including the underlying collateral held in the securitisation vehicles. Assessments of credit risk are derived from various credit analyses, market and macro conditions and underwriting stress scenarios. The Manager conducts regular credit reviews of the portfolio of investments and underlying collateral in the securitisation vehicles, which are well diversified.

Analysis and change during the year

The Group's investment allocation continues to be focused on Risk Retention assets, with credit analysis focusing on underlying collateral in the securitisation vehicles. Since the Fund's inception, there have been no reported defaults in the underlying collateral other than the Republic First default in 2024. During the early fourth quarter of 2025, three isolated credit events (Tricolor, First Brands, and Cantor Group) drew market attention to US regional banks, raising temporary concerns about bank credit quality. Following a detailed review by the Manager of the underlying causes, it was concluded that the events in question were idiosyncratic and did not suggest an issue with the credit quality of the wider US banking industry. The US banking system has experienced increased stability during the year.

The Directors believe there has been no material change in the residual risk during the year.



Principal Risks: Operational

Dependency on service providers

The Company is dependent on the ability of all its service providers for the successful management and administration of the Company's affairs. This includes a reliance on the strength of their internal controls, their ability to retain and recruit sufficient appropriately qualified and experienced staff as well as cyber security, data protection and business continuity planning.

Mitigants

The Company's service providers are selected through a process based on recommendation and their experience and ability to meet the Company's requirements. The Board is in regular contact with the Administrator and Manager to ensure that the policies and procedures implemented are appropriate and effective and meet regularly to review the service level. The Board has established a Management Engagement Committee which reviews the performance of all key service providers on an annual basis.

Analysis and change during the year

Following the change of Administrator and Company Secretary to Apex Financial Services (Alternative Funds) Limited ("Apex") in 2024, the provision of investor CDD services was transferred from The ID Register to Apex in November 2025. All service providers continue to be reviewed to ensure that the Company's service requirements and objectives continue to be fully met. No new risks have been identified following such review.

As a result, the Directors believe the residual risk has decreased during the year.



Emerging Risks and Uncertainties

The Directors have not identified any emerging risks or additional uncertainties.

The Board

John Kingston III

Non-executive Chair
Appointed in 2024

Considered to be independent



Skills & experience

After graduating from Harvard Law School and the University of Pennsylvania's Wharton School of Business, John began his career at Ropes & Gray (a global law firm) and Morgan Stanley. John joined Affiliated Managers Group (NYSE: AMG) as a member of the senior leadership team (ultimately serving as Vice Chairman) that grew a small investment management platform into a global asset management firm with approximately USD700 billion in AUM and an enterprise value of USD15 billion at the time of his departure. Mr. Kingston has founded and/or overseen (stewarding through governing and advisory boards) a variety of for-profit, not-for-profit and political initiatives, including the AMG Mutual Funds, Mangrove Management Partners, Lattice Capital Management, the Pioneer Institute, Veritas Forum, the Forward Party, Foundation for Excellence in Higher Education, Committee to Fix the Debt, and the American Enterprise Institute.

Committees

Audit and Risk Committee
Management Engagement Committee
Nomination Committee (chair)

Other public appointments

None

Executive appointments

None

Alan Dunphy

Non-executive Director
Appointed in 2016

Considered to be independent



Skills & experience

A graduate of Dublin City University and a Fellow of the Institute of Chartered Accountants in Ireland, Alan Dunphy brings over 30 years of experience in the offshore financial services industry, having worked in both Ireland and Jersey. Since 2014, Alan has worked with Altum Group in Jersey and supports ultra-high-net-worth families and institutional clients in establishing and administering complex, multi-jurisdictional structures. Previously, Alan served as the Jersey Managing Director for a global fund management group, Bennelong Asset Management, for eight years. He has extensive expertise in managing complex transactions, fiduciary decision-making processes, fund structures, and related corporate entities. Earlier in his career, Alan led a multidisciplinary team comprising accountants, lawyers, IT professionals, and administrators. His team specialised in the administration of private equity and real estate funds, employee share plans, international pension schemes, deferred compensation arrangements, and employee benefit trusts. Alan has also represented industry on the Financial Services Advisory Group of the Australian Trade Commission in the United Kingdom.

Committees

Audit and Risk Committee (chair)
Management Engagement Committee
Nomination Committee

Other public appointments

None

Executive appointments

None

Nick Watkins

Non-executive Director

Appointed in 2017

Considered to be independent



Skills & experience

Nick Watkins started his career as a corporate tax lawyer with Dechert LLP in London in 1997 and has over 25 years' experience in the international financial services industry. He is currently a partner and director of Altair Partners Limited, which provides independent directors to funds and regulated entities, and sits on a number of Jersey fund boards. Prior to joining Altair in 2014, he was global head of transaction management for Deutsche Bank's Alternative Fund Services division (DBFS), where he was responsible for transaction management and in-house legal support for DBFS' worldwide fund administration, FoF custody and depositary offering across a wide range of alternative fund types. Prior to joining Deutsche Bank in Jersey in 2010, Nick spent six and a half years with Citco Trustees in the Cayman Islands, where he was assistant managing director and senior in-house legal counsel. Before joining Citco, he worked as legal services manager for Abacus Trust Company in the Isle of Man. Nick is a qualified solicitor in England and Wales and has a BA Joint Honours degree in Modern Languages from Bristol University.

Committees

Audit and Risk Committee

Management Engagement Committee (chair)

Nomination Committee

Other public appointments

None

Executive appointments

Altair Partners Limited

The Manager

The key employees of EJF involved with the Company are listed below:

Omer Ijaz

Member of the Investment Committee



Skills & experience

Omer Ijaz serves as a Senior Managing director, Portfolio Management, at EJF. Omer joined EJF in 2011 and oversees the structured product strategy. Omer specialises in the specialty finance, insurance, and banking sectors, and currently leads the credit analysis and trust preferred CDO structuring for the insurance and bank TruPS team as well as the structuring for bank subordinated debt CDOs.

Omer has spearheaded sixteen EJF sponsored securitisations, totalling over USD5 billion. Omer also manages the investments of legacy TruPS CDOs and some corporate debt. Omer came to EJF from Merrill Lynch, where he was employed as a summer research analyst in the Global Private Client Division. Prior to his time at Merrill Lynch, he worked for Citibank N.A. and Muslim Commercial Bank. Omer earned a BA in Business Economics from the College of Wooster.

Neal J. Wilson

CEO and Co-Chief Investment Officer of the Manager and member of the Investment Committee



Skills & experience

Neal J. Wilson is a founding member of EJF and serves as its co-chief executive officer and as a co-chief investment officer of EJF's private markets products. Neal also serves as a member of EJF's Risk Committee, Valuation Committee and ESG Committee and sits on the board of the Company's Subsidiary, EJFIH. Prior to forming EJF, Neal served as a senior managing director for both the Alternative Asset Investments and Private Wealth Management groups at FBR. Prior to joining FBR, he was a senior securities attorney at Dechert LLP and a Branch Chief in the Division of Enforcement at the US Securities and Exchange Commission in Washington, D.C. Neal is a member of the Milken Institute's Council on Inclusive Capitalism in Asset Management.

He served on the Boards of Trustees of Sidwell Friends School (Washington, D.C.) and Hood College for five and nine years, respectively. He chaired the Endowment Investment Committee at Hood during his entire tenure on the Board and served on the Endowment Investment Committee of Sidwell Friends for over 10 years. He also served as a member of the Board of Trustees for the Montgomery County (Maryland) Public Schools Employee Pension for nine years until 2013 and in 2014 received a Distinguished Service Award from Montgomery County for his contributions. He received his BA from Columbia University and his JD from the University of Pennsylvania.

Jay Ghatalia

Finance Director
of the Manager



Skills & experience

Jay Ghatalia joined EJJ in 2023. In addition to serving as the Finance Director for EJJ Investments Manager LLC, Jay also serves as Global Head of Fund Accounting for EJJ. In his role, Jay is responsible for the fund accounting and reporting functions across all EJJ strategies. Prior to joining EJJ, he spent 2 and a half years at Intermediate Capital Group PLC (ICG), managing finance and operations for private funds in their Strategic Equity and LP Secondaries strategies. Prior to ICG, he spent 9 years in public accounting firms, PricewaterhouseCoopers and KPMG managing assurance and advisory engagements for clients across financial services and latterly focusing on both listed and private alternate investment funds.

Jay is a Chartered Accountant (Institute of Chartered Accountants of India) and holds a Bachelor of Commerce degree from University of Mumbai.

Emanuel J. Friedman

Member of the
Investment Committee



Skills & experience

Emanuel Friedman co-founded EJJ, a global institutional alternative asset management firm that has been at the forefront of regulatory, event-driven investing in financials and real estate. Over the course of his 40+ year career in capital markets and asset management, Emanuel has structured and built numerous innovative investment strategies that have focused on some of the most powerful trends in the financial sector driven by regulatory change.

Prior to forming EJJ, Emanuel was a founder and the former co-Chairman and co-CEO of FBR. At FBR, Emanuel assisted in designing property and mortgage REIT vehicles. Throughout the 1990s, Emanuel was active in building out FBR's alternative asset management platform. He was instrumental in the creation of hedge, private equity and venture capital funds at FBR, and maintains an extensive network of contacts within the CDO, hedge fund and private equity fund communities.

Jason Ruggiero

Member of the
Investment Committee



Skills & experience

Jason Ruggiero joined EJJ at its founding in 2005 and is a member of the Executive Committee. Jason serves as the primary portfolio manager for EJJ's equity focused strategies as well as the co-chief investment officer for EJJ's capital markets products. Jason also serves as a member of EJJ's Risk Committee and ESG Committee. Jason currently serves on the board of directors of Arlington Food Assistance Center and formerly served on the board of directors of FB Corporation in St. Louis, Missouri and TIG Bancorp in Denver, Colorado. He also formerly served as a member of the JMU College of Education Executive Advisory Council. Prior to joining EJJ, Jason was an equity trader in FBR's Alternative Asset Investment Group, where he assisted Emanuel Friedman in the day-to-day operations of FBR Ashton, L.P., a long/short hedge fund. In 2004, Jason assumed co-portfolio manager responsibilities for FBR Ashton, L.P. Before joining FBR, Jason was an auditor for Deloitte and Touche in Washington, D.C., where he focused on the financial services industry.

He holds a BBA in accounting from James Madison University and an MBA in finance from the University of Maryland.

Corporate Governance Report

Corporate Governance Compliance Statement

The Company's shares are traded on the SFS and therefore the Listing Rules, applicable to companies admitted to the Official List of the FCA, do not apply to the Company. The Directors are however committed to the application and practice of high standards of corporate governance and the Company has voluntarily adopted certain provisions of the Listing Rules as detailed on page 56 of the Prospectus.

As a member of the AIC, the Company reports against the principles and provisions of the AIC Code.

The Board has considered the principles and provisions of the AIC Code. The AIC Code addresses the principles and provisions set out in the UK Code, as well as setting out additional provisions on issues that are of specific relevance to the Company. The AIC Code can be found on the AIC website at www.theaic.co.uk. The AIC Code includes an explanation of how it adapts the principles and provisions set out in the UK Code to make them relevant for investment companies. The UK Code can be found on the FRC website at www.frc.org.uk.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the FRC and supported by the JFSC, provides better and more relevant information to Shareholders.

The Board has made the appropriate disclosures in this report to ensure that the Company meets its continuing obligations. It should be noted that, as an investment company, most of the Company's day-to-day responsibilities are delegated to third party service providers. The Company has no employees and the Directors are all non-executive, therefore not all of the provisions of the UK Code are directly applicable to the Company. The Board considers that the Company has complied with the principles and provisions of the AIC Code, with the exception of:

- The appointment of a senior independent director: Given the size and composition of the Board, it is not felt necessary to appoint a senior independent director. However, should a situation arise where it is felt necessary to appoint a senior independent director, the chair of the Audit and Risk Committee will perform the role.
- Committees: Given the size of the Board, it is currently considered that it would be unnecessarily burdensome to establish a separate remuneration committee, therefore these committee matters are reserved for the Board.
- The Chair of the Board is a member of the Audit and Risk Committee. Given the size of the Company and that the Chair is considered to be independent, the Board believes this is appropriate.

The Board has engaged the Company Secretary, Apex Financial Services (Alternative Funds) Limited, to provide company secretarial services to the Company and to support the Board

and its committees to ensure procedures are followed as well as to advise the Board on governance related matters.

Board Composition and Director Independence

At 31 December 2025, the Board comprised three non-executive Directors, all of whom are independent, whose biographies are disclosed on pages 18 and 19. The Company has no executive directors or any employees.

The Board assesses and reviews the independence of each Director with respect to the AIC Code annually, having regard to the potential relevance and materiality of the Director's interests and relationships. The interests that some of the Directors hold in the Company, as set out in note 17 to the Audited Financial Statements, are not considered significant so as to bring their independence into question.

Matters Reserved for the Board

The Board meets at least quarterly to review the overall business of the Company and to consider matters specifically reserved for its attention. At the quarterly meetings, the Directors review the investment performance of the Company and its activities to ensure it adheres to the Investment Policy. Additional ad-hoc reports are received as required and the Directors have access at all times to the advice and services of the Company Secretary. Representatives of the Manager are invited to attend Board meetings on at least a quarterly basis.

The Board monitors the level of the Ordinary Share Price premium or discount to NAV to determine what action is desirable, if any.

During the year, all Directors attended formal training sessions provided by professional firms and other recognised providers in order to remain up to date with all relevant corporate governance, regulatory and market issues.

The Board and relevant personnel of the Manager acknowledge and adhere to the MAR and the Board has adopted procedures in relation to the management, identification and disclosure of inside information and share dealing in accordance with MAR.

Director Meetings and Attendance

The table below shows the attendance at Board and committee meetings held from 1 January 2025 to 31 December 2025.

Name	Quarterly Board	Audit and Risk Committee	Management Engagement Committee	Nomination Committee
John Kingston III	4/4	7/7	2/2	1/1
Alan Dunphy	4/4	7/7	2/2	1/1
Nick Watkins	4/4	7/7	2/2	1/1

During the year, nine ad-hoc Board meetings were held for various purposes, including investment approvals, conclusion on the audit tender process, issuance and approval of the new prospectus in connection with the 2029 ZDP Share placing, consideration and approval of the tender offer and the approval of interim and annual reports.

Board Committees

Audit and Risk Committee

The Audit and Risk Committee comprises Alan Dunphy (chair), John Kingston III and Nick Watkins and meets at least four times a year. The Board considers it appropriate for the Chair to be a member of the Audit and Risk Committee given the size of the Company and as he is considered independent.

The key objectives of the Audit and Risk Committee are to review the financial statements of the Company to ensure that they are prepared to a high standard and comply with relevant legislation and guidelines, as appropriate, review the Company's internal control and risk management systems and to maintain an effective relationship with the Auditor. With respect to the Auditor, the Audit and Risk Committee's role will include the assessment of auditor independence, the effectiveness of the audit, and a review of the Auditor's engagement letter, remuneration and approval of any non-audit services to be provided by the Auditor. The Audit and Risk Committee Report on pages 34 to 38 provides further detail of the Audit and Risk Committee's activities during the year.

Management Engagement Committee

The Management Engagement Committee comprises Nick Watkins (chair), John Kingston III and Alan Dunphy and meets at least once a year.

The Management Engagement Committee is responsible for the regular review of the terms of the Management Agreement, along with the performance of the Administrator, the Manager and the Company's other service providers. A formal review is conducted annually which includes service delivery, the quality of the personnel assigned to handle the Company's affairs and the investment process.

Following the committee's assessment of the Manager and the Company's third party service providers, their continued appointment on the terms agreed was considered to be in the best interest of Shareholders as a whole. Thus, it was recommended to, and approved by, the Board that the Manager and the third party service providers be retained.

Nomination Committee

The Nomination Committee comprises John Kingston III (chair), Alan Dunphy and Nick Watkins and meets at least once a year.

The Nomination Committee was established in 2024 and is formally charged by the Board to regularly review the structure, size, performance and composition of the Board and make recommendations regarding any changes to the Board and its committees. The Nomination Committee Report on pages 30 to 31 provides further detail of its activities during the year.

Internal Control and Risk Management System

The Board is responsible for ensuring the maintenance of a robust system of internal controls relevant to the Company and for reviewing the effectiveness of those systems. It is the responsibility of the Audit and Risk Committee to undertake risk assessments and review of the internal controls in the context of the Company's objectives that cover business strategy, operational, compliance and financial risks faced by the Company and make recommendations to the Board. The internal controls are implemented by the Company's main service providers: the Manager, the Administrator, the Registrar and the Custodians. The Audit and Risk Committee continues to be responsible for reviewing the adequacy and effectiveness of the Company's ongoing risk management systems and processes. Its system of internal controls, along with its design and operating effectiveness, is subject to review by the Audit and Risk Committee and through reports and periodic updates received from service providers at the quarterly Board meetings of the Company. The Directors met with representatives of the Manager in November 2025 as part of their annual review of the Manager and the operating effectiveness of the Manager's controls.

The Board is satisfied that based on its enquiries and relevant interactions with respective service providers, there are no significant issues with controls in place at each service provider to control the significant risks associated with the services that they are contracted to provide to the Company and are therefore satisfied with the internal controls of the Company.

Further details on Principal Risks of the Company can be found on pages 14 to 17.

AIFM Directive

The Manager is the AIFM of the Company. In such capacity, the Manager is responsible for the portfolio and risk management of the Company, including managing the Company's assets and its day-to-day operations, further details of which are set out on pages 157 to 159 of the Prospectus. AIFMD requires the AIFM to comply with certain disclosure, reporting and transparency obligations for AIFs that it markets in the EU. The Company's Prospectus contains a schedule of disclosures prepared by the Directors for the purposes of AIFMD.

In addition, AIFMD requires the Annual Report to include details of any material changes to the information contained in that schedule. The Directors confirm that no material changes have occurred in relation to the information contained in the schedule.

In making this confirmation, the Directors consider that any change in respect of which a reasonable investor, becoming aware of such information, would reconsider its investment in the Company, including because the information could impact on the investor's ability to exercise its rights in relation to its investment, or otherwise prejudice that investor's (or any other investor's) interest in the Company, should be considered material.

In setting this threshold, the Directors have had due regard to the current risk profile of the Company, which outlines the relevant measures to assess the Company's exposure or potential exposure to those risks, as well as the Company's investment restrictions set out in the Company's Prospectus. As required by the Listing Rules, any material change to the Investment Policy of the Company will be made only with the approval of the Shareholders.

AIFMD also requires the Company to disclose the remuneration of the Manager as AIFM, providing analysis between fixed and variable fees along with information on how much of such remuneration was paid to senior management at the Manager and how much was paid to members of staff. As the Manager has no employees there is no information to report in that respect and details of the remuneration paid to the Manager are disclosed in note 17.

ESG

The Directors believe in the importance of a strong corporate governance framework to ensure responsible investing focused on the values of the Company and that building trusted relationships with the Company's stakeholders is crucial for delivering long-term sustainable returns to Shareholders.

The Company is not a sustainable investment fund and, whilst the Investment Policy of the Company has no direct impact on the environment per se, when pursuing the Investment Objective and in the selection of the service providers and advisers of the Company, the Company aims to conduct itself

responsibly, ethically and fairly with the impact of all material factors, including ESG, on the financial risk and return being considered in the decisions it makes.

As the Company's investment exposure is predominantly in lower information issuances and securities, an internal framework to evaluate ESG risks and exposures of the Company's investment universe continues to be developed by the Manager using commoditised data supplemented by existing information to evaluate material ESG risks for each investment.

The Company, being an investment entity, is not required to report on TCFD disclosures in its Annual Report, either under the Listing Rules or pursuant to any other regulatory framework. However, it is the intention of the Directors to ensure compliance with any requirements when required.

A copy of the Company's ESG policy can be found on the Company's website.

Section 172(1) report

The Board believes in a strong corporate governance structure to ensure responsible investing focused on the values of the Company and that building trusted relationships with the Company's stakeholders is crucial for the long-term success of the Company.

As a member of the AIC, the Company reports against the AIC Code on a comply or explain basis. Whilst the Company is not domiciled in the UK, by reporting against the AIC Code, the Company voluntarily meets any obligations in relation to the UK Code and specifically section 172 of the Companies Act 2006. The Directors consider, both individually and together as a Board, that they have acted in a way they consider, in good faith, is most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in section 172 of the Companies Act 2006) in the decisions taken during the year as set out below.

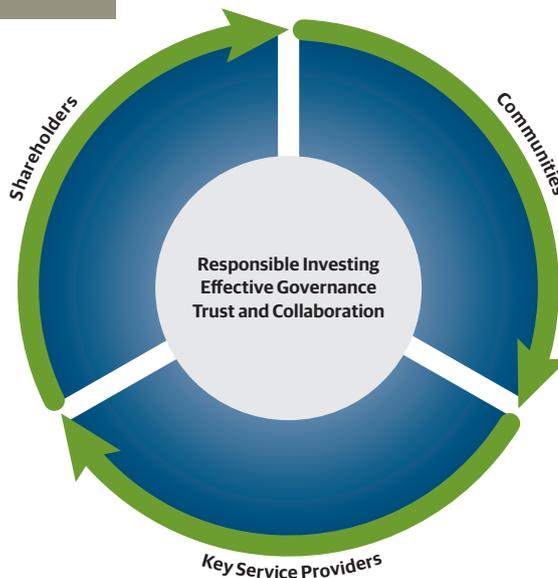
Stakeholders

An analysis has been carried out, as shown in the diagram below, to identify the key stakeholders of the Company, interests and how the Directors have considered the interests of the Company's stakeholders.

The Consumer Duty came into effect on 31 July 2023 to provide a higher standard of consumer protection for retail customers across financial services. Whilst the Consumer Duty does not apply directly to the Company or the Manager, a summary value assessment has been prepared to provide further information to prospective investors. This is available on the Company’s website (www.ejfi.com), here.

SHAREHOLDERS 2029 ZDP SHAREHOLDERS
Interests
Provision of capital to pursue the Investment Objective and targeting growth and income for the long-term success of the Company. Robust governance framework and safeguarding of assets.
Engagement
Monthly fact sheets, quarterly overviews and ad hoc investor presentations are published on the Company’s website, www.ejfi.com . More detailed communications are provided on a biannual basis through the publication of the interim and annual financial reports. Representatives of the Manager hold regular meetings with Shareholders and communicate those views to the Board. Directors are willing to meet major Shareholders to discuss the Company. RNS announcements and ad-hoc Manager communications are issued to keep Shareholders informed on a timely basis. The AGM and any EGMs give Shareholders the opportunity to vote on resolutions regarding the Company including the Continuance Resolution which is put to Shareholders at least every five years.

Regulators Local Governments, Wider Society & Jurisdictions
Interests
Compliance, openness and transparency within a robust regulatory framework to protect, joint interests of long-term success.
Engagement
AIFM reporting is filed on a half yearly basis. Jersey regulatory statistics are filed on an annual basis. The Company’s ESG strategy is in line with good governance and social responsibility. Further details can be found in the Corporate Governance Report and on the Company’s website.



Manager, Administrator, Brokers, Registrar, Lawyers, Auditors, Tax Advisers, Custodians
Interests
Knowledge, experience, aligned values and culture within an effective framework for pursuance of the Investment Objective and long-term success of the Company.
Engagement
The Manager reports on the performance of the underlying portfolio to the Board on a regular basis. In addition, the Board meets with representatives of the Manager to discuss strategic and marketing matters. The Board oversees the performance of the Company’s third-party service providers. The Board receives operational, compliance and associated reports to satisfy themselves as to the effective operation of the services, systems, and internal controls operated by the service providers. A formal review of the Company’s key service providers is conducted annually by the Management Engagement Committee. The Audit and Risk Committee review the external auditor’s performance, independence, and objectivity.

Principal Decisions

Beyond that of usual engagement and decision making by the Directors, the table below highlights specific actions during the year, where the Directors have had regard for stakeholder interests and the Company's objective to provide Shareholders with attractive risk adjusted returns through regular dividends and capital growth over the long term.

Decision	Description	Impact on long term success	Stakeholders
2025 ZDP Shares Rollover and 2029 ZDP Shares Placing Programme	In April 2025, the Company issued a Rollover Offer to 2025 ZDP Shareholders to convert their 2025 ZDP Shares into 2029 ZDP Shares, as well as an initial placing of additional 2029 ZDP Shares. The 2025 ZDP Shares not participating in the rollover were repaid in May 2025.	To provide continued financing to allow the Company to take advantage of investment opportunities identified by the Manager.	Shareholders
Block Listings	During the year, the Company made an application to the LSE for a block listing of 4,700,000 new 2029 ZDP Shares to rank pari passu with the existing 2029 ZDP Shares in issue. All 4,700,000 listed 2029 ZDP Shares were issued and an additional application for a further block listing of 6,290,000 new 2029 ZDP Shares was made post year end. Such additional ZDP Shares may be issued pursuant to the Company's existing general authority to issue shares on a non-pre-emptive basis to satisfy market demand, as and when market conditions permit. As at the date of this report, 24,601,593 2029 ZDP Shares have been issued.	To provide continued financing to allow the Company to take advantage of investment opportunities identified by the Manager.	Shareholders
Tender Offer	The Company completed its first tender offer for 5% of the Company's issued Ordinary Shares. The Company purchased 3,057,260 Ordinary Shares at a tender price of 143.40 pence per share, representing a 5% discount to the NAV per share as at 31 August 2025 (adjusted for costs), which were subsequently cancelled. Neither the Directors nor the Manager and their affiliates tendered any of their holdings.	To return capital to Shareholders and provide trading liquidity on the Ordinary Shares.	Shareholders
Change of Auditor	KPMG LLP served as the Company's auditor for over seven years. With the chair of the Audit and Risk Committee approaching his ninth year on the Board, the Audit and Risk Committee considered it advantageous to conduct an audit tender while Mr Dunphy remained chair, allowing the Company to benefit from his knowledge and experience. Following the conclusion of a formal tender process led by the Audit and Risk Committee, in May 2025 the Board announced the approval of the appointment of Ernst & Young LLP as the Company's auditor, succeeding KPMG LLP.		Shareholders Key Service Providers
Change of Investor CDD Service Provider	Following the change of Administrator to Apex Financial Services (Alternative Funds) Limited ("Apex") in July 2024, the provision of investor CDD services was transferred from The ID Register to Apex in November 2025.	More unified compliance framework having all compliance services provided by one service provider, reducing administrative burden and risk.	Shareholders Key Service Providers

By Order of the Board

John Kingston III

Chair

Date: 25 March 2026

Directors' Report

The Directors present their Annual Report on the affairs of the Company for the year ended 31 December 2025. The Corporate Governance Report set out on pages 22 to 26 forms part of this report.

Principal Activities, Business Review and Future Developments

The principal activities of the Group during the year were to invest in opportunities created by regulatory and structural changes impacting the financial services sector. No changes are envisaged in the Group's principal activities although future opportunities may include structured debt and equity, loans, bonds, preference shares, convertible notes and private equity, in both cash and synthetic formats which may be issued by entities domiciled in the US, UK and Europe. Information about the use of financial instruments by the Group is given in note 15 to the Audited Financial Statements.

Details of significant events since the Statement of Financial Position date are contained in note 19 to the Audited Financial Statements.

An indication of likely future developments in the business of the Company are included in the Chair's Statement on pages 7 to 8 and the Manager's Report on pages 9 to 13.

Results and Dividends

Results for the year ended 31 December 2025 are set out in the Statement of Comprehensive Income on page 46.

The Company paid dividends of £6,460,574 (31 December 2024: £6,542,536) during the year ended 31 December 2025. Further details can be found in note 13.

Stated Capital

At 31 December 2025, the Company's issued shares comprised 73,896,447 Ordinary Shares (31 December 2024: 76,953,707 Ordinary Shares), of which 15,808,509 were held in treasury (31 December 2024: 15,808,509). The total number of voting rights of the Ordinary Shares is 58,087,938 (31 December 2024: 61,145,198). Further details can be found in note 12.

Disclosure of Information to the Auditor

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

Financial Risk Management

Information about the Company's and EJFIH's financial risk management objectives is set out in note 15 to the Audited Financial Statements.

Directors and Directors' Interests

The Directors are listed on pages 18 and 19.

Details of the Directors' remuneration are included in the Remuneration Report on pages 32 and 33.

Directors' Insurance

During the year ended 31 December 2025 and up until the date of the signing of the Audited Financial Statements, the Company has maintained directors' and officers' liability insurance, which is deemed to give appropriate cover for any potential legal action that could be brought against the Directors.

Significant Shareholdings

In accordance with chapter five of the Disclosure Guidance and Transparency Rules (which covers the acquisition and disposal of major shareholdings and voting rights), the following Shareholders had an interest of greater than 5% in the Company's issued Ordinary Shares as at 31 December 2025:

Name	Ordinary Shares	% of total voting rights ¹
Friedman-French Foundation	11,816,558	20.34
Premier Miton Investors ²	4,491,857	7.73
Leon Cooperman	4,000,000	6.89
Tradex Insurance Company	3,579,737	6.16
William E Conway Jr	3,113,415	5.36
Newton Investment Management Limited ²	3,062,718	5.27
Wolfson Equities	2,966,990	5.11
	33,031,275	56.86

¹ The total voting rights is the number of Ordinary Shares in issue after adjusting for treasury shares. The % of total voting rights is calculated by dividing the number of Ordinary Shares by the total voting rights.

² These are investment platforms.

The Company did not receive any notifications during the period 1 January 2026 up and until the date of this report.

Independent Auditor

A resolution to re-appoint the Auditor will be put to Shareholders at the next AGM.

Manager

The Directors are responsible for the determination of the Company's Investment Policy and have overall responsibility for the Group's activities. The Company has, however, entered into a Management Agreement with the Manager under which the Manager has been appointed to manage the assets of the Group which include research, analysis and selection of investment opportunities for the Group and monitoring the ongoing performance of the investments.

The Directors consider that the interests of the Company's Shareholders as a whole are best served by the continued appointment of the Manager to achieve the Company's Investment Objective.

Going Concern

The Directors have performed a detailed assessment of the Company's ability to meet its liabilities as they fall due for the period of at least twelve months from the date of signing the Audited Financial Statements, including evaluating severe but plausible downside scenarios of a significant reduction in the liquidity and cash flow generation of its investments. The assessment was completed with reference to the cash position of the Group, the operating expenses and the potential default risk of the investments held. The Directors also considered the continuation vote due in 2027. Based on the Company's performance, the voting history in the general meetings, the previous continuation vote in 2022, the establishment of the tender offer process to provide increased liquidity to Shareholders, and the future prospects of the Company, the Directors consider the risk of the continuation vote not being passed to be low. The continuation vote, which occurs every five years, requires a majority of those voting to be passed.

In light of the analysis, the Directors are satisfied that, at the time of approving the Audited Financial Statements, there is a reasonable expectation that the Company will have adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the Audited Financial Statements and have therefore prepared the Audited Financial Statements on a going concern basis.

Viability Statement

The Directors, in conjunction with the Audit and Risk Committee and the Manager, have conducted a robust assessment of the viability of the Company, taking into account the Principal Risks that the Company faces, and the impact of extreme but plausible market scenarios on the viability of the Company over a three year period, albeit the Directors consider the Company to be a much longer term investment proposition for its Shareholders.

Time period

In establishing the three-year time horizon over which to consider the longer-term viability of the Company, the Directors considered the nature of the investment portfolio of the Group, and the Investment Objective of the Company taking into account the working capital model forecasting.

Stress testing

From their assessment of the Principal Risks, the Directors consider 'Credit Risk' and 'Availability of cash for investment opportunities and payment of liabilities' to be the two key Principal Risks that have the most potential to impact the viability of the Company. These risks were then considered when determining the scenarios to be used in the stress testing of the extreme market scenarios used in the stress tests which include:

- severe but plausible adverse movements in bank and insurance company default rates which impact the cash inflows from CDO Equity Tranches and CRTs; and
- foreign exchange movements impacting margin calls on the forward currency contracts.

General credit and economic conditions are monitored by the Manager, which provide insight into adverse changes at macro-economic levels. The Company has processes for monitoring operating costs, share price discount and the Manager's compliance with the Company's investment policy and investment restrictions.

Having considered these scenarios individually as well as simultaneously in conjunction with the potential remedies that could be put in place to mitigate the impact on the Company's liquidity and cash flows, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its financial covenants and operating expenses as they fall due over the three-year assessment period.

Events after the Reporting Period

Refer to note 19 for further details on events after the reporting period.

General Meetings

The 2026 AGM will be held in or around July 2026 at the Company's registered office in Jersey. The Directors recognise the importance of Shareholder engagement and there is the opportunity for Shareholders to attend the AGM should they wish. Any changes to the AGM date will be communicated via the Company's website, www.ejfi.com, and the LSE.

By Order of the Board

John Kingston III

Chair

Date: 25 March 2026

Nomination Committee Report

The Nomination Committee was established in 2024 and is formally charged by the Board to regularly review the structure, size, performance and composition of the Board and make recommendations regarding any changes to the Board and its committees.

Chair and Membership

The Nomination Committee comprises John Kingston III (chair), Alan Dunphy and Nick Watkins and meets at least once a year. It operates within clearly defined terms of reference which are reviewed at least annually and are available on the Company's website or from the Company Secretary upon request.

The Nomination Committee is further charged by the Board to give full consideration to succession planning for Directors, based on merit and objective criteria (which includes knowledge, experience, skills, and promoting diversity of gender, social and ethnic backgrounds). During the year, the Nomination Committee held one meeting. Attendance of members at the meeting is shown in the table on page 23. Relevant third parties may be invited by the Nomination Committee to attend meetings as and when appropriate.

Tenure and Succession

The Board's policy regarding tenure of service balances the need to provide and maintain continuity, knowledge, experience and independence, against the need to periodically refresh the Board composition in order to maintain an appropriate mix of the required skills, experience, age, length of service and, to the extent reasonably practical, diversity.

In accordance with the AIC Code, where a Director has served for more than nine years from the date of first appointment, the Board will review and explain whether that Director can continue to be considered independent albeit that the Board does not consider that lengthy service necessarily undermines a Director's independence nor that each Director, including the Chair, should serve for a finite fixed period.

The Articles include provisions for retirement of directors and eligibility for re-appointment to the Board. In addition, and in line with the AIC Code, the Board has determined that all Directors will retire and seek re-election on an annual basis. Any Director not re-elected would resign.

All Directors subject to election / re-election at the Company's AGM held on 24 June 2025 were duly elected / re-elected.

The Board recognises that as of the date of this report, Alan Dunphy and Nick Watkins will have served on the Board for nine years since it was listed on the LSE in 2017. The Nomination Committee has initiated a process to identify suitable replacements for Alan Dunphy and Nick Watkins and intends shortly to engage an external independent consultant

to assist it in this process. As part of the process, the Nomination Committee will actively consider diversity targets, as well as relevant knowledge, skills and experience of the short-listed candidates. The intention is to have identified the replacements by the fourth quarter of 2026. To ensure an orderly succession, the replacements will be invited to attend board meetings as unpaid observers until their formal appointment which is expected to be during Q4 2026 and Alan Dunphy and Nick Watkins will continue in office until 31 March 2027.

Diversity

The Directors recognise the benefits and effectiveness that diversity, including gender, age, professional experience and cultural background, brings to the Board and its committees and have a strong commitment to ensuring a correct balance of knowledge, experience and independence. Board appointments are based on merit as well as being an appropriate fit for the Company.

As a Jersey collective investment fund, the Board must comprise at least two Jersey resident directors and, whenever possible, each Board meeting should be held with a majority of directors present in Jersey. The Directors believe that the limited availability of ethnically diverse directors with relevant listed company experience in Jersey is an inherent limitation on the Company's ability to recruit such directors.

At 31 December 2025, the Board comprised three male Directors.

As the Company has no employees there is no further requirement to report in respect of diversity quotas.

The below tables set out the Board's current composition and provides a comparison against the targets prescribed by Listing Rule 9.8.6R (9)(a), being:

- at least 40% of individuals on the Board should be women;
- at least one senior Board position should be held by a woman; and
- at least one individual on the Board should be from a minority ethnic background.

Number of board members	Percentage of the Board	Senior positions on the board (CEO, CFO, SID and Chair)*
Men: 3	100%	Chair – John Kingston III
Women: 0	0%	
Not specified/ prefer not to say	0%	

	Number of board members	Percentage of the board	Senior positions on the board (CEO, CFO, SID and Chair)*
White British or other White (including minority-white groups)	3	100%	Chair – John Kingston III
Mixed/Multiple Ethnic Groups	0	0%	
Asian/Asian British	0	0%	
Black/African/Caribbean/Black British	0	0%	
Other ethnic group, including Arab	0	0%	
Not specified/prefer not to say	0	0%	

* The Company does not have executive management.

The Board is mindful that at present it does not meet the Listing Rule diversity targets, however some of these are practically difficult to achieve given the relatively small size of the Board. Alongside relevant knowledge, skills and experience, the diversity targets will continue to be considered as part of the succession plan on an ongoing basis and as part of the recruitment process to replace Mr Dunphy and Mr Watkins.

The Board seeks to uphold the highest standards of professionalism and corporate governance and embraces diversity.

Over-boarding

As a member of the AIC, the Company reports against the principles and provisions of the AIC Code, as endorsed by the FRC and the Jersey Financial Services Commission and considers by doing so it provides better information to Shareholders on specific relevance to investment companies.

Principle H of the UK Code states that non-executive directors should have sufficient time to discharge their Board responsibilities.

As an investment company, the Directors consider that it is not appropriate to have a formulaic approach to assessing whether a Director is able to effectively discharge their duties.

Prior to accepting the appointment as a director of the Company, each Director must disclose existing significant commitments and confirm they have sufficient time to attend to the business of the Company. In addition, before accepting a new listed, conflicted, time consuming or otherwise material role, a Director should confirm to the Chair their ability to meet the ongoing commitments of the Company. The Company Secretary must also be informed in order that the appropriate records can be updated and announcements made if required.

Prior to recommendation for re-election to the Board, each Director's continuing ability to meet the requirements of the role will be assessed by the other Directors by considering,

amongst other things, their attendance at Board, committee and other ad hoc meetings or events held during the year.

Directors' Performance Evaluation

The Board has established a formal system for the evaluation of its effectiveness and performance and that of the individual Directors, which is carried out on an annual basis. It considers this to be appropriate having regard to the non-executive role of the Directors and the significant outsourcing of services by the Company to external providers. The evaluation considers the balance of skills, experience, independence and knowledge of the Board and also the Board's oversight and monitoring of the performance of the Manager and other key service providers.

Re-election

Having considered the Directors' performance within the Board performance review process, the Board believes that it continues to be effective and the Directors bring extensive knowledge and commercial experience together by demonstrating a range of business, financial and asset management skills. The Board therefore believes that it would be in the Company's best interests for the Directors to be proposed for re-election at the AGM given their material level of contribution and commitment to the role and, hence, recommends that, as part of the Company's overall succession plan, Shareholders vote in favour of each Director's proposed re-election. As noted above, in view of the fact that Alan Dunphy and Nick Watkins have each served on the Board for nine years since it was listed on the LSE in 2017, both Directors intend to retire by the end of the first quarter of 2027 should Shareholders vote in favour of their re-election.

Director Remuneration

Details of the Directors' remuneration can be found on pages 32 and 33.

John Kingston III

Nomination Committee Chair

Date: 25 March 2026

Directors' Remuneration Report

The Directors are pleased to present their report on remuneration for the year ended 31 December 2025.

The Directors believe that due to the size and nature of the Company it would be unnecessarily burdensome to establish a separate remuneration committee. Remuneration matters are therefore included in matters reserved for the Board.

Remuneration Policy

Directors are entitled to receive a fixed fee based upon their duties, responsibilities and time spent up to an aggregate limit of £200,000 per annum as well as a fee for any special service at the request of the Company. As such, the Chair of the Board and the chairs of the Audit and Risk Committee and the Management Engagement Committee each receive an additional fee. Directors are also paid all reasonable travel expenses.

No element of the Directors' remuneration is performance related nor does any Director have any entitlement to pensions, share options or any long-term incentive plans from the Company. In accordance with the AIC Code, no Director is involved in deciding their remuneration.

No Director has a service contract with the Company, and no such contracts are proposed. Directors' appointments can be terminated in accordance with the Company's Articles and without compensation.

Directors' Remuneration

As at 31 December 2025, the Directors were each entitled to a fee of £44,000 (2024: £44,000) per annum with additional fees being paid to the Chair of the Board of £11,000 (2024: £11,000) per annum, to the chair of the Audit and Risk Committee of £5,500 (2024: £5,500) per annum and to the chair of the Management Engagement Committee of £3,000 (2024: £3,000) per annum.

For the year under consideration, the Directors received the following amounts:

Director	2025 £	2024 £
Joanna Dentskevich ¹	-	18,421
John Kingston III ²	55,000	15,943
Alan Dunphy ³	49,500	54,500
Nick Watkins	47,000	47,000
Total	151,500	135,864

1 Resigned on 2 May 2024.

2 Appointed as a Director on 6 September 2024 and Chair on 1 November 2024.

3 Alan Dunphy received an additional fee of £5,000 during 2024 for his time as interim chair of the Board.

Directors' expenses paid in the year were £26,639 (31 December 2024: £23,914).

No other remuneration or compensation was paid by the Company to the Directors during the years ended 31 December 2025 and 31 December 2024.

Directors' and officers' liability insurance cover is maintained by the Company on behalf of the Directors.

The terms of the appointments of Alan Dunphy and Nick Watkins as non-executive Directors are set out in letters issued in April 2017 (as amended in January 2019). The terms of the appointment of John Kingston as a non-executive Director are set out in a letter issued in September 2024.

Ordinary Shares held by Directors

Ordinary Shares held by the Directors as at year end were as follows:

Director	Ordinary Shares 31 December 2025 ¹	Percentage of Ordinary Shares in Issue 31 December 2025 ²	Ordinary Shares 31 December 2024 ¹	Percentage of Ordinary Shares in Issue 31 December 2024 ²
John Kingston III	191,368	0.33%	163,368	0.27%
Nick Watkins	20,000	0.03%	10,000	0.02%

ZDP Shares held by Directors

ZDP Shareholdings in the Company by the Directors as at year end were as follows:

Director	2029 ZDP Shares 31 December 2025 ¹	Percentage of 2029 ZDP Shares in Issue 31 December 2025 ³	2025 ZDP Shares 31 December 2024 ¹	Percentage of 2025 ZDP Shares in Issue 31 December 2024 ³
Nick Watkins	13,909	0.07%	10,000	0.05%

1 The Directors' shareholdings are either direct and/or indirect holdings of shares.

2 The calculation of Ordinary Shareholding percentage is based on the number of Ordinary Shares in issue after adjusting for treasury shares.

3 The calculation of ZDP shareholding percentage is based on number of ZDP Shares in issue.

John Kingston III

Chair

Date: 25 March 2026

Audit and Risk Committee Report

The Board is supported by the Audit and Risk Committee with formally delegated duties and responsibilities relating to audit and risk, as set out in written terms of reference which are available on the Company's website.

Chair and Membership

The Audit and Risk Committee is chaired by Alan Dunphy with its other members being John Kingston III and Nick Watkins. All members are independent, have no links with the Auditor and are independent of the Manager. The Audit and Risk Committee meets at least four times a year at appropriate times in the financial reporting cycle and to meet with the Auditor as appropriate. The membership of the Audit and Risk Committee and its terms of reference are kept under review.

The Board has considered the composition of the Audit and Risk Committee and is satisfied it has sufficient recent and relevant skills and experience. In particular, the Board has considered the requirements of the UK Code that the Audit and Risk Committee should have at least one member who has recent and relevant financial experience and that the Audit and Risk Committee, as a whole, has competence relevant to the sector in which the Company invests. The Board considers all the relevant requirements to have been met. The relevant qualifications and experience of each member are detailed on pages 18 and 19.

Key Responsibilities

The Audit and Risk Committee's primary role and responsibility is to review and monitor the integrity of the Company's Annual Report and Interim Report to ensure they are fair, balanced and understandable and provide the information necessary for Shareholders to assess the Company's performance, business model and strategy and reporting to the Board accordingly. This includes reviewing the Independent Auditor's Report.

The Audit and Risk Committee's other roles and responsibilities include, but are not limited to:

- reporting to the Board on any significant financial reporting issues and judgements;
- reviewing and challenging where necessary significant accounting policies and practices, including the basis on which the Company is determined as a going concern and a review of the viability statement included in the Annual Report taking into account the Company's financial position and principal risks identified;
- reviewing the adequacy and effectiveness of the Company's internal financial controls and internal control and risk management systems;
- assessing any correspondence from regulators in relation to the Company's financial reporting;
- reviewing the external auditor's performance, independence and objectivity to include a report from the external auditor on its own internal quality procedures;
- making recommendations to the Board in relation to the appointment, re-appointment or removal of the external auditor, the approval of the external auditor's remuneration and the terms of the engagement;
- developing and implementing policies surrounding the engagement of the external auditor to supply non-audit services, where appropriate;
- considering regularly whether the Company should have an internal audit function and making a recommendation to the Board accordingly;
- advising the Board on the Company's overall risk strategy and to establish the risk assessment measures and methodologies to be employed by the Company; and
- reporting to the Board on how it has discharged its responsibilities.

How the Audit and Risk Committee has Discharged Its Responsibilities

The Audit and Risk Committee met seven times during the year and the individual attendance of the Audit and Risk Committee members is outlined on page 23. Representatives of the Manager, Auditor and Administrator were present as required. The main matters discussed at those meetings were:

- detailed review of the 2024 Annual Report and recommendation for approval by the Board;
- review of the Company's and EJFIH's key risks and internal controls;
- assessment of the final audit findings document presented by the Auditor in respect of the audit of the 2024 Annual Report;
- consideration of the independence of the Auditor;
- consideration and conclusion of the audit tender process
- review and approval of the interim review plan of the Auditor in respect of the 2025 Interim Report;
- detailed review of the 2025 Interim Report and recommendation for approval by the Board;
- review of the effectiveness of the Auditor;
- review and approval of the annual audit plan of the Auditor in respect of the 2025 Annual Report; and
- discussion and final approval of the Auditor's fees for the 2024 and 2025 annual audits.

Subsequent to year end, up to the date of approval of the Annual Report, the Audit and Risk Committee met three times to discuss risk matters and undertake detailed reviews of the 2025 Annual Report. The main matters discussed at those meetings were:

- review and update of the Company's risk register and corresponding principal risks for inclusion in the Annual Report;
- review of updated terms of reference of the Audit and Risk Committee;
- specific consideration of fraud and bribery risk, and consideration of robustness of relevant whistleblowing policies;
- review and challenge of the Manager's stress tests for the purposes of the viability statement and consideration of the duration of the viability period;
- review of the positive assurance report in relation to the valuation of the interest in the CDO Manager;
- review and update of the Company's anti-money laundering, countering of the financing of terrorism and countering proliferation financing risk assessment;
- review of the Company's compliance monitoring plan;
- review of the 2025 Annual Report and recommendation for approval by the Board; and

- assessment of the final audit findings document presented by the Auditor in respect of the audit of the 2025 Annual Report.

Monitoring the Integrity of the Audited Financial Statements including Significant Judgement and Estimates

The Audit and Risk Committee reviewed the 2025 Interim Report and 2025 Annual Report prior to discussion and approval by the Board, and the significant financial reporting issues and judgements contained therein. It also reviewed the Auditor's reports thereon and reviewed the appropriateness of the Company's accounting principles and policies and monitored changes to, and compliance with, accounting standards on an ongoing basis.

The Audit and Risk Committee discussed with the Manager and the Administrator the critical accounting policies and judgements that have been applied and considered and determined the following:

- that the Company continues to meet the definition of an Investment Entity in accordance with IFRS 10;
- that the Company's investment in EJFIH should be classified at Level 3, as it is not traded and contains unobservable inputs; and
- due to the materiality of the Company's investment in EJFIH, in the context of the Audited Financial Statements as a whole and the judgement and estimation associated with the valuation of Level 3 investments, investments are considered to be the area which should have the greatest effect on the overall audit strategy and allocation of resources in planning and completing the audit.

As requested by the Board, the Audit and Risk Committee also reviewed the Annual Report and was able to confirm to the Board that, in their view, the Annual Report, taken as a whole, was fair, balanced and understandable and provided the information necessary for Shareholders to assess the Company's position, performance, business model and strategy.

Significant and other Accounting Matters

The significant accounting matters associated with the preparation of the Annual Report are:

Significant accounting matter	How addressed by the Audit and Risk Committee
Valuation of the investment in EJFIH	<p>EJFIH is not traded and contains unobservable inputs and is therefore classified as a Level 3 investment under IFRS 13. The Company holds a direct investment in EJFIH and the Board considers that the NAV of EJFIH is representative of its fair value.</p> <p>The NAV of EJFIH has been presented in the Annual Report on a look-through basis to the underlying investment positions. See details in notes 8 and 15. EJFIH holds a number of different Level 3 investments which are also measured at fair value.</p> <p>The Audit and Risk Committee receives regular updates on the performance of the Portfolio from the Manager. It also reviews the Manager's valuation policy and challenges the Manager on the valuation. The Audit and Risk Committee is not aware of any discrepancies with the valuation methodologies adopted or the independent valuation procedures carried out by the valuation agents.</p> <p>The Company values the underlying positions held in EJFIH as per below (further information regarding the valuation methodologies and the resultant valuations can be found in note 15 on pages 63 and 64):</p> <p>Partnership The Partnership is valued by reference to EJFIH's proportionate share of the NAV. The underlying investments by the Partnership into CDO Equity Tranches are marked clean to broker quotes with the Manager estimating the expected accrual of interest earned on each security.</p> <p>CDO Manager CDO Manager is valued by reference to EJFIH's proportionate share of the NAV of CDO Manager. The Manager values each underlying CDO management contract, held by the CDO Manager, using inputs such as cash flows expectations and discount rates. The Manager also engaged an external valuer to provide a positive assurance report on the NAV of CDO Manager as at 31 December 2025.</p> <p>CDO Securities Current cash-yielding securities are marked clean to broker quotes with interest accrued separately. Legacy CDO Securities are valued dirty by the Manager using acceptable probability based discounted cash flow methodologies.</p> <p>Mezzanine debt securities and Credit Risk Transfers These securities are marked clean to broker quotes with the Manager estimating the expected accrual of interest earned on each security.</p> <p>Derivative financial instruments at FVTPL The Manager determines the fair value of the forward foreign currency contracts using quoted mid forward exchange rates as at the reporting date.</p>

Risk Management

The Board as a whole is responsible for the Company's system of internal controls and the Audit and Risk Committee assists the Board in meeting those obligations, as set out in its terms of reference. The Board does not currently consider an internal audit function to be required given the size and nature of the Company's operations and instead places reliance on the controls applied by the Company's service providers as regulated entities. The Audit and Risk Committee has reviewed the Administrator's most recent ISAE 3402 Report on Administration (Report on the description of controls placed in operation, their design and operating effectiveness for the period from 1 October 2024 to 30 September 2025) and is pleased to note that no significant issues were identified in respect of the controls related to services provided by the Administrator. In addition, the Administrator has provided a bridging letter covering the period from 1 October 2025 to 31 December 2025, which confirms the controls referenced in the ISAE 3402 Report are still in place and operated effectively in this period.

The quarterly reporting from the Manager, Administrator, Compliance Officer and Registrar forms a key part of the monitoring and review of the internal controls of the Company. Additionally, the Company receives confirmations from its principal service providers that no material issues have arisen in respect of their systems of internal controls and risk management.

During the year, a meeting was held with representatives of the Manager to review any changes to the Manager's controls and the operating effectiveness of the Manager's existing controls. The Audit and Risk Committee reaffirms that, to date, there are no risk issues identified in this area which need to be brought to Shareholders' attention.

External Auditor

It is the responsibility of the Audit and Risk Committee to monitor the performance, independence, objectivity and reappointment of the Auditor. The Audit and Risk Committee met with the Auditor to consider the audit strategy and plan for the audit. The audit plan for the reporting period was reviewed, including consideration of the key audit matters and audit risks, to seek to ensure that the audit was appropriately focused.

The Auditor attended a number of the Audit and Risk Committee meetings throughout the year, which allowed the Auditor the opportunity to discuss any matters it wished to raise. The Auditor provided feedback at each Audit and Risk Committee meeting on topics such as the key accounting matters, mandatory communications and the control environment. The Audit and Risk Committee chair meets with the Auditor ahead of Audit and Risk Committee meetings to review key audit and review areas for discussion with the Audit and Risk Committee. The Auditor is not in attendance when their performance and/or levels of remuneration are discussed. The Auditor has the opportunity to meet with the Audit and Risk Committee without representatives of the Manager being present.

The Auditor engages independent valuation specialists to assist in the audit of the Company's asset valuations. Their valuations team are based in London and the US. They perform valuation testing by repricing complex financial assets. A senior representative of the valuation specialists team attended the Audit and Risk Committee meeting at which the Auditor presented the final audit findings in respect of the audit of the 2025 Annual Report, including an overview of the independent valuation work and methodology undertaken and a summary of differences identified. The Audit and Risk Committee was satisfied that the differences identified by the Auditor were within an acceptable level of deviation.

The Auditor was remunerated as follows:

	Year ended 31 December 2025 £	Year ended 31 December 2024 £
Annual audit	130,756	168,000
Total audit fee	130,756	168,000
Interim review	49,000	55,134
Total audit and non-audit related services fees	179,756	223,134

During the year, the Audit and Risk Committee completed a review of the external audit arrangements and decided to conduct a formal competitive audit tender process. Following this conclusion of this process, the Audit and Risk Committee recommended that the appointment of a new auditor, Ernst & Young LLP, would be in the best interest of the Company and its Shareholders. The Board subsequently approved the appointment of Ernst & Young LLP as the Company's new auditor on 19 May 2025, succeeding KPMG LLP. The Audit and Risk Committee is satisfied that Ernst & Young LLP has the appropriate experience, independence and industry knowledge to deliver an effective audit. Accordingly, a resolution proposing the reappointment of the Company's Auditor will be put to the Shareholders at the forthcoming AGM.

A member of the Audit and Risk Committee will be available to Shareholders at the forthcoming AGM of the Company to answer any questions relating to the role of the Audit and Risk Committee.

Alan Dunphy

Audit and Risk Committee Chair

Date: 25 March 2026

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report, including the Directors' Remuneration Report in accordance with applicable law and regulations.

The Companies Law requires the Directors to prepare Audited Financial Statements for each financial year. Under the Companies Law they are required to prepare the Audited Financial Statements in accordance with IFRS and applicable law.

Under the Companies Law, the Directors must not approve the Audited Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that year. In preparing the Audited Financial Statements, the Directors are required to:

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

The Directors are responsible for keeping proper records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its Audited Financial Statements comply with the Companies Law. They are responsible for such internal control as they determine is necessary to enable the preparation of Audited Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

Responsibility statement of the Directors in respect of the Annual Report and Audited Financial Statements

We confirm that to the best of our knowledge:

- the Audited Financial Statements, prepared in accordance with IFRS, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as at and for the year ended 31 December 2025, as required by DTR 4.1.12R; and
- the Annual Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces, as required by DTR 4.1.8R and DTR 4.1.11R.

We consider the Annual Report and Audited Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement has been approved by the Board and is signed on its behalf by:

John Kingston III

Chair

Date: 25 March 2026

Opinion

We have audited the Financial Statements of EJF Investments Limited (the "Company") for the year ended 31 December 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 20, including a summary of material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements, including the UK FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting the audit.

Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Ascertaining that the going concern assessment covers a period of at least twelve months from the date of approval of the Financial Statements. The Directors have performed an assessment to 25 March 2027 which is at least twelve months from the date of approval of the Financial Statements.

- Reviewing the cash flow forecast which support the directors' assessment of going concern. This included challenging the sensitivities and assumptions used in the forecast.
- Reviewing the appropriateness of the stress and reverse stress test scenarios applied to the cashflow forecast, including assessing whether management have considered that the scenarios comprehensively reflect key risks identified by the Company, their understanding of the business, and the external market environment. We also tested the clerical accuracy of the analysis and assessed the conclusions reached in the stress test scenarios.
- Making enquiries of the Directors, the Manager and the Administrator to identify risks or events that may impact the Company's ability to continue as a going concern. We also reviewed management's going concern paper approved by the Board and minutes of meetings of the Board and the Audit and Risk Committee.
- Considering whether the Directors' assessment of going concern as included in the Annual Report, is consistent with the disclosure in the Viability statement.
- Assessing whether any subsequent events identified by the Directors impact the Company's ability to continue as a going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of twelve months from when the Financial Statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Overview of our audit approach

Key audit matters	<ul style="list-style-type: none"> • Risk of incorrect valuation of financial assets at fair value through profit or loss • Risk of incomplete or inaccurate revenue recognition with respect to dividend income
Materiality	<ul style="list-style-type: none"> • Overall materiality of £0.94m which represents 1% of net asset value.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk and our evaluation of materiality determines our audit scope for the Company. This enables us to form an opinion on the Financial Statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, changes in the business environment

and the potential impact of climate change when assessing the level of work to be performed

Climate change

The Company has explained climate-related risks in the "ESG" section of the Corporate Governance Report and forms part of the "Other Information", rather than the audited Financial Statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the Financial Statements, or our knowledge obtained in the course of the audit, or otherwise appear to be materially misstated.

Our audit effort in considering climate change was focused on evaluating whether the effects of climate risks have been appropriately reflected by management in reaching their judgements and in relation to the assessment of the valuation of financial assets. As part of this evaluation we performed our own risk assessment to determine the risks of material misstatement in the Financial Statements from climate change which needed to be considered in our audit.

Based on our work we have not identified the impact of climate change on the Financial Statements to be a key audit matter or to impact a key audit matter..

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Incorrect valuation of financial assets at fair value through profit or loss (2025: £114.69m, 2024: £126.38m)</p> <p><i>Refer to the Audit and Risk Committee Report (pages 34-38); Accounting policies (pages 50-53); and Note 8 of the Financial Statements (pages 55-56)</i></p> <p>The financial asset at fair value through profit or loss represents a 100% (2024: 100%) holding in EJF Investment Holdings Limited (the "Holdco") and constitutes 99% (2024: 99%) of the Company's total assets. The Holdco holds direct investments as well as holds investments through holding interest in EJF Investments LP (the "Partnership") and EJF CDO manager LLC (the "CDO manager").</p> <p>The Company's investment in the Holdco is held at fair value through profit or loss in accordance with IFRS.</p> <p>The fair value of the investment in the Holdco is based on net asset value and largely determined by reference to the underlying investments in the Holdco, which are all held at fair value. As those underlying investments are largely made up of financial instruments for which no observable market price is readily available, their fair value is determined through the application of valuation techniques which involve significant judgement by the Company.</p>	<p>We have performed the following procedures:</p> <ul style="list-style-type: none"> ▶ Obtained an understanding of the Manager's processes surrounding the valuation of Level 3 investments by performing walkthrough procedures in which we evaluate the design and implementation of controls. ▶ Reviewed the valuation models utilised by the Manager to validate that the valuation methodology adopted is consistent with the requirements of IFRS. ▶ For the Company's investment in the Holdco, we have performed valuation and existence procedures on the assets and liabilities held, including the investments held as noted below. ▶ For the Holdco's investment in the Partnership and CDO manager, we recalculated independently the net asset values attributable to the Holdco, by applying the ownership percentages to the relevant net asset value. ▶ For investment securities held directly by Holdco or through other entities, we engaged our team of valuation specialists to test a sample of valuations, which included completing the following procedures: <ul style="list-style-type: none"> • Reviewing the valuation papers prepared by the Manager for the year ended 31 December 2025; • Challenging the valuation methodologies and assumptions used; • Assessing whether the valuations have been performed in line with general valuation approaches as set out in IFRS; • Assessing the appropriateness of data inputs by agreeing them to source data and challenging assumptions used by reference to relevant market data and prevailing market practices; and • Performing comparative calculations to assess whether the valuation conclusions are reasonable and within an independently calculated acceptable valuation range. ▶ We recalculated the unrealised gains/losses on the investment in Holdco as at the year-end using the book-cost reconciliation and reviewed the fair value hierarchy disclosure for consistency with our understanding of the investments held. 	<p>Based on the work performed, we had no matters to report to the Audit and Risk Committee.</p>

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Given the subjective nature of valuations, there is also a risk that management may seek to influence the significant judgements and estimations adopted within the valuation calculation in order to meet market expectations of the overall net asset value of the Company. As such we consider that the risk of incorrect valuation of financial assets at fair value through profit or loss represents a fraud risk and thus a significant risk.</p>	<ul style="list-style-type: none"> ▶ We obtained independent confirmation of the investments held by the Holdco. We tested additions to and return of capital from the Holdco as well as a sample of purchases and disposals of the underlying unquoted investments during the year, by inspecting supporting documents, agreeing amounts to the accounting records and to bank statements. 	
<p>Incomplete or inaccurate revenue recognition with respect to dividend income (2025: £7.93m, 2024: £8.70m)</p> <p><i>Refer to the Audit and Risk Committee Report (pages 34-38); Accounting policies (pages 50-53); and Note 5 of the Financial Statements (page 54)</i></p> <p>The ability to generate dividend yield for shareholders that is funded from investment revenue (rather than capital gains arising on the disposal of investments) is a key strategic objective of the Company. Given the importance that the Company's ability to generate a consistent level of investment revenue has on the Company's dividend yield objectives, we consider that the recognition of investment revenue represents a fraud risk and thus a significant risk.</p>	<p>We have performed the following procedures:</p> <ul style="list-style-type: none"> ▶ Obtained an understanding of the Administrator's processes and controls surrounding revenue recognition by performing walkthrough procedures. ▶ For 100% of the investment income received as dividend income, we have traced it to the Holdco Board of Director's approval for these distributions and the amounts to the bank statements. ▶ Reviewed the minutes of EJV Investment Holdings Limited throughout the year and up to the date of this report to test for unrecorded dividends. 	<p>Based on the work performed, we had no matters to report to the Audit and Risk Committee.</p>

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the Financial Statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be £0.94 million, which is 1% of net asset value. We believe that net asset value provides us with the best measure of materiality as it is the Company's most important financial metric on which shareholders assess the performance of the Company.

During the course of our audit, we reassessed initial materiality and updated its calculation to align with the year-end net asset value figure.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 50% of our planning materiality, namely £0.47m. We have set performance materiality at this percentage due to this being an initial audit. Our objective in adopting this approach was to ensure that total uncorrected and undetected audit differences in the Financial Statements did not exceed our materiality level.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.04m, which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the Annual Report set out on pages 1-39 and 76-81, other than the Financial Statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report.

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Report relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Report is materially consistent with the Financial Statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified, set out on page 28;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate, set out on page 29;

- Directors' statement on fair, balanced and understandable Financial Statements, set out on page 35;
- Director's statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities, set out on page 28;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks, set out on page 8;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems, set out on page 23; and
- The section describing the work of the Audit and Risk Committee, set out on pages 34-38.

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 (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the Company's accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 39, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the 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.

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 (UK) will always detect a material misstatement when it exists. Misstatements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are the Companies (Jersey) Law 1991, the UK Corporate Governance Code (taken in the context of the AIC Code), and the UK Listing Rules.
- We understood how the Company is complying with those frameworks by making enquiries with the directors including the Chairman of the Audit Committee. We corroborated our understanding through our review of board minutes and board papers provided to the Audit Committee.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified fraud risks in relation to inappropriate revenue recognition with respect to investment revenue, including risk of management override in relation to inappropriate journal entries, and risk of incorrect valuation of investments. Our audit procedures stated above in the 'Key audit matters' section of this Auditor's report, including test of journal entries, were performed to address these identified fraud risks.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on manual journals, journals posted around the year end date and other focused testing procedures.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit Committee, we were appointed by the Company on 29 July 2025 to audit the Financial Statements for the year ending 31 December 2025 and subsequent financial periods.
- The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting the audit.
- The audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. 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.

Ahmer Huda for and on behalf of Ernst & Young LLP

London
25 March 2026

Independent Auditors' Report

Opinion

We have audited the Financial Statements of EJF Investments Limited (the "Company"), which comprise the Statement of Financial Position as of 31 December 2025, and the related Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and the related notes (collectively referred to as the "Financial Statements").

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of the Company at 31 December 2025, the changes in equity, and the results of its operations and its cash flows for the year then ended, in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). 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 required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other matter

The Financial Statements of the Company for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on 26 March 2025.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRS, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of Financial Statements that are free of material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the Financial Statements are available to be issued.

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 of 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Financial Statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Financial Statements.
- 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. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Financial Statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information

Management is responsible for other information. The other information comprises the information included in the Annual Report set out on pages 1 to 39 and pages 76 to 81 but does not include the Financial Statements, Supplementary Information and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the Financial Statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Ernst & Young LLP
London, United Kingdom
25 March 2026

Statement of Comprehensive Income for the years ended 31 December 2025 and 31 December 2024

	Notes	1 January 2025 to 31 December 2025 £	1 January 2024 to 31 December 2024 £
Dividend income	5	7,935,634	8,700,000
Net foreign exchange gain/(loss)		6,876	(2,491)
Net unrealised gain on financial assets held at FVTPL	8	544,295	4,700,329
Total income		8,486,805	13,397,838
Investment Management fee	17	(796,898)	(860,975)
Legal fees		(25,537)	(276,785)
Professional fees		(320,909)	(314,454)
Administration fees		(203,876)	(206,317)
Directors' fees	17	(151,500)	(135,864)
Directors' and professional indemnity insurance	17	(40,490)	(49,250)
Fees paid to the Auditor	6	(179,756)	(223,134)
Printing fees		(30,000)	(12,609)
Listing fees		(27,719)	(18,561)
Tax services fees		(7,262)	(47,188)
Other expenses		(13,935)	(62,441)
Total operating expenses		(1,797,882)	(2,207,578)
Expenses reimbursed by the Manager	17	-	48,715
Net operating expenses		(1,797,882)	(2,158,863)
Operating profit		6,688,923	11,238,975
Finance costs	7	(1,935,830)	(1,950,092)
Profit and total comprehensive income for the year attributable to Shareholders		4,753,093	9,288,883
Weighted average number of Ordinary Shares in issue during the year	18	60,600,754	61,145,198
Basic and diluted earnings per Ordinary Share	18	7.8p	15.2p

All items in the above statement are derived from continuing operations. No operations were acquired or discontinued during the year.

The accompanying notes on pages 50 to 75 form an integral part of these Audited Financial Statements.

Statement of Financial Position as at 31 December 2025 and 31 December 2024

	Notes	31 December 2025 £	31 December 2024 £
Non-current assets			
Financial assets at FVTPL	8	114,685,222	126,382,727
Current assets			
Cash and cash equivalents		615,462	512,871
Other receivables and prepaid expenses	9	10,798	477,939
Total current assets		626,260	990,810
Total assets		115,311,482	127,373,537
Non-current liabilities			
ZDP Shares	11	(19,768,380)	-
Current liabilities			
ZDP Shares	11	-	(26,028,989)
Accounts payables and accrued expenses	10	(1,077,544)	(612,402)
Total current liabilities		(1,077,544)	(26,641,391)
Total liabilities		(20,845,924)	(26,641,391)
Net assets		94,465,558	100,732,146
Equity			
Stated capital	12	80,695,200	85,254,127
Retained earnings		13,770,358	15,478,019
Total Equity		94,465,558	100,732,146
Number of Ordinary Shares in issue at year end (excluding treasury shares)	12	58,087,938	61,145,198
NAV per Ordinary Share		163p	165p

The Audited Financial Statements were approved and authorised for issue by the Board on 25 March 2026 and signed on its behalf by:

John Kingston III
Director

The accompanying notes on pages 50 to 75 form an integral part of these Audited Financial Statements.

Statement of Changes in Equity

for the years ended 31 December 2025 and 31 December 2024

		Number of Ordinary Shares	Stated capital £	Retained earnings £	Net assets attributable to Shareholders £
For the year ended 31 December 2025					
	Notes				
Balance at 1 January 2025		61,145,198	85,254,127	15,478,019	100,732,146
Total comprehensive income for the year attributable to Shareholders		-	-	4,753,093	4,753,093
Transactions with Shareholders					
Ordinary shares bought under tender offer	12	(3,057,260)	(4,558,927)	-	(4,558,927)
Dividends paid	13	-	-	(6,460,754)	(6,460,754)
Balance at 31 December 2025		58,087,938	80,695,200	13,770,358	94,465,558
For the year ended 31 December 2024					
	Notes				
Balance at 1 January 2024		61,145,198	85,254,127	12,731,672	97,985,799
Total comprehensive income for the year attributable to Shareholders		-	-	9,288,883	9,288,883
Transactions with Shareholders					
Dividends paid	13	-	-	(6,542,536)	(6,542,536)
Balance at 31 December 2024		61,145,198	85,254,127	15,478,019	100,732,146

The accompanying notes on pages 50 to 75 form an integral part of these Audited Financial Statements.

Statement of Cash Flows

for the years ended 31 December 2025 and 31 December 2024

	Notes	1 January 2025 to 31 December 2025 £	1 January 2024 to 31 December 2024 £
Cash flows from operating activities			
Profit and total comprehensive income for the year		4,753,093	9,288,883
Adjustments for:			
Amortisation of ZDP Shares, issuance and redemption costs	7, 11	1,932,056	1,952,942
Net unrealised gain on financial assets held at FVTPL	8	(544,295)	(4,700,329)
Net foreign exchange (gain)/loss		(6,876)	2,491
Capital contribution in EJFIH	8	(3,318,200)	-
Capital distribution from EJFIH	8	15,560,000	-
Changes in net assets and liabilities			
Decrease/ (increase) in other receivables and prepaid expenses		467,141	(245,610)
Increase in account payables and accrued expenses		465,142	98,691
Net cash generated from operating activities¹		19,308,061	6,397,068
Cash flows from financing activities			
Proceeds from the issuance of 2029 ZDP Shares		8,676,959	-
Redemption of 2025 ZDP Shares	11	(15,808,347)	-
2029 ZDP Share issue costs		(1,061,277)	-
Ordinary shares bought under tender offer	12	(4,558,927)	-
Dividends paid	13	(6,460,754)	(6,542,536)
Net cash used in financing activities		(19,212,346)	(6,542,536)
Net increase/(decrease) in cash and cash equivalents		95,715	(145,468)
Cash and cash equivalents at the start of the year		512,871	660,830
Effect of movements in exchange rates on cash held		6,876	(2,491)
Cash and cash equivalents at the end of the year		615,462	512,871

¹ Please see note 5 for dates and amounts of dividends received in cash

The accompanying notes on pages 50 to 75 form an integral part of these Audited Financial Statements.

Notes to the Audited Financial Statements for the year ended 31 December 2025

1. General Information

The Company is a closed-ended investment company incorporated with limited liability in the Bailiwick of Jersey on 20 October 2016 under the provisions of the Companies Law with registration number 122353 and is regulated as a collective investment fund under the Collective Investment Funds (Jersey) Law 1988. The Company's registered office and principal place of business is IFC5, St. Helier, Jersey, JE1 1ST. The principal legislation under which the Company operates is the Companies Law, as amended. The Company's stated capital comprises Ordinary Shares which were initially admitted to trading on the SFS on 7 April 2017. The 2029 ZDP Shares were admitted to trading on the SFS on 14 May 2025 (see note 11).

The Company does not have a fixed life as set out in the Articles. On or about each fifth anniversary of the Company's Shares being admitted to trading on LSE, the Directors shall procure that an EGM of the Company be convened at which a Continuation Resolution will be proposed. The first Continuation Resolution was passed at the EGM held on 5 May 2022. The next Continuation Vote will take place around May 2027, being five years from the most recent vote.

The Manager has been appointed by the Company to provide management and investment management services and the Administrator has been appointed to provide administration services to the Company.

EJF holds 100% of the voting rights in the Manager. EJF is an investment adviser principally located in the US and registered as such with the SEC and as a CPO and CTA with the CFTC. The Company has appointed the Manager to act as its AIFM for the purposes of the AIFM Directive.

Additional information has been provided in note 20 to allow the Manager to avail of the audit exemption as prescribed in Rule 206 (4)-2 of the US Investment Adviser Act 1940.

The Company has one direct subsidiary, EJFIH (incorporated on 9 June 2017), of which it owns 100% (31 December 2024: 100%) of the share capital. Refer to note 14 for further information on EJFIH and EJFIH's subsidiaries and associates.

The Company seeks to generate risk adjusted returns for its Shareholders by investing, through its Subsidiary, in opportunities created by regulatory and structural changes impacting the financial services sector. These opportunities are anticipated to include structured debt and equity, loans, bonds, preference shares, convertible notes, Fintech debt securities (including European debt securities) and private equity, in both cash and synthetic formats issued by entities domiciled in the US, UK and Europe. Investments consist primarily of Securitisation and Related Investments and Specialty Finance Investments. The Company seeks to operate in a way to enable it to make quarterly dividend payments to Shareholders in addition to targeting Net Asset Value growth.

2. Material Accounting Policies

2.1 Basis of Preparation

(a) Statement of Compliance

The Audited Financial Statements of the Company have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB'). The Audited Financial Statements have been prepared to give a true and fair view of the Company's affairs and to comply with the requirements of the Companies Law.

(b) Going concern

Under the UK Code, voluntarily adopted by the Company, and Companies Law, the Directors are required to satisfy themselves that it is reasonable to assume that the Company is a going concern and to identify any material uncertainties in respect of the Company's ability to continue as a going concern for at least 12 months from the date of approving the financial statements.

The Directors have performed a detailed assessment of the Company's ability to meet its liabilities as they fall due for the period of at least twelve months from the date of signing the Audited Financial Statements, including evaluating severe but plausible downside scenarios of a significant reduction in the liquidity and cash flow generation of its investments. The assessment was completed with reference to the cash position of the Group, the operating expenses and the potential default risk of the investments held. The Directors also considered the continuation vote due in 2027. Based on the Company's performance, the voting history in the general meetings, the previous continuation vote in 2022, the establishment of the tender offer process to provide increased liquidity to Shareholders, and the future prospects of the Company, the Directors consider the risk of the continuation vote not being passed to be low. The continuation vote, which occurs every five years, requires a majority of those voting to be passed.

In light of the analysis, the Directors are satisfied that, at the time of approving the Audited Financial Statements, there is a reasonable expectation that the Company will have adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the Audited Financial Statements and have therefore prepared the Audited Financial Statements on a going concern basis.

(c) Functional and presentation currency

The Company's functional currency is Sterling, which the Directors deem to be the currency of the primary economic environment in which it operates, the currency in which finance is raised, the currency in which distributions are made, the currency in which investment management fees are paid and ultimately the currency that would be returned to Shareholders if the Company was wound up. The Group enters into investment transactions that are denominated in currencies other than the functional currency, primarily in US Dollars and therefore is exposed to currency risk. The Company's performance is evaluated and reported to

Shareholders in Sterling and its liquidity is managed in Sterling. Sterling is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Audited Financial Statements are presented in Sterling, except where otherwise indicated, and are rounded to the nearest pound.

(d) Standards and amendments to existing standards effective from 1 January 2025

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2025 that have a material effect on the Audited Financial Statements of the Company.

Standard	Effective for annual periods beginning on or after
IAS 21 (amendments)- The effects of change in foreign exchange rates: lack of exchangeability	1 January 2025

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

Standards that become effective in future accounting periods and have not been early adopted by the Company:

Standard	Effective for annual periods beginning on or after
IFRS 9 and IFRS 7 (amendments) - Classification and measurement of financial instruments	1 January 2026
IFRS 18 - Presentation and disclosure in financial statements	1 January 2027
IFRS 19 - Subsidiaries without public accountability: disclosures	1 January 2027

The Directors are still assessing the impact of IFRS 18, but at present do not anticipate it will have a material impact on the Audited Financial Statements other than to the presentation of the Statement of Comprehensive Income.

The Directors believe that the application of the other standards and amendments will not have an impact on the Audited Financial Statements.

A number of other new standards, amendments to standards and interpretations have been issued, but are not yet effective and have not been early adopted in preparing these Audited Financial Statements. None of these are expected to have a material effect on the Audited Financial Statements of the Company.

2.2 Foreign Currency Translations

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the Statement of Financial Position date.

Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within 'Net foreign exchange gain/(loss)'.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at FVTPL are presented in the Statement of Comprehensive Income within 'Net unrealised gain on financial assets held at FVTPL'.

2.3 Accounting for Subsidiaries

In accordance with IFRS 10 as amended, the Board has determined that the Company meets the definition of an investment entity which is exempted from the consolidation of investment entity subsidiaries. EJFIH was established to hold investments for the Company and to maximise the Company's investment returns. It does not represent a separate substantial business activity.

The Company has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- The Company has obtained funds from investors for the purpose of providing investors with investment management services.
- The Company's business purpose, which was communicated directly to investors, is investing funds solely for returns from capital appreciation and investment income.
- The Company measures and evaluates all of its investments on a fair value basis.

The Company obtains funding from a diverse group of external Shareholders, to whom it has committed that its business purpose is to invest funds solely for returns from capital appreciation and investment income.

The Company owns 100% of the equity of the Subsidiary. The Company is exposed to, and has rights to the returns from, the Subsidiary and has the ability, either directly or through the Manager, to affect the amount of its returns from the Subsidiary, representing all the elements of control as prescribed by IFRS 10.

The Subsidiary is used to acquire exposure to a portfolio comprising a number of investments. The fair value method is used to represent the Subsidiary's performance in its internal reporting to the Board, and to evaluate the performance of the Subsidiary's investments and to make investment decisions for investments.

Those investments have documented maturity/redemption dates or will be sold if other investments with a better risk/reward profile are identified, which the Manager considers demonstrate a clear exit strategy.

As a result, under the terms of IFRS 10, the Company does not consolidate the Subsidiary, and measures its investment in the Subsidiary at FVTPL. The Company has determined that the fair value of the Subsidiary is the Subsidiary's NAV and has concluded that the Subsidiary meets the definition of an unconsolidated subsidiary under IFRS 12 and has made

2. Significant Accounting Policies (continued)

the necessary disclosures (see notes 8 and 14 for further information).

2.4 Taxation

Under Article 123C of the Jersey Income Tax Law and on the basis that the Company is tax resident in Jersey, the Company is regarded as subject to Jersey income tax at a rate of 0%. The Company is not subject to UK income tax or corporation tax. The Company is deemed to be a non-US corporation for US tax classification status.

2.5 Financial Instruments

(a) Classification

The Company classifies its financial assets and financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value; and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial instruments and the contractual terms of the cash flows.

Financial assets held at FVTPL

The Company has been classified as an investment entity and as such, its investment in EJFIH is held at FVTPL and measured in accordance with the requirements of IFRS 9.

Cash and cash equivalents and receivables

(i) *Cash and cash equivalents*

Cash comprises current deposits with banks.

(ii) *Receivables*

Receivables, including balance due from EJFIH, are balances that have been contracted for but not yet delivered on the Statement of Financial Position date. These financial assets are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets.

Financial liabilities measured at amortised cost

These include trade payables and other short-term monetary liabilities, which are initially recognised at fair value. They are subsequently carried at amortised cost.

ZDP Shares

In accordance with IAS 32, ZDP Shares have been disclosed as a financial liability as the shares are redeemable at a fixed date and holders are entitled to a final capital entitlement on the repayment date. ZDP Shares are measured at amortised cost using the effective interest rate method. Capitalised issue costs are being amortised using the effective interest rate method. Amortisation of the 2029 ZDP Shares issue costs is included in finance costs.

(b) Recognition and initial measurement

Investments made by the Company in EJFIH are recognised on the trade date when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value.

All other financial assets and financial liabilities are also recorded on the trade date and recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

The Company offsets financial assets and financial liabilities if the Company has a legally enforceable right to offset the recognised amounts and interests and intends to settle on a net basis or realise the asset and liability simultaneously.

(c) Subsequent measurement of Financial Assets

Financial assets at FVTPL ("Investment in EJFIH")

Subsequent to initial recognition, the Investment in EJFIH is measured at each subsequent reporting date at FVTPL. The Company holds all of the shares in EJFIH, which is a holding vehicle used to hold the Company's investments. EJFIH is not traded and contains unobservable inputs and is therefore classified as a Level 3 investment under IFRS 13. The Board considers that the NAV of EJFIH is representative of its fair value. EJFIH itself holds a number of Level 3 investments which are also measured at fair value.

Changes in the fair value of financial assets held at FVTPL are recognised in net gain or loss on financial assets held at FVTPL in the Statement of Comprehensive Income as applicable.

Notes 8 and 15 provide an analysis of the financial assets and financial liabilities of EJFIH on a look-through basis that ties to the Company's investment in financial assets at FVTPL.

Derivative financial instruments held by EJFIH

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each financial reporting date. The resulting gain or loss is recognised in EJFIH's Statement of Comprehensive Income immediately. Derivatives are classified as financial assets or financial liabilities at FVTPL, attributable transaction costs are recognised in the Statement of Comprehensive Income when incurred. EJFIH holds derivative financial instruments to minimise its exposure to foreign exchange risks.

Cash and cash equivalents and receivables

Cash and cash equivalents and receivables are classified as financial assets measured at amortised cost.

(d) Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with its cash and cash equivalents and receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk or indicators of impairment.

For receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected 12-month losses to be recognised from initial recognition of the receivables, see note 15 for further details.

(e) De-recognition of Financial Assets and Financial Liabilities

A financial asset (in whole or in part) is derecognised either:

- when the Company has transferred substantially all the risks and rewards of ownership; or
- when the contractual right to receive cash flow has expired.

A financial liability (in whole or in part) is derecognised when the Company has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on de-recognition is taken to Statement of Comprehensive Income.

2.6 Dividend Income

Dividend income is recognised in the Statement of Comprehensive Income on the date on which the right to receive payment is established. This is usually the date on which the directors of the relevant company approve the payment of a dividend. Dividend income from EJFIH is recognised in the Statement of Comprehensive Income as a separate line item.

2.7 Interest Income and Expense

Interest income and expense are recognised as other income in the Statement of Comprehensive Income, using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument (or, when appropriate, a shorter period) to the carrying amount of the financial instrument on initial recognition.

2.8 Dividends Payable

Dividends declared and approved are charged against equity. A corresponding liability is recognised for any unpaid dividends prior to year-end. Dividends approved but not declared will be disclosed in the notes to the Audited Financial Statements.

2.9 Expenses

Fees and other operating expenses are recognised in the Statement of Comprehensive Income on an accrual basis.

2.10 Ordinary Shares

The Ordinary Shares of the Company are classified as equity based on the substance of the contractual arrangements and in accordance with the definition of equity instruments under IAS 32. The proceeds from the issue of Ordinary Shares are recognised in the Statement of Changes in Equity, net of issue costs.

Where the Company repurchases its own Ordinary Shares, the consideration paid, including any directly attributable costs, is deducted from equity attributable to the Shareholders. Such Ordinary Shares repurchased can be cancelled or held in treasury and subsequently re-issued or sold. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable issue costs, is included in equity attributable to the Shareholders.

3. Use of Judgements and Estimates

In the application of the Company's accounting policies, the Board is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. The critical judgements and estimations at the Statement of Financial Position date that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the Audited Financial Statements are as set out below:

(a) Significant Judgements**Non-consolidation of EJFIH**

The Directors have used their judgement to determine that the Company continues to meet the definition of an investment entity as defined in IFRS 10.

As the Company satisfies the criteria for an investment entity and has the typical characteristics of an investment entity as explained in note 2.3 "Accounting for subsidiaries", the Board considers that the Company is an investment entity. Accordingly, the Company's subsidiary, EJFIH, has not been consolidated but has been fair valued and accounted for at FVTPL.

(b) Significant Estimates**Fair value measurements and valuation processes**

The Company's investment in EJFIH has been classified as a Level 3 investment and is measured at fair value for financial reporting purposes. The fair value of EJFIH is measured based on the NAV of EJFIH. The estimate of the NAV of EJFIH relies heavily on the estimate of the fair value of the underlying assets and liabilities. EJFIH uses market-observable data to the extent it is available to value its underlying assets and liabilities. However, certain valuations use unobservable data which involves more estimation uncertainty. The Manager has also appointed a recognised independent valuation agent to provide comfort over the valuations derived from models developed by the Manager where appropriate.

The Manager works closely with the independent valuation agent to establish the appropriate valuation techniques and inputs to the models. The fair value of assets classified as Level 3 is determined by the use of valuation techniques. The selection of the appropriate valuation technique (including the use of NAV and discounted cash flow analysis) and the selection of unobservable inputs into those valuation techniques requires judgement and estimation (see note 15 for further information).

4. Segmental Reporting

IFRS 8 requires a “management approach”, under which segment information is presented on the same basis as that used for internal reporting purposes.

The Board has considered the requirements of IFRS 8 and is of the view that the Company is engaged in a single segment of business via its investment in EJFIH mainly in one geographical area, Jersey, and therefore the Company has only a single operating segment.

5. Dividend Income

The Company received the following dividends from EJFIH:

Date received	1 January 2025 to 31 December 2025 £	1 January 2024 to 31 December 2024 £
12 February 2024	-	1,800,000
22 May 2024	-	2,200,000
19 August 2024	-	2,000,000
13 November 2024	-	2,700,000
13 February 2025	2,000,000	-
13 May 2025	2,500,000	-
21 August 2025	1,635,634	-
14 November 2025	1,800,000	-
Total dividend income	7,935,634	8,700,000

6. Fees Paid to the Auditor

The analysis of the Auditor’s remuneration is as follows:

	1 January 2025 to 31 December 2025 £	1 January 2024 to 31 December 2024 £
Audit and audit related services		
Annual audit	130,756	168,000
Audit related services - interim review	49,000	55,134
Total audit and audit related fees	179,756	223,134

7. Finance Costs

	1 January 2025 to 31 December 2025 £	1 January 2024 to 31 December 2024 £
Amortisation of ZDP Shares including finance costs and issuance and redemption costs (see note 11)	1,932,056	1,952,942
Prime broker costs	3,793	3,752
Other interest	(19)	(6,602)
Total finance costs	1,935,830	1,950,092

8. Financial Assets at FVTPL

Investment in EJFIH

During the year ended 31 December 2025, the Company made a total investment of £3,318,200 in EJFIH (31 December 2024: £nil) and received total capital returns of £15,560,000 from EJFIH (31 December 2024: £nil). This included a capital distribution of £11,000,000 received on 15 May 2025, for the purpose of covering the repayment of the 2025 ZDP Shares and £4,560,000 received on 16 October 2025 to cover payment for the tender offer executed in October 2025.

The investment in EJFIH is used to acquire exposure to a portfolio comprising a number of investments. The investment in EJFIH is measured at FVTPL. The Company has determined that the fair value of EJFIH is its NAV.

Below is a summary of the movement in the investment in EJFIH, held by the Company:

	31 December 2025 £	31 December 2024 £
Opening balance	126,382,727	121,682,398
Additions ¹	3,318,200	-
Return of capital	(15,560,000)	-
Net unrealised gain on investment in EJFIH	544,295	4,700,329
Investment in EJFIH at FVTPL at the end of the year	114,685,222	126,382,727

¹ During the year, the Company used proceeds from the issuance of 2029 ZDP Shares to subscribe for a further 3,318,200 Ordinary Shares in EJFIH at £1 each.

On a look-through basis, the following table discloses EJFIH's financial assets at FVTPL, which agrees to the Company's financial assets at FVTPL:

	31 December 2025 £	31 December 2024 £
EJFIH's investments at FVTPL:		
Investment in the Partnership	70,881,726	73,568,775
Investment in Seneca	-	8,808,028
Investment in the CDO Manager	6,487,806	4,756,235
CDO Securities	690,836	1,127,106
Preference Shares	-	1,138,738
Credit risk transfer	7,699,165	4,702,073
Mezzanine debt securities	1,814,146	5,026,973
Investment in US bank debt	-	1,575,184
US treasury bills	-	3,133,374
Net derivative financial assets/(liabilities) (see note 15)	169,698	(1,886,535)
Total of EJFIH's investments at FVTPL	87,743,377	101,949,951
EJFIH's other assets and liabilities:		
Cash	7,648,653	3,840,585
Cash equivalents held in money market fund	16,799,781	16,019,121
Cash held as margin	2,016,939	4,907,510
Amount due from/(to) EJFI (see note 10 and 9)	482,491	(465,690)
Other receivables	50,234	131,250
Other payables	(56,252)	-
EJFIH's NAV at the end of the year	114,685,222	126,382,727

8. Financial Assets at FVTPL (continued)

The following table shows the movement of assets other than net derivative financial assets/(liabilities) held by EJFIH during the year:

	Opening fair value at 1 January 2025 £	Additions £	Realised gains/ (losses) ¹ £	Unrealised gains/ (losses) ¹ £	Disposals, paydown and distributions £	Ending fair value at 31 December 2025 £
Investment in the Partnership ²	73,568,775	2,472,162	8,012,908	(5,096,629)	(8,075,490)	70,881,726
Investment in Seneca	8,808,028	-	5,690,870	(6,812,048)	(7,686,850)	-
Investment in the CDO Manager ²	4,756,235	-	-	2,838,165	(1,106,594)	6,487,806
CDO Securities	1,127,106	7,554,582	1,170,164	(436,270)	(8,724,746)	690,836
Preference Shares	1,138,738	-	(174,494)	134,198	(1,098,442)	-
Credit risk transfer	4,702,073	4,490,389	(42,568)	(290,317)	(1,160,412)	7,699,165
Mezzanine debt securities	5,026,973	-	377,294	(568,736)	(3,021,385)	1,814,146
US treasury bills	3,133,374	-	(388,985)	281,104	(3,025,493)	-
Investment in US bank debt	1,575,184	-	117,752	(123,940)	(1,568,996)	-
Total financial assets	103,836,486	14,517,133	14,762,941	(10,074,473)	(35,468,408)	87,573,679

1 Includes fluctuations in foreign exchange rates

2 Refer to note 14 for percentage of ownership

The following table shows the movement of assets held by EJFIH during the year from 1 January 2024 to 31 December 2024:

	Opening fair value at 1 January 2024 £	Additions £	Realised gains/ (losses) ¹ £	Unrealised gains/ (losses) ¹ £	Disposals, paydown and distributions £	Ending fair value at 31 December 2024 £
Investment in the Partnership ²	75,112,172	-	11,534,146	(1,543,397)	(11,534,146)	73,568,775
Investment in Seneca	9,470,083	-	64,633	644,611	(1,371,299)	8,808,028
Investment in the CDO Manager ²	6,045,335	-	-	75,009	(1,364,109)	4,756,235
CDO Securities	1,072,326	-	-	54,780	-	1,127,106
Preference Shares	1,119,497	-	-	19,241	-	1,138,738
Credit risk transfer	-	4,983,036	45,633	170,249	(496,845)	4,702,073
Mezzanine debt securities	-	4,311,040	-	715,933	-	5,026,973
European Debt securities	821,306	-	(5,756)	(5,693)	(809,857)	-
US treasury bills	3,387,864	-	(42,424)	12,233	(224,299)	3,133,374
Investment in US bank debt	4,679,982	-	33,507	108,518	(3,246,823)	1,575,184
Total financial assets	101,708,565	9,294,076	11,628,739	251,484	(19,047,378)	103,836,486

1 Include fluctuations in foreign exchange rates

2 Refer to note 14 for percentage of ownership

9. Other receivables and prepayments

	31 December 2025 £	31 December 2024 £
Amount due from EJFIH	-	465,690
Prepaid expenses	10,798	12,249
Total other receivables and prepayments	10,798	477,939

The amount due from EJFIH is interest free and repayable on demand. Credit risk is considered to be immaterial.

10. Accounts Payables and Accrued Expenses

	31 December 2025 £	31 December 2024 £
Amount due to EJFIH	482,491	-
Management fee	188,342	212,052
Legal and professional fees	85,491	112,305
Audit fees	179,750	168,000
Sundry creditors	59,232	45,665
Other payable to the Manager	44,363	35,451
Directors' fees payable	37,875	38,929
Total accounts payables and accrued expenses	1,077,544	612,402

The amount due to EJFIH is interest free and repayable on demand.

11. ZDP Shares

As at beginning of the year, there were 19,273,903 2025 ZDP Shares outstanding.

In April 2025, the Company issued a prospectus offering up to 28 million new 2029 ZDP Shares, comprised of the Rollover Offer and an initial placing of additional 2029 ZDP Shares. Pursuant to the Rollover Offer, 7,982,227 2025 ZDP Shares were converted into 11,102,466 2029 new 2029 ZDP Shares at a conversion price of £1.3909. The 2029 ZDP Shares were issued at a Gross Redemption Yield of 8.5% with a redemption value of 145.48 pence per share. An aggregate of 17,001,593 2029 ZDP Shares were issued pursuant to the Rollover Offer and Initial Placing. Further in May 2025, in order to simplify the Company's capital structure and following the completion of the Rollover Offer and Initial Placing as above, the Company announced that it was bringing forward the repayment date for the Company's 2025 ZDP Shares to 14 May 2025. All remaining 2025 ZDP Shares were repaid as a result.

On 21 July 2025, the Company made an application to the LSE for a block listing of 4,700,000 new 2029 ZDP Shares, to rank pari passu with the existing 2029 ZDP Shares in issue, to be admitted to trading on the SFS of the main market of the LSE. Such additional 2029 ZDP Shares were permitted to be issued pursuant to the Company's existing general authority to issue shares on a non-pre-emptive basis to satisfy market demand, as and when market conditions permitted.

At year end, 19,702,159 2029 ZDP Shares were in issue. Further 2029 ZDP Shares were issued post year end (refer to note 19).

Holders of ZDP Shares are not entitled to any dividends paid by the Company. The following table reconciles the liability for ZDP Shares, held at amortised cost, for the reporting period.

	2029 ZDP Shares 31 December 2025 £	2025 ZDP Shares 31 December 2025 £	2025 ZDP Shares 31 December 2024 £
Opening balance	-	26,028,989	24,076,047
Redemption of 2025 ZDP shares ¹	-	(15,808,347)	-
Conversion of 2025 ZDP shares to 2029 ZDP shares	11,102,466	(11,102,466)	-
2029 ZDP Shares Issue	8,676,959	-	-
ZDP Shares issuance costs	(1,061,277)	-	-
Amortisation of ZDP Shares, including finance costs and issuance costs	1,050,232	881,824	1,952,942
ZDP Shares closing balance	19,768,380	-	26,028,989

1 Repayment included original issuance price and 7% Gross Redemption Yield.

12. Stated Capital

Net assets attributable to Shareholders is represented by Ordinary Shares that carry one vote each and have equal voting rights. Ordinary Shares are entitled to dividends when declared. The Company has no restrictions or specific capital requirements on the issue and repurchase of Ordinary Shares.

The analysis of movements in the number of Ordinary Shares and the corresponding changes to the Company's stated capital as a result of transactions with Shareholders during the year were as follows:

	31 December 2025	31 December 2025	31 December 2024	31 December 2024
	Number of Ordinary Shares	Stated Capital	Number of Ordinary Shares	Stated Capital
Ordinary Shares issued and fully paid				
Opening balance	61,145,198	85,254,127	61,145,198	85,254,127
Ordinary Shares bought back under Tender Offer	(3,057,260)	(4,558,927)	-	-
Closing balance	58,087,938	80,695,200	61,145,198	85,254,127

In October 2025, the Company successfully completed its first tender offer, through which 3,057,260 Ordinary Shares were purchased, and subsequently cancelled. A maximum of approximately 10.5% of Ordinary Shares tendered by individual Shareholders were accepted for purchase. Ordinary Shares were purchased at a 5% discount to 31 August 2025 NAV. This resulted in a total cash outflow of £4,558,927 which included £174,819 of directly attributable transaction costs.

As at 31 December 2025, the Company had 15,808,509 Ordinary Shares held in treasury (31 December 2024: 15,808,509).

13. Dividends Paid

The Company paid the following dividends on its Ordinary Shares during the year ended 31 December 2025:

Period to	Declared date	Ex-dividend date	Record date	Payment date	Dividend rate per Ordinary Share £	Net dividend paid £
31 Dec 2024	28 Jan 2025	6 Feb 2025	7 Feb 2025	25 Feb 2025	0.02675	1,635,634
31 Mar 2025	24 Apr 2025	1 May 2025	2 May 2025	30 May 2025	0.02675	1,635,634
30 Jun-25	1 Aug 2025	14 Aug 2025	15 Aug 2025	29 Aug 2025	0.02675	1,635,634
30 Sep-25	23 Oct 2025	30 Oct 2025	31 Oct 2025	28 Nov 2025	0.02675	1,553,852
						6,460,754

On 29 January 2026, the Company declared a dividend of 2.8625p per share in respect of the quarter ended 31 December 2025. Payment was made on 27 February 2026.

The Company paid the following dividends on its Ordinary Shares during the year ended 31 December 2024:

Period to	Declared date	Ex-dividend date	Record date	Payment date	Dividend rate per Ordinary Share £	Net dividend paid £
31 Dec 2023	29 Jan 2024	8 Feb 2024	9 Feb 2024	29 Feb 2024	0.02675	1,635,634
31 Mar 2024	2 May 2024	16 May 2024	17 May 2024	31 May 2024	0.02675	1,635,634
31 June 2024	26 Jul 2024	8 Aug 2024	9 Aug 2024	30 Aug 2024	0.02675	1,635,634
31 Sep 2024	29 Oct 2024	7 Nov 2024	8 Nov 2024	29 Nov 2024	0.02675	1,635,634
						6,542,536

14. Interest in Unconsolidated Subsidiaries and Associates

For the years ended 31 December 2025 and 31 December 2024, the table below discloses the unconsolidated subsidiaries and associates in which the Company holds an interest, but does not consolidate in accordance with IFRS 12:

Name of entity	Type of entity	Principal place of business	Purpose	Interest held by the Company		Interest held
				2025	2024	
EJFIH	Private Company	Jersey	To hold a portfolio of investments in order to generate capital appreciation and investment income.	100%	100%	Direct
Partnership	Limited Partnership	Delaware	To hold CDO Equity Tranches in order to generate capital appreciation and investment income.	85% of Class A units and 90% of Class X units	85% of Class A units only	Held through EJFIH
CDO Manager	Limited Liability Company	Delaware	To generate management fee income.	49%	49%	Held through EJFIH
Seneca	Limited Partnerships	Delaware	To generate income from MSRs.	-	100%	Held through EJFIH
EJFCRT 2025-2 Aggregator LLC	Limited Liability Company	Delaware	To hold EJV CRT 2025-2 security	27%	-	Held through EJFIH

15. Financial Risk Management

The Board has overall responsibility for the oversight of the Company's risk management framework. The Company's risk management policies are established by the Manager to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly by the Manager to reflect changes in market conditions and the Company's activities. This note presents information about the Company's exposure to each of the financial risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Company is exposed to a number of risks through its investment in EJFIH. The risks set out below relate to those risks faced by the Company through the underlying investments made by EJFIH.

(a) Market Risk

Market risk is the risk that changes in market prices such as interest rates, foreign exchange rates, other price risk and credit spreads will affect the Company's income and/or the value of its holding in EJFIH. The changes in credit spreads affect EJFIH's net equity or net income, and hence the value of the Company's investment in EJFIH.

The Company's exposure to market risk comes mainly from movements in the value of its investment in EJFIH and on a look-through basis to the underlying investments in its portfolio.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return on risk. The Company's strategy for the management of market risk is driven by the Company's investment objective. The Company seeks to generate attractive risk-adjusted returns for its Shareholders, by investing in opportunities created by regulatory and structural changes impacting the financial services sector. These opportunities are anticipated to include structured debt and equity, loans, bonds, preference shares, convertible notes and private equity, in both cash and synthetic formats, and may be issued by entities domiciled in the US, UK and Europe. The various components of the Company's market risk are managed on an ongoing basis by the Manager in accordance with policies and procedures in place, as detailed below.

In addition, the Company, through EJFIH, intends to mitigate market risk generally by not making investments that would cause it to have exposure to any one individual asset exceeding:

- 20% of the Company's gross assets invested in any single capital solutions, ABS investment or Specialty Finance Investment at the time of investment; and
- 25% of the Company's gross assets in any single non-EJV sponsored Risk Retention Investment.

15. Financial Risk Management (continued)

The Company's position exposure is monitored on an ongoing basis by the Manager and reviewed on a quarterly basis by the Board and the Administrator.

Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest-bearing financial assets and liabilities expose the Company to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

The Group is exposed to the risk that the fair value of their investments or future cash flows of the financial instruments will fluctuate as a result of changes in market interest rates. The Group is also exposed to interest rate risk in respect of their cash and cash equivalents.

The Manager assesses interest rate risk on an ongoing basis and may, if deemed necessary, choose to utilise appropriate strategies to manage interest rate risk using, for example, interest rate swaps. The Company currently does not utilise such swaps.

Sensitivity Analysis

The weighted average effective duration of the interest-bearing investments (2025: 93,462,625 and 2024: 87,940,303) has been used to identify the potential NAV impact of a 0.25% parallel shift in the relevant reference rate curve on the valuation of such investments.

The percentage has been determined as reasonably possible by the Directors based on potential volatility due to changes in interest reference rates.

	31 December 2025 Change in fair value	
Change in rate	0.25%	(0.25)%
Potential NAV impact	£(117,927)	£117,927

	31 December 2024 Change in fair value	
Change in rate	0.25%	(0.25)%
Potential NAV impact	£(394,783)	£394,783

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is directly exposed to currency risk in respect of its cash and cash equivalents and derivatives denominated in currencies other than Sterling, and its investments.

The Group enters into transactions that are denominated in currencies other than their functional currency, primarily in US Dollar. Consequently, the Group is exposed to risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of financial assets or financial liabilities denominated in currencies other than Sterling.

The Manager monitors the exposure to foreign currencies and reports to the Board monthly. The Manager measures the risk of the foreign currency exposure by considering the effect on the NAV and income of a movement in the rates of exchange to which the assets, liabilities, income and expenses are exposed.

There were no forward foreign exchange derivatives held by the Company during the years ended 31 December 2025 and 31 December 2024.

As at 31 December 2025 and 31 December 2024 the following forward foreign exchange contracts were held by EJFIH and are included within the financial liabilities or assets of EJFIH:

Maturity date	Counterparty	Contract amount (GBP)	Buy	Sell	31 December 2025 £
19 January 2025	Citibank N.A.	53,388,733	GBP	USD	169,698
Derivative financial liabilities held by EJFIH					169,698

Maturity date	Counterparty	Contract amount (GBP)	Buy	Sell	31 December 2024
					£
16 January 2025	Citibank N.A.	28,238,183	GBP	USD	(1,167,221)
11 March 2025	Citibank N.A.	28,871,576	GBP	USD	(545,726)
13 March 2025	Citibank N.A.	9,179,330	GBP	USD	(173,588)
Derivative financial liabilities held by EJFIH					(1,886,535)

The carrying amount of the Group's financial assets in individual foreign currencies as well as the amount of the foreign exchange contracts, expressed in Sterling and as a percentage of its net assets, was as follows:

Currency	31 December 2025	
	£	% of net assets
US Dollar - financial assets	113,047,300	120%
US Dollar - foreign exchange contracts	(53,388,733)	(57)%
Euro	16,555	0%
Currency	31 December 2024	
	£	% of net assets
US Dollar - financial assets	127,759,242	127%
US Dollar - foreign exchange contracts	(66,289,089)	(66)%
Euro	215,310	0%

Sensitivity analysis

The table below sets out the effect on the net assets of a reasonably possible weakening of Sterling against the US Dollar by 10% as at 31 December 2025 (31 December 2024: 10%). 10% is considered to continue to be deemed reasonable as it reflects past experience.

The analysis includes the impact of foreign exchange contracts held by the Group but assumes that all other variables, in particular interest rates, remain constant.

	31 December 2025	31 December 2024
Effect in Sterling	6,628,730	£6,830,017
Effect as % of net assets attributable to Ordinary Shares	7%	7%

The table below sets out the effect on the net assets of a reasonably possible strengthening of Sterling against the US Dollar by 10% as at 31 December 2025 (10% as at 31 December 2024).

	31 December 2025	31 December 2024
Effect in Sterling	£(5,423,506)	£(5,588,196)
Effect as % of net assets attributable to Ordinary Shares	(6)%	(6)%

No sensitivity analysis has been performed for financial assets denominated in Euro as the balance is not significant.

Other Price Risk

Other price risk is the risk that the fair value of the investment in EJFIH will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market.

Price risk is managed by the Manager by diversifying the portfolio through holding diversified collateral in the underlying securitisations. Also, if the price risk is not in accordance with the Investment Policy or guidelines of the Company, then the Manager is required to rebalance the portfolio prior to the end of the reporting period following each determination of such occurrence.

15. Financial Risk Management (continued)

Exposure

The following table sets out the concentration of the portfolio profile which shows the total exposure to market risk, held by the Group at the reporting date.

	31 December 2025		31 December 2024	
	£	%	£	%
Investment in the Partnership ¹	70,881,726	62	73,568,775	58
Investment in Seneca	-	-	8,808,028	7
Investment in CDO Manager	6,487,806	6	4,756,235	4
CDO Securities	690,836	1	1,127,106	1
Preference Shares	-	-	1,138,738	1
Credit risk transfer	7,699,165	7	4,702,073	4
Mezzanine debt securities	1,814,146	2	5,026,973	4
US treasury bills	-	-	3,133,374	2
Investment in US bank debt	-	-	1,575,184	1
Net derivative financial assets/(liabilities) (note 15)	169,698	-	(1,886,535)	(1)
Financial assets and liabilities at FVTPL	87,743,377	77	101,949,951	81
Cash	7,648,653	7	3,840,585	3
Cash equivalents held in money market fund	16,799,781	15	16,019,121	13
Cash held as margin	2,016,939	2	4,907,510	3
Amount due from/(to) EJFI (see note 10 and 9)	482,491	-	(465,690)	-
Other receivables	50,233	-	131,250	-
Other payables	(56,252)	-	-	-
Investment in EJFIH	114,685,222	100	126,382,727	100

¹ See table below.

The Partnership includes the following underlying positions:

	31 December 2025	31 December 2024
	£	£
TFINS 2017-2	-	11,816,874
TFINS 2018-1	-	16,444,631
TFINS 2018-2	10,345,083	11,137,744
TFINS 2019-1	-	11,961,673
TFINS 2019-2	11,486,753	12,366,890
TFINS 2020-1	11,614,842	12,504,794
TFINS 2020-2	-	7,581,152
TFINS 2025-1	12,213,830	-
TFINS 2025-2	15,586,642	-
TFINS 2025-3	17,595,547	-
CDO Equity Tranches held by the Partnership	78,842,697	83,813,758
Other net assets	2,583,709	2,737,742
NAV of the Partnership	81,426,406	86,551,500

The fair value of EJFIH's investment in the Partnership and percentage of the Company's NAV is detailed below:

31 December 2025		31 December 2024	
Fair value	% of NAV	Fair value	% of NAV
£ 70,881,726¹	75	£73,568,775¹	73

¹ As at 31 December 2025 EJFIH held 85% of Class A units and 90% of Class X units of the Partnership (31 December 2024: 85% of Class A units).

Fair Value of Financial Instruments

The Company holds all of the shares in EJFIH, a holding vehicle used to hold the Company's investments. The Board believes it is appropriate to value this entity based on the fair value of its portfolio of investment assets held plus its other assets and liabilities.

Valuation Models

IFRS 13 requires disclosure of fair value measurement by level. The level of financial assets or financial liabilities within the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are as follows:

- Level 1** Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2** Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3** Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Company's investment in EJFIH, through the acquisition of shares, is classified within Level 3, as it is not traded and contains unobservable inputs. The Board considers that the NAV of EJFIH is representative of its fair value.

The investments held by EJFIH in the underlying portfolio are measured as below:

The fair values of financial assets and financial liabilities that are traded in active markets are based on prices obtained directly from an exchange on which the instruments are traded or obtained from a broker that provides an unadjusted quoted price from an active market for identical instruments. For all other financial instruments, the Company determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgement depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques

include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity indices, EBITDA multiples and revenue multiples and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. The Company uses widely recognised valuation models for determining the fair value of common and simple financial instruments, such as interest rate and currency swaps that use only observable market data and require little management judgement and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple OTC derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and reduces the uncertainty associated with the determination of fair values. The availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

For more complex instruments, the Company uses proprietary valuation models, which are developed from discounted cash flow models. Some or all of the significant inputs into these models may not be observable in the market and are derived from market prices or rates or are estimated based on assumptions.

Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Company believe that a third-party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and the counterparty where appropriate. For measuring derivatives that might change classification from being an asset to a liability or vice versa, such as interest rate swaps, fair values include adjustment for both own credit risk and counterparty credit risk.

The Manager has also appointed a recognised independent valuation agent to provide comfort over the valuations derived from models developed by the Manager where appropriate.

15. Financial Risk Management (continued)

Valuation Approach for specific Instruments

Foreign currency forward contracts

The fair value of the foreign currency forward contracts is determined using quoted mid forward exchange rates at the reporting date.

Valuation Approach for specific Instruments held through the Group

Investments in private investment entities and private operating companies

The fair value of investments in the private investment entities and private operating company is determined using the NAV of the entity (Level 3 valuation). The NAV is used when the units or partnership interests in a fund are redeemable at the reportable NAV at, or approximately at, the measurement date. If this is not the case, then NAV is used as a valuation input and an adjustment is applied for lack of marketability/restricted redemptions. This adjustment is based on management judgement after considering the period of restrictions and the nature of the underlying investments. No such adjustment was deemed necessary for the years ended 31 December 2025 and 31 December 2024.

Investments trading securities

As at 31 December 2025 and 31 December 2024, the investment portfolio included bonds issued by Kodiak, Attentus and Taberna, which are unaffiliated third-party CDO sponsors. These distressed bonds are valued at their clean prices (including any expected interest accruals).

The fair value of distressed bonds is determined by the Manager using acceptable probability based discounted cash flow methodologies.

Valuation Framework

The Company has an established control framework with respect to the measurement of fair values. This framework includes the Manager's valuation committee, which operates independently of the Manager's investment team, and feeds into the monthly NAV process for review by the Board and has overall responsibility for fair value measurements. Specific controls include:

- verification of observable pricing inputs;
- re-performance of model valuations;
- a review and approval process for new models and changes to such models;
- analysis and investigation of significant valuation movements; and
- review of unobservable inputs and valuation adjustments.

When third party information, such as broker quotes or pricing services, is used to measure fair value, the portfolio valuation function assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified. This includes:

- verifying that the broker or pricing service is approved by the Manager for use in pricing the relevant type of financial instrument;
- understanding how the fair value has been arrived at and the extent to which it represents actual market transactions and whether it represents a quoted price in an active market for an identical instrument;
- when prices for similar instruments are used to measure fair value, understanding how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
- if a number of quotes for the same financial instrument have been obtained, then understanding how fair value has been determined using those quotes.

For underlying instruments not traded in an active market and defined as Level 3 investments, the fair value is determined by using appropriate valuation techniques. Management also makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets are outlined below.

Fair Value Hierarchy—Financial Assets at FVTPL held by the Company

Investments classified within Level 3 have significant unobservable inputs. Level 3 instruments include private equity and CDO Securities. As observable prices are not available for these securities, the Company has used valuation techniques to derive the fair value.

The Company's investment in EJFIH is classified within Level 3, as it is not traded and contains unobservable inputs. The Board considers that the NAV of EJFIH is representative of its fair value.

The table below analyses financial instruments, held by the Company, measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the Statement of Financial Position as at 31 December 2025 and 31 December 2024. All fair value measurements below are recurring.

As at 31 December 2025	Level 1 £	Level 2 £	Level 3 £
Investment held in EJFIH	-	-	114,685,222
Financial assets at FVTPL	-	-	114,685,222

As at 31 December 2024	Level 1 £	Level 2 £	Level 3 £
Investment held in EJFIH	-	-	126,382,727
Financial assets at FVTPL	-	-	126,382,727

The following table shows the movement of level 3 assets during the years ended 31 December 2025 and 31 December 2024:

	Opening fair value 1 January 2025 £	Additions £	Realised gains £	Unrealised gains £	Return of capital £	Ending fair value 31 December 2025 £
EJFIH	126,382,727	3,318,200	-	544,295	(15,560,000)	114,685,222
Total financial assets	126,382,727	3,318,200	-	544,295	(15,560,000)	114,685,222

	Opening fair value 1 January 2024 £	Additions £	Realised gains £	Unrealised gains £	Return of capital £	Ending fair value 31 December 2024 £
EJFIH	121,682,398	-	-	4,700,329	-	126,382,727
Total financial assets	121,682,398	-	-	4,700,329	-	126,382,727

The tables below are supplemental disclosures of the financial instruments, held by EJFIH, measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the Statement of Financial Position as at 31 December 2025 and 31 December 2024. All fair value measurement below are recurring.

As at 31 December 2025	Level 1 £	Level 2 £	Level 3 £
Investment in the Partnership	-	-	70,881,726
Investment in CDO Manager	-	-	6,487,806
CDO securities	-	-	690,836
Credit risk transfer	-	7,699,165	-
Mezzanine debt securities	-	1,814,146	-
Financial assets at FVTPL	-	9,513,311	78,060,368

As at 31 December 2024	Level 1 £	Level 2 £	Level 3 £
Financial assets at FVTPL			
Investment in the Partnership	-	-	73,568,775
Investment in Seneca	-	-	8,808,028
Investment in CDO Manager	-	-	4,756,235
CDO securities	-	-	1,127,106
Investment in Preference Shares	-	-	1,138,738
Credit risk transfer	-	4,702,073	-
Mezzanine debt securities	-	5,026,973	-
US treasury bills	3,133,374	-	-
Financial assets at FVTPL	3,133,374	9,729,046	89,398,882

15. Financial Risk Management (continued)

The following tables show net derivative financial assets or liabilities as at 31 December 2025 and 31 December 2024:

As at 31 December 2025	Level 1 £	Level 2 £	Level 3 £
Derivative financial assets	-	169,698	-
Financial assets at FVTPL	-	169,698	-

As at 31 December 2024	Level 1 £	Level 2 £	Level 3 £
Derivative financial assets	-	(1,886,535)	-
Financial assets at FVTPL	-	(1,886,535)	-

Level 3 Reconciliation

The following table show a reconciliation of all movements in the fair value of financial assets held at FVTPL by EJFIH and categorised within level 3 for the year ended 31 December 2025::

	Opening fair value as at 1 January 2025 £	Additions £	Realised gains/(losses) £	Unrealised gains/(losses) £	Disposals and distributions £	Ending fair value as at 31 December 2025 £
Investments in the Partnership	73,568,775	2,472,162	8,012,908	(5,096,629)	(8,075,490)	70,881,726
Investment in Seneca	8,808,028	-	5,690,870	(6,812,048)	(7,686,850)	-
Investment in CDO Manager	4,756,235	-	-	2,838,165	(1,106,594)	6,487,806
CDO securities	1,127,106	7,554,582	1,170,164	(436,270)	(8,724,746)	690,836
Investment in Preference Shares	1,138,738	-	(174,494)	134,198	(1,098,442)	-
Total	89,398,882	10,026,744	14,699,448	(9,372,584)	(26,692,122)	78,060,368

The following table is for the year ended 31 December 2024:

	Opening fair value as at 1 January 2024 £	Additions £	Realised gains/(losses) £	Unrealised gains/(losses) £	Disposals and distributions £	Ending fair value as at 31 December 2024 £
Investments in the Partnership	75,112,172	-	11,534,146	(1,543,397)	(11,534,146)	73,568,775
Investment in Seneca	9,470,083	-	64,633	644,611	(1,371,299)	8,808,028
Investment in CDO Manager	6,045,335	-	-	75,009	(1,364,109)	4,756,235
CDO securities	1,072,326	-	-	54,780	-	1,127,106
Investment in Preference Shares	1,119,497	-	-	19,241	-	1,138,738
Total	92,819,413	-	11,598,779	(749,756)	(14,269,554)	89,398,882

Significant unobservable inputs used in measuring fair value held by the Company - Level 3

The following table shows the sensitivity of fair values in Level 3 to the NAV of the investment in EJFIH.

Financial assets	Company fair value as at 31 December 2025 £	Company fair value as at 31 December 2024 £	Valuation techniques and inputs	Significant unobservable inputs
Investment in EJFIH	114,685,222	126,382,727	NAV of EJFIH	NAV of EJFIH

Sensitivity analysis for significant changes for unobservable inputs within Level 3 hierarchy

There are a number of unobservable inputs and assumptions used in the valuation of the EJFIH investments. Changes in any of these inputs and assumptions will have an impact on the valuation of these investments. The table below assumes the overall valuation changed by 10% and that the portfolio of investments is correlated to this overall movement in valuations. The overall impact of 10% has been selected as this is considered reasonable given the current level of volatility observed both on a historical basis and market expectations for future movements.

Financial assets	31 December 2025 £	31 December 2024 £
Investment in EJFIH	114,685,222	126,382,727
Increase by 10%	126,153,744	139,021,000
Decrease by 10%	103,216,700	113,744,454

Certain underlying investments in EJFIH will be sensitive to lesser/greater changes as well as certain inputs and assumptions will be sensitive at lesser/greater degree. The table below shows a further sensitivity of the Investment in EJFIH:

Underlying level 3 investments	Fair Value As at 31 December 2025	Fair Value As at 31 December 2024	Primary Valuation Techniques	Key Unobservable Inputs	Sensitivity / Scenarios	Range (2025)	Weighted Average / Fair Value Inputs (2025)	Effect on Fair Value 31 December 2025	Range (2024)	Weighted Average / Fair Value Inputs (2024)	Effect on Fair Value 31 December 2024
CDO Equity Tranches held within the Partnership	68,675,403	72,380,433	Third party valuation (Broker quotes)	NA	+10% Third party valuation (Broker quote) -10% Third party valuation (Broker quote)	NA	NA	6,867,540 (6,867,540)	NA	NA	7,238,043 (7,238,043)
CDO Management Contracts held within the CDO Manager	10,491,785	7,261,730	Discounted cash flow	Discount rate	+1% change in discount rate -1% change in discount rate	4.01% - 5.90%	5.59%	(255,488) 265,182	4.66% - 6.34%	4.60%	(192,003) 200,715
CDO Securities	690,836	1,127,106	Third party valuation (Broker quotes)	NA	+10% Third party valuation (Broker quote) -10% Third party valuation (Broker quote)	NA	NA	69,084 (69,084)	NA	NA	112,711 (112,711)
Credit risk transfers	7,699,165	4,702,073	Third party valuation (Broker quotes)	NA	+10% Third party valuation (Broker quote) -10% Third party valuation (Broker quote)	NA	NA	769,917 (769,917)	NA	NA	470,207 (470,207)
Mezzanine debt securities	1,814,146	5,026,973	Third party valuation (Broker quotes)	NA	+10% Third party valuation (Broker quote) -10% Third party valuation (Broker quote)	NA	NA	181,415 (181,415)	NA	NA	502,697 (502,697)

(b) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Group or a vehicle in which the Group invests, resulting in a financial loss to the Company. It arises principally from debt securities, derivative financial assets and cash and cash equivalents. For risk management reporting purposes, the Company considers and aggregates all elements of credit risk exposure (such as individual obligation default risk, country risk and sector risk).

Credit risk is monitored on an ongoing basis by the Manager in accordance with the policies and procedures in place. The Manager monitors the Group's cash activity, concentrations of deposits with counterparties and the creditworthiness of said counterparties. The Company's credit risk is monitored on a quarterly basis by the Board. If the credit risk is not in accordance with the Investment Policy or guidelines of the Company, then the Manager is obliged to address the impact and to liquidate holdings within a reasonable amount of time, however as EJFIH's portfolio assets are generally illiquid in nature more time may be required to address the impact the credit risk has on any such illiquid assets.

EJFIH's activities may give rise to settlement risk. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed. For the majority of transactions, the Manager mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations. Settlement limits form part of the credit approval and limit monitoring processes described below.

15. Financial Risk Management (continued)

In the opinion of the Board, the carrying amount of financial assets best represent the maximum credit risk exposure to the Company either directly or indirectly (on investments held by the Partnership and on CDO management contracts held by the CDO Manager) as detailed in the section below. The Company's financial assets exposure and concentration to credit risk amounted to the following:

	31 December 2025 £	31 December 2024 £
Investment in the Partnership	70,881,726	73,568,775
Mezzanine debt securities	1,814,146	5,026,973
Credit risk transfer	7,699,165	4,702,073
Investment in Seneca	-	8,808,028
Investment in CDO Manager	6,487,806	4,756,235
CDO securities	690,836	1,127,106
Preference Shares	-	1,138,738
US treasury bills	-	3,133,374
Investment in US bank debt	-	1,575,184
Net Derivative financial assets	169,698	-
Cash	7,648,653	3,840,585
Cash equivalents held in money market fund	16,799,781	16,019,121
Cash held as margin	2,016,939	4,907,510
Amount due from EJFI (see note 10)	482,491	-
Other receivables	50,233	131,250
Investment in EJFIH	114,741,474	128,734,952
Cash	615,462	512,871
Other receivables	-	465,690
Total financial assets	115,356,936	129,713,513

Cash and Cash Equivalents

During the year, the Group's cash was held with Citibank N.A., and cash equivalents were held in a money market fund with Western Asset Institutional US Treasury Reserves Ltd. The Manager monitors the financial position and creditworthiness of all the Group's financial institutions on a quarterly basis.

Cash held as margin

Cash held as margin represents margin accounts, cash collateral for currency contracts and transactions awaiting settlement. Credit risk relating to unsettled transactions is considered low due to the short settlement period involved and the high credit quality of the brokers used. As at the reporting dates, this represents a balance due from Citibank N.A. (the broker). The Manager monitors the financial position and creditworthiness of the Group's brokers on a quarterly basis.

The following table shows the external ratings of the financial institutions holding cash or collateral deposits on behalf of the Group, using available ratings from Moody's.

Institution	Rating Agency	31 December 2025	31 December 2024
Citibank N.A.	Moody's	Aa3	Aa3
Western Asset Institutional US Treasury Reserves Ltd	Moody's	Aaa	Aaa

Investment in the Partnership

As at 31 December 2025, the Company, through its investment in EJFIH, held an interest in the Partnership. Through CDO Equity Tranches, the Partnership is exposed to the credit risk of its counterparties or the counterparties of the securitisations in which it invests. In the event of a bankruptcy or insolvency of such a counterparty, the securitisation in which such an investment is held could suffer significant losses, including the loss of that part of EJFIH's or the securitisation's portfolio financed through such a transaction, declines in the value of their investment, including declines that may occur during an applicable stay period, the inability to realise any gains on their investment during such period and fees and expenses incurred in enforcing their rights. This would also affect the Company's investment in EJFIH as it is exposed to any fair value movements in EJFIH.

The securitisations in which the Partnership has invested are not rated (31 December 2024: not rated).

Investment in CDO Securities

As at 31 December 2025, the Company, through its investment in EJFIH, was invested in distressed CDO Securities issued by Attentus, Kodiak and Taberna, which are unaffiliated third-party CDO sponsors.

EJFIH is exposed to the credit risk of their CDO security counterparties or the counterparties of the securitisations in which it invests. In the event of a bankruptcy or insolvency of such a counterparty, EJFIH, or a securitisation in which such an investment is held, could suffer significant losses including the loss of that part of EJFIH's or the securitisation's portfolio financed through such a transaction, declines in the value of their investment, including declines that may occur during an applicable stay period, the inability to realise any gains on their investment during such period and fees and expenses incurred in enforcing their rights. This would also affect the Company's investment in EJFIH as it is exposed to any fair value movements in EJFIH.

The CDO Securities are not rated (31 December 2024: not rated).

Mezzanine debt securities

Through Mezzanine debt securities, EJFIH is exposed to the credit risk of its counterparties or the counterparties of the securitisations in which it invests. In the event of a bankruptcy or insolvency of such a counterparty, the securitisation in which such an investment is held could suffer significant losses, first of which are borne by CDO Equity Tranches. Credit losses are suffered by Mezzanine debt securities only when the value of the respective CDO Equity Tranche is wiped out. This would also affect the Company's investment in EJFIH as it is exposed to any fair value movements in EJFIH.

The Mezzanine debt securities are not rated (31 December 2024: not rated).

Credit Risk Transfer

The issue of CRT bonds enables a bank to reduce its regulatory capital on an identifiable pool of loans that are carried on its balance sheet.

Through CRTs, EJFIH is exposed to the credit risk of the counterparties within the identifiable pool of loans associated with the transaction. In some cases, first losses up to a certain level are borne by the bank which originated the pool of loans. In the event of a bankruptcy or insolvency of an underlying counterparty, the CRT could suffer significant losses. This would also affect the Company's investment in EJFIH as it is exposed to any fair value movements in EJFIH.

The CRT bonds are not rated (31 December 2024: not rated).

Investment in CDO Manager

As at 31 December 2025, the Company, through its investment in EJFIH, was invested in the CDO manager that provides collateral management services to CDO structures.

Through CDO Manager, EJFIH is exposed to the credit risk to the extent of those counterparties (CDOs) from which collateral management fees are due. In the event of a bankruptcy or insolvency of such a counterparty, EJFIH, could suffer significant losses on unpaid fees and decline in the value of CDO Manager in respect of future fees from the counter party. However, the risk is minimal given collateral management fees are most senior in the waterfall of the CDOs. This would also affect the Company's investment in EJFIH as it is exposed to any fair value movements in EJFIH.

The CDO Manager is not rated (31 December 2024: not rated).

The Manager monitors credit risk in respect to the collateral underlying the above investments, on an ongoing basis. This includes regular review of capital adequacy, asset quality, strength of the management team, earnings capability of the organisation, the institution's liquidity profile and risk sensitivities in order to identify potential deterioration in the credit quality of the investment.

Collateral and other credit enhancements, and their financial effect

The Group mitigates the credit risk of derivatives by entering into master netting agreements and holding collateral in the form of cash and marketable securities.

Derivatives

Derivative transactions are either transacted on an exchange with central clearing counterparties (CCPs) or entered into under ISDA master netting agreements. In general, under these agreements, in certain circumstances - e.g. when a credit event such as a default occurs - all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is due or payable in settlement of all transactions with the counterparty. EJFIH has executed a credit support annex in conjunction with the ISDA agreement, which requires EJFIH and its counterparties to post collateral to mitigate counterparty credit risk.

The derivatives are entered into with Citibank N.A.

15. Financial Risk Management (continued)

Impairment of Financial Assets

The Company is subject to the expected credit loss model on its financial assets that are carried at amortised cost. While cash and cash equivalents and other receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was nil. The Company is also exposed to credit risk in relation to financial assets that are measured at FVTPL. The maximum exposure at the end of the reporting period is the carrying amount of these financial assets.

(c) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's policy and the Manager's approach to managing liquidity risk in the Group is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Prospectus provides for the Board to pay quarterly dividends of available cash to Shareholders following the recommendation of the Manager. Therefore, the Company may be exposed to the liquidity risk of not meeting this target at each quarterly distribution date.

The Group's financial assets include illiquid investment securities and investments in private investment entities. As a result, the Group may not be able to liquidate some of its interest in these instruments in due time to meet its liquidity requirements.

The Company's liquidity is managed on an ongoing basis by the Manager. Since the Company's liability obligations consist of current liabilities related to its standard operating activity, liquidity risk is deemed to be low. Current liabilities are paid and reported to the Board on a quarterly basis unless a special meeting is required.

	31 December 2025	31 December 2024
Liquid assets	£25,063,896	£25,081,135
Current liabilities	£1,077,544	£26,641,391

The Group manages its liquidity risk by regular monitoring of expected cashflows to ensure it will be able to meet its current liabilities at all times. The tables below set out the Group assets with an expected liquidation period within 90 days (liquid assets) to the Company's current liabilities as at 31 December 2025 and 31 December 2024:

31 December 2025	Less than 7 days	7 days to 1 month	1 month to 3 months	3 months to over 1 year	Total
Liquid Assets	£	£	£	£	£
Cash	8,264,115	-	-	-	8,264,115
Cash equivalents held in money market fund	16,799,781	-	-	-	16,799,781
Total	25,063,896	-	-	-	25,063,896

	Less than 7 days	7 days to 1 month	1 month to 3 months	3 months to over 1 year	Total
Financial liabilities	£	£	£	£	£
Other payable to Manager	-	(44,363)	-	-	(44,363)
Amount payable to EJFIH	-	-	(482,491)	-	(482,491)
Accounts payable and accrued expenses	-	-	(550,690)	-	(550,690)
Total	-	(44,363)	(1,033,181)	-	(1,077,544)

31 December 2024	Less than 7 days	7 days to 1 month	1 month to 3 months	3 months to over 1 year	Total
Liquid Assets	£	£	£	£	£
Cash	4,353,456	-	-	-	4,353,456
US treasury bills	3,133,374	-	-	-	3,133,374
Investment in US bank debt	-	1,575,184	-	-	1,575,184
Cash equivalents held in money market fund	16,019,121	-	-	-	16,019,121
Total	23,505,951	1,575,184	-	-	25,081,135

	Less than 7 days	7 days to 1 month	1 month to 3 months	3 months to over 1 year	Total
Financial liabilities	£	£	£	£	£
ZDP Shares	-	-	-	(26,028,989)	(26,028,989)
Balance to Manager	-	(35,451)	-	-	(35,451)
Accounts payable and accrued expenses	-	-	(576,951)	-	(576,951)
Total	-	(35,451)	(576,951)	(26,028,989)	(26,641,391)

The tables above show the undiscounted cash flows of the Company's financial liabilities on the basis of their earliest possible contractual maturity. The Company's expected cash flows on these instruments are not expected to vary significantly from this analysis.

The Group further manages its liquidity risk by holding at least 2% of its NAV in assets with an expected liquidation period within 90 days. The ratio of assets with an expected liquidation period within 90 days (liquid assets) to total net assets is set out below:

	31 December 2025	31 December 2024
Liquid assets	£25,063,896	£25,546,825
Total NAV	£94,465,558	£100,732,146
Liquid assets as % of total NAV	27%	25%

16. Capital Risk Management

The Company's issued capital is represented by Ordinary Shares.

As a result of the ability to issue, repurchase and resell shares, the capital of the Company can vary. The Company is not subject to externally imposed capital requirements and has no restrictions on the issue, repurchase or resale of its shares. The Company's objectives for managing capital are:

- to invest the capital in investments meeting the description, risk exposure and expected return indicated in its Prospectus;
- to achieve consistent returns while safeguarding capital by investing in a diversified Portfolio;
- to maintain sufficient liquidity to meet the expenses of the Company; and
- to maintain sufficient size to make the operation of the Company cost-efficient.

The policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, as well as the level of dividends to Shareholders.

The Company may utilise borrowings for share buybacks, short-term liquidity purposes and investments, seeking leverage via bank financing, term loans, or debt instruments. The Company has the availability to borrow up to 35% of its NAV (calculated at the time of drawdown), provided that:

- the maximum amount for borrowings for long-term investment purposes within such limit will be 30% of the NAV; and
- borrowings for long-term investment purposes may only be incurred when the minimum cover amount, 3.0x for ZDP Shares, is met (calculated at the time of drawdown).

The Company's net debt to equity ratio at the year end was as follows:

	31 December 2025 £	31 December 2024 £
ZDP Shares	19,768,380	26,028,989
Accounts payable and accrued expenses	1,033,181	576,951
Balance due to the Manager	44,363	35,451
Less: amount due from EJFH	-	(465,690)
Less: cash and cash equivalents	(615,462)	(512,871)
Net debt	20,230,462	25,662,830
Total equity	94,465,558	100,732,146
Net debt to adjusted equity ratio	0.21	0.25

17. Related Party Transactions

Transactions with EJFIH

Investment transactions between EJFIH and the underlying investments are disclosed in Note 8. Dividends received from EJFIH are disclosed in Note 5. Further, EJFIH paid £2,701,414 expenses (2024: £957,099) on behalf of the Company during the year. See note 9 and 10 for balance receivable from and payable to EJFIH in respect of these transactions.

Directors' Fees

The Directors are entitled to a fee for their services at a rate to be determined from time to time by the Board. The base annual fee for each Director is £44,000 (2024: £44,000) per annum. The Chair of the Board, Audit & Risk Committee and Management Engagement Committee are entitled to an additional fee of £11,000, £5,500 and £3,000 per annum respectively (2024: £11,000, £5,500 and £3,000).

For the year ended 31 December 2025, the Company incurred Directors' fees of £151,500 (31 December 2024: £135,864). At 31 December 2025, £37,875 (31 December 2024: £38,929) of this amount was outstanding.

Directors' and Officers' liability insurance cover is maintained by the Company on behalf of the Directors. During the year ended 31 December 2025, the Company recorded a directors' and professional indemnity insurance expense of £40,490 (31 December 2024: £49,250).

Ordinary Shares held by Related Parties

Shareholdings of the Directors as at the year end are as follows:

Name	Ordinary Shares		Percentage of Ordinary Shares in Issue	
	31 December 2025 ¹	31 December 2025 ²	31 December 2024 ¹	31 December 2024 ²
John Kingston III	191,368	0.33%	163,368	0.267%
Nick Watkins	20,000	0.03%	10,000	0.016%

ZDP Shares held by Related Parties

ZDP Shareholdings of the Directors as at year end are as follows:

Name	2029 ZDP Shares		Percentage of 2029 ZDP Shares in Issue	
	31 December 2025 ¹	31 December 2025 ³	31 December 2024 ¹	31 December 2024 ³
Nick Watkins	13,909	0.071%	10,000	0.052%

1 The shareholdings are either direct and/or indirect holdings.

2 The calculation of Ordinary Shareholding percentage is based on the number of Ordinary Shares in issue after adjusting for treasury shares.

3 The calculation of ZDP shareholding percentage is based on number of ZDP Shares in issue.

Investment Management fee

In accordance with the Management Agreement, the Manager has been appointed as the manager of the Company, the Partnership and the General Partner. In such capacity, the Manager is responsible for the portfolio and risk management of the Group, including: (i) managing the Company's assets and its day-to-day operations; (ii) the selection, purchase and sale of investment securities held via EJFIH; (iii) providing financing and risk management services; and (iv) providing advisory services to the Board.

In accordance with the terms of the Management Agreement, the Company pays a management fee calculated monthly and payable quarterly in arrears. Subject to certain limitations, the monthly management fee is equal to 0.0833% (one-twelfth of 1%) of the Company's NAV.

During the year ended 31 December 2025, the Company incurred management fees of £796,898 (31 December 2024: £860,975). As at 31 December 2025, £188,342 (31 December 2024: £212,052) was outstanding.

Incentive Fee

The Manager is entitled to an incentive fee which is calculated in relation to the assets attributable to Ordinary Shares, in accordance with the Management Agreement. The Incentive Fee amount is equal to 10% of the amount by which the Adjusted NAV attributable to Ordinary Shares exceeds the higher of (i) the Incentive Hurdle at the relevant time and (ii) the High Watermark at the relevant time, in respect of the relevant Incentive Fee Period.

The Incentive Fee is calculated in respect of each Incentive Fee Period, save for the final Incentive Fee Period being the date that the Management Agreement is terminated or, where the Management Agreement has not been terminated, the actual date of termination of the provision by the Manager of the non-retained services as defined in the Management Agreement. During the years ended 31 December 2025 and 31 December 2024, the Company did not accrue an incentive fee liability.

Manager reimbursements

For the year ended 31 December 2025, £Nil (31 December 2024: £48,715) of operating expenses were offset by reimbursements from the Manager. Further during the year, the Manager paid £133,372 (31 December 2024: £83,737) of expenses on behalf of the Company. As at 31 December 2025, the Company had a net payable balance of £44,363 (31 December 2024: £35,451) owing to the Manager relating to the reimbursement for these expenses.

Shares held by officers and affiliates of the Manager

Ordinary Shares and ZDP Shares holdings of officers of the Manager and its affiliates (not considered as related parties) as at year end are as follows:

Name	Percentage of Ordinary Shares in Issue		Percentage of Ordinary Shares in Issue	
	Ordinary Shares	Ordinary Shares	Ordinary Shares	Ordinary Shares
	31 December 2025 ¹	31 December 2025 ²	31 December 2024 ¹	31 December 2024 ²
EJF Capital Limited	2,067,276	3.56%	1,964,063	3.21%
Emanuel Friedman ³	11,816,558	20.34%	11,816,558	19.33%
Jason Ruggiero	168,734	0.29%	168,734	0.28%
Peter Stage ⁴	-	-%	141,501	0.23%
Neal Wilson	1,718,881	2.96%	1,718,881	2.81%

1 The shareholdings are either direct and/or indirect holdings of Ordinary Shares.

2 The calculation of shareholding percentage is based on number of Ordinary Shares in issue after adjusting for treasury shares.

3 Ordinary Shares held by Cheetah Holdings Limited, a charitable foundation co-founded by Emanuel Friedman.

4 On 31 August 2024, Peter Stage left the Manager to pursue other career opportunities.

Neal Wilson is, and until 31 August 2024 Peter Stage was, an officer of the Manager. Emanuel Friedman (co-chief executive officer of EJF) and Jason Ruggiero (co-chief investment officer of EJF) are voting members of the Investment Committee of the Manager.

Name	Percentage of 2029 ZDP Shares in Issue		Percentage of 2025 ZDP Shares in Issue	
	2029 ZDP Shares	2029 ZDP Shares	2025 ZDP Shares	2025 ZDP Shares
	31 December 2025 ¹	31 December 2025 ²	31 December 2024 ¹	31 December 2024 ²
Neal Wilson	-	-%	1,000,000	5.19%

1 The shareholdings are either direct and/or indirect holdings of ZDP Shares.

2 The calculation of shareholding percentage is based on number of ZDP Shares in issue.

18. Basic and Diluted Earnings per Ordinary Share

Basic earnings per share is calculated by dividing the earnings for the year by the weighted average number of Ordinary Shares in issue during the year.

The diluted earnings per share is calculated by considering adjustments required to the (loss)/earnings and weighted average number of shares for the effects of potential dilutive Ordinary Shares. As at 31 December 2025 and 31 December 2024, there were no dilutive instruments in issue, hence basic and diluted EPS were the same.

The weighted average number of Ordinary Shares in issue is 60,600,754 (31 December 2024: 61,145,198).

19. Events after the Reporting Period

The Board has evaluated subsequent events for the Company until 25 March 2026, the date the Audited Financial Statements are available to be issued and concluded that there are no material events that require adjustment to the Audited Financial Statements.

ZDP Block Listing

Post year end, on 24 February 2026, the Company made an application for an additional block listing of a further 6,290,000 new 2029 ZDP Shares on the same conditions as the first application during the year. A total of 2,900,000 2029 ZDP Shares have been issued pursuant to this block listing as at the date of this report.

At year end, 19,702,159 2029 ZDP Shares were in issue. A further 4,899,434 2029 ZDP Shares have been issued post year end (including the 2,900,000 2029 ZDP Shares referred to above), resulting in the total number of 2029 ZDP Shares in issue at the date of this report being 24,601,593.

Dividends

On 29 January 2026, the Company declared a final dividend of 2.8625p per share in respect of the quarter ended 31 December 2025. The dividend was payable to Shareholders on the register as at close of business on 6 February 2026 and the corresponding ex-dividend date was 5 February 2026. Payment was made on 27 February 2026.

Recent Geopolitical Developments

Whilst there is no direct impact on the underlying investment portfolio from the recent geopolitical developments relating to the war in Iran, the Manager and the Board continue to assess any potential implications.

20. Reconciliation of IFRS to US GAAP

The Manager is a registered adviser with the SEC. To meet the requirements of Rule 206(4)-2 under the Investment Advisors Act 1940 (the "Custody Rule") the Audited Financial Statements have also been audited in accordance with US GAAS. As such, two independent Auditors' reports are included on pages 40 to 45, one under International Standards on Auditing (UK) as required by the Crown Dependencies Audit Rules and the other under US GAAS. Compliance with the Custody Rule also requires a reconciliation of the operating profit and net assets under IFRS to US GAAP.

The Company has been assessed to be an investment entity in accordance with IFRS 10 as well as an investment company in accordance with ASC 946. Hence, under both accounting frameworks, the Company does not need to consolidate its investment in EJFIH and instead has accounted for it at FVTPL.

The operating profit and NAV of the Company under both IFRS and US GAAP have no differences and therefore no reconciliation has been presented in these Audited Financial Statements.

Under US GAAP, the Company is required to disclose its financial highlights and a schedule of investments which are included below. All investments are within the financial services sector.

Financial Highlights

Financial highlights for the year ended 31 December 2025 are as follows:

NAV total return, since inception	
Beginning of year	96.92%
End of year	106.62%
Expense ratio to average NAV	
Expenses before incentive fees	1.85%
Expenses reimbursed by the Manager	0.00%
Expenses, including incentive fees	1.85%
Investment income	8.17%
Expenses	-1.85%
Net investment income ratio	6.32%

Schedule of Investments

31 December 2025 Investments in Corporate Notes	Cost Asset currency	Cost £	Fair Value £	% of NAV
Cayman Islands				
ATTN 2006-1A D May 36 Floating	-	-	-	0.00%
ATTN 2006-1X J May 36 2% - DFLT	634,706	471,025	690,836	0.73%
ATTN 2007-3A F Oct 42 9.532% - DFLT	-	-	-	0.00%
KDIAK 2006-1A G Aug 37 Floating	-	-	-	0.00%
KDIAK 2007-2A F Nov 42 Floating	-	-	-	0.00%
TBRNA 2005-4A C3 May 36 6.293% - DFLT	-	-	-	0.00%
TBRNA 2006-5A A3FV Aug 36 Floating	-	-	-	0.00%
TBRNA 2006-6A C Dec 36 Floating	1,563	1,160	-	0.00%
Total Cayman Islands	636,269	472,185	690,836	0.73%
US				
EJFCRT 2024-R1 R1 Dec 55 Floating	4,316,845	3,203,595	3,203,595	3.39%
TFINS 2018-2A B Sep 39 Floating	557,960	414,071	479,963	0.51%
TFINS 2019-2A B Feb 39 Floating	1,433,851	1,064,082	1,236,568	1.31%
TFINS 2020-1A B Apr 40 Floating	62,670	46,508	53,293	0.06%
TFINS 2022-1A D Oct 39 Floating	54,653	40,558	44,322	0.05%
1.0Total US	6,425,979	4,768,814	5,017,741	5.31%

Investments in private investment entities

US				
EJF Investments LP ¹	112,013,386	83,126,817	70,881,726	75.03%
EJF CRT 2025-2 Aggregator LLC	6,027,000	4,472,727	4,495,570	4.76%
Total US	118,040,386	87,599,544	75,377,296	79.79%

¹ Refer to note 15 for further details on investment in EJF Investments LP.

Investments in private operating company

US				
EJF CDO manager LLC	8,547,026	6,342,877	6,487,806	6.87%
Total US	8,547,026	6,342,877	6,487,806	6.87%

Derivatives

Forward currency contracts	Maturity	Fair Value £	% of NAV
Purchase £53.4m / sell USD71.7m	19-Jan-25	169,698	0.18%
Total Derivatives		169,698	0.18%
Other net assets¹		26,941,845	28.52%
Total other net assets		26,941,845	28.52%
Total Investments		114,685,222	121.40%

¹ Other net assets comprises EJFIH's cash and cash equivalents, cash and cash equivalents held as margin and receivables and payables.

Alternative Performance Measures

NAV per Ordinary Share

NAV per Ordinary Share means an amount equal to, as at the relevant date, the NAV attributable to Ordinary Shares divided by the Ordinary Shares in issue as at such date.

Reason for use

Common industry performance benchmark for calculating the Total Return and Share Price (Discount)/Premium to NAV per Ordinary Share.

Recalculation

NAV per Ordinary Share is calculated as follows:

	31 December 2025	31 December 2024
Net Assets as per Statement of Financial Position	£94,465,558	£100,732,146
Number of Ordinary Shares in issue at year end (excluding treasury shares)	58,087,938	61,145,198
NAV per Ordinary Share	163p	165p

Total Return

The increase in the NAV per Ordinary Share plus the total dividends paid per Ordinary Share during the period, with such dividends paid being re-invested at NAV, as a percentage of the NAV per share as at period end.

Compounded monthly returns per the monthly published performance reports, inclusive of dividends. Components of Total Return are returns from underlying portfolio, foreign exchange and expenses.

Reason for use

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

Recalculation

Total Return has been calculated using the following monthly returns and compounded as follows:

	2025	2024	2023	2022	2021	2020
Monthly return	%	%	%	%	%	%
January	1.04	0.80	(0.58)	0.13	1.99	0.47
February	(0.22)	1.10	1.48	1.34	0.15	0.18
March	(1.71)	1.10	(4.55)	2.22	2.12	(13.57)
April	(1.28)	1.26	(0.17)	4.01	0.44	0.58
May	0.27	(0.26)	0.84	0.72	(2.09)	3.33
June	(0.54)	1.45	(6.72)	1.87	2.80	0.15
July	2.97	(0.19)	0.91	1.09	(0.01)	1.25
August	(0.48)	(0.42)	1.63	2.73	0.55	0.34
September	3.47	(1.75)	(0.36)	2.47	3.06	0.40
October	2.13	2.64	0.80	(0.40)	(0.16)	(0.73)
November	(0.57)	1.77	(0.69)	(3.15)	3.25	1.16
December	(0.10)	1.97	0.25	0.20	(1.43)	0.25
Compounded monthly return	4.94	9.80	(7.27)	13.85	11.02	(7.02)

The Total Return from inception for the year ended 31 December 2025 was 106.62% (31 December 2024: 96.92%). The annualised Total Return since inception to 31 December 2025 was 8.58% (31 December 2024: 9.06%).

Annualised Dividend Yield

Dividends declared in respect of the relevant period divided by the share price mid quote as at the end of the relevant period.

Reason for use

To measure the Company's distribution of dividends to Shareholders relative to share price to allow comparability to other companies in the market.

Recalculation

Annualised Dividend Yield is calculated as follows:

	31 December 2025
Dividends declared and paid for the quarter ended 31 March 2025 (see note 13)	2.675p
Dividends declared and paid for the quarter ended 30 June 2025 (see note 13)	2.675p
Dividends declared and paid for the quarter ended 30 September 2025 (see note 13)	2.675p
Dividends declared for the quarter ended 31 December 2025 (see note 13)	2.863p
Total Dividends declared in respect of the year ended 31 December 2025	10.888p
Share price	123.5p
Annualised Dividend Yield	8.8%

	31 December 2024
Dividends declared and paid for the quarter ended 31 March 2024 (see note 13)	2.675p
Dividends declared and paid for the quarter ended 30 June 2024 (see note 13)	2.675p
Dividends declared and paid for the quarter ended 30 September 2024 (see note 13)	2.675p
Dividends declared for the quarter ended 31 December 2024 (see note 13)	2.675p
Total Dividends declared in respect of the year ended 31 December 2024	10.700p
Share price	120p
Annualised Dividend Yield	8.9%

Share Price Discount to NAV per Ordinary Share

Closing price as at such date as published on the LSE divided by the NAV per Ordinary Share.

Reason for use

Common industry measure to understand the price of the Company's shares relative to its net asset valuation.

Recalculation

Share Price Discount to NAV per Ordinary Share is calculated as follows:

	31 December 2025	31 December 2024
Closing price as at 31 December as published on the LSE	123.5p	120p
NAV per Ordinary Share	163p	165p
Share Price Discount to NAV Per Ordinary Share	(24.2)%	(27.3)%

Glossary of Terms

Term	Definition
ABS	Asset backed securities.
Adjusted NAV attributable to Ordinary Shares	Adjusted NAV attributable to Ordinary Shares is calculated as an amount equal to the NAV attributable to Ordinary Shares: (i) excluding any increases or decreases in NAV attributable to Ordinary Shares attributable to the issue or repurchase of any Ordinary Shares; (ii) adding back the aggregate amount of any dividends paid or distributions made in respect of any Ordinary Shares; (iii) excluding the aggregate amount of dividends and distributions accrued but unpaid in respect of any Ordinary Shares; and (iv) excluding the amount of any accrued but unpaid Incentive Fees payable in relation to the NAV attributable to Ordinary Shares, in each case without double counting.
Administrator	Apex Financial Services (Alternative Funds) Limited, Jersey.
Admission	The Company's Ordinary Shares which were admitted to trading on the SFS of the LSE on 7th April 2017.
AGM	Annual General Meeting.
AIC Code	The Association of Investment Companies Corporate Governance Code.
AIF	An alternative investment fund, as defined in the AIFM Directive.
AIFM	An alternative investment fund manager, as defined in the AIFM Directive.
AIFMD or AIFM Directive	The Alternative Investment Fund Managers Directive 2011/61/EU.
Annual Report	Annual Report and Audited Financial Statements.
Annualised Dividend Yield	Has the meaning on page 77.
APM	Alternative performance measure. The calculation methodology and rationale for disclosing each of the APMs has been disclosed on pages 76 to 77.
Articles	The articles of association of the Company.
Audited Financial Statements	Financial statements audited by the Auditor.
Auditor	Ernst & Young LLP.
AUM	Assets Under Management
Board	The board of Directors of the Company.
CDO	Collateralised Debt Obligation.
CDO Equity Tranches	Each CDO has several tranches of investors, who receive interest and principal repayments in sequence based on their seniority in the structure. If some underlying collateral loans default and the cash collected by the CDO is insufficient to pay all of its investors, then such losses (as reduced by any over-collateralisation) are picked up first by those in the lowest or junior most tranche. Equity Tranches are the junior most tranche in the CDOs that the Company invests in.
CDO Manager	EJF CDO Manager LLC, a Delaware limited liability company.
CDO Securities	Bonds issued by Kodiak, Attentus and Taberna, which are unaffiliated third-party CDO sponsors.
CDD	Customer due diligence.
CEO	Chief Executive Officer.
CFTC	US Commodities and Futures Trading Commission.
Chair	Chair of the Board.
CLN	Credit Linked Note.
Companies Law	The Companies (Jersey) Law 1991, as amended.
Company or EJFI	EJF Investments Limited, a closed-ended investment company incorporated with limited liability in the Bailiwick of Jersey under the Companies Law on 20 October 2016 with registered number 122353.
Consumer Duty	The UK Consumer Duty.
Continuance Resolution	Ordinary resolution for the business of the Company to continue, to be proposed at an EGM, as procured by the Directors, to be held on or about the fifth anniversary of Admission, and every five years thereafter. If not passed, the Directors will take such actions as they deem appropriate to commence the liquidation of the assets of the Company (having regard to the prevailing liquidity of the assets of the Company and, if applicable, any rules imposed by the Securitisation and Risk Retention Regulations).

Term	Definition
Continuation Vote	Vote to be held at an EGM to consider a Continuance Resolution.
Corporate Broker(s) or Financial Adviser(s)	Panmure Liberum Limited and Barclays Bank PLC.
CPO	Commodity pool operator.
CRT	Credit Risk Transfer
CRE	Commercial Real Estate.
CTA	Commodity trading adviser.
Custodians	Citigroup Global Markets Inc. and Citibank N.A.
DTR	Disclosure Guidance and Transparency Rules.
EGM	Extraordinary General Meeting.
EJF	EJF Capital LP. Effective 1 January 2026, EJF Capital LLC converted to EJF Capital LP.
EJFIH or Subsidiary	EJF Investments Holdings Limited.
EGM	Extraordinary General Meeting.
EJF	EJF Capital LLC.
EJFIH or Subsidiary	EJF Investments Holdings Limited.
ESG	Environmental, social and governance.
EU	The European Union.
FBR	Friedman, Billings, Ramsey Group.
FCA	Financial Conduct Authority.
FinTech	Financial Technology.
FOMC	Federal Reserve Open Market Committee
FRC	Financial Reporting Council.
FSMA	Financial Services and Markets Act 2000.
FVTPL	Fair Value Through Profit or Loss.
FX	Foreign exchange.
GAAP	Generally Accepted Accounting Standards.
GAAS	Generally Accepted Auditing Standards.
General Partner	EJF Investments GP Inc., being general partner of the Partnership.
Group	The Company and its Subsidiary.
High Watermark	High Watermark is calculated using the Adjusted NAV attributable to Ordinary Shares as determined on the last day of the latest previous Incentive Fee Period in respect of which an Incentive Fee was payable to the Manager.
IAS 32	Financial Instruments: Presentation.
IASB	International Accounting Standards Board.
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board.
IFRS 8	International Financial Reporting Standard 8, "Operating Segments".
IFRS 9	International Financial Reporting Standard 9, "Financial Instruments" (Issued in July 2014).
IFRS 10	International Financial Reporting Standard 10, "Consolidated Financial Statements".
IFRS 12	International Financial Reporting Standard 12, "Disclosure of Interest in Other Entities".
IFRS 13	International Financial Reporting Standard 13, "Fair Value Measurement".
Incentive Fee	The incentive fee to which the Manager is entitled as described in the section entitled "Fees and Expenses" in Part V: "Directors, the Manager and Administration" of the Prospectus.
Incentive Fee Period	Each 12-month period starting on 1 January and ending on 31 December in each calendar year.
Incentive Hurdle	Incentive hurdle is calculated using the Adjusted NAV attributable to Ordinary Shares on the date of Admission, and then the beginning NAV of each subsequent period, compounded annually (with effect from 31 December 2017) at a rate equal to an internal rate of return of 8% per annum.
Interim Report	Interim Report and Unaudited Condensed Interim Financial Statements.

Term	Definition
Initial Placing and the Placing Programme	As described in Part X: "Details of the Initial Placing and the Placing Programme" of the Prospectus".
Investment Committee	Investment committee of the Manager.
Investment Objective	The Company seeks to generate attractive risk adjusted returns for its Shareholders by investing in opportunities created by regulatory and structural changes impacting the financial services sector. These opportunities are anticipated to include structured debt and equity, loans, bonds, preference shares, convertible notes, FinTech debt securities (including European debt securities) and private equity, in both cash and synthetic formats, and may be issued by entities domiciled in the US, UK and Europe.
Investment Policy	The Company seeks to achieve its Investment Objective by pursuing a policy of investing in a diversified portfolio of investments that are derived from the changing financial services landscape.
ISDA	International Swaps and Derivatives Association.
Listing Rules	The listing rules made by the FCA under Part VI of the FSMA.
LSE	The London Stock Exchange.
MAR	UK Market Abuse Regulation.
M&A	Mergers and Acquisitions.
Management Agreement	The Amended and Restated Management Agreement dated 30 March 2017 between the Company, the Partnership, the General Partner, the Manager and EJF (as amended from time to time).
Manager	EJF Investments Manager LLC.
MSRs	Mortgage servicing rights.
NAV per Ordinary Share	Has the meaning on page 76.
Net Asset Value or NAV	The NAV means the Company's assets less liabilities. The Company's assets and liabilities are valued in accordance with International Financial Reporting Standards.
Ordinary Shares	The non-redeemable Ordinary Shares of no par value of the Company which, for the avoidance of doubt, includes all classes of Ordinary Shares (denominated in such currency) as the Directors may determine in accordance with the Articles (and for the purposes of the Prospectus, the Ordinary Shares shall be denominated in Sterling) having the rights and subject to the restrictions set out in the Articles.
Ordinary Share Price	Closing price as the respective reporting date as published on the LSE.
P&C	Property and casualty insurance.
Partnership	EJF Investments LP (a Delaware limited partnership formed under the laws of the US state of Delaware).
Portfolio	The Company's and the Subsidiary's portfolio of investments from time to time.
Preference Shares	Investment in TFINS 2017-2 depositor vehicle.
Principal Risks	Those risks, or a combination thereof, that are considered to materially threaten the Company's ability to meet its Investment Objective, solvency or liquidity.
Prospectus	The Company's prospectus dated 23 April 2025.
REIT	Real estate investment trust.
Risk Retention	Has the meaning given to it in Part III: "The Market Opportunity" of the Prospectus.
Risk Retention and Related Investments	Has the meaning given to it in paragraph 4.1(a) of Part II: "The Company" of the Prospectus.
Risk Retention Investments	Has the meaning given to it in paragraph 4.1(a) of Part II: "The Company" of the Prospectus.
Rollover Offer	The offer to 2025 ZDP Shareholders to convert some or all of their existing 2025 ZDP Shares into 2029 ZDP Shares.
SEC	US Securities and Exchange Commission.
Section 172(1)	Section 172(1) of the UK Companies Act 2006.
Securitisation and Related Investments	Has the meaning given to it in paragraph 4.1(a) of Part II: "The Company" of the Prospectus.

Term	Definition
Seneca	Seneca Mortgage Servicing LLC, a residential mortgage servicer in the US which is owned and controlled by EJF, and through which the Company made MSR investments.
SFS	The Specialist Fund Segment of the LSE.
Shareholder	The holder of one or more Ordinary Shares.
Specialty Finance Investments	Represent less liquid UK, European and US Specialty finance investments such as (but not limited to): (i) growth equity capital to newly formed companies with scalable Specialty finance platforms (such as FinTech); (ii) secured and unsecured lending; (iii) investments collateralized by real estate and real estate related assets; and (iv) other illiquid, Specialty finance investment opportunities.
Sterling or GBP or £	Pound sterling.
Subsidiary	EJF Investments Holdings Limited.
TCFD	Task Force on Climate-related Financial Disclosures.
Target Dividend	The Company targets an annual payment of dividends which equates to 10.7 pence per Ordinary Share.
Target Return	The Company targets an annual total return on NAV per Share of 8% to 10% per annum.
TFINS 2017-2	TruPS Financials Note Securitization 2017-2 Ltd.
TFINS 2018-1	TruPS Financials Note Securitization 2018-1 Ltd.
TFINS 2018-2	TruPS Financials Note Securitization 2018-2 Ltd.
TFINS 2019-1	TruPS Financials Note Securitization 2019-1 Ltd.
TFINS 2019-2	TruPS Financials Note Securitization 2019-2 Ltd.
TFINS 2020-1	TruPS Financials Note Securitization 2020-1 Ltd.
TFINS 2020-2	TruPS Financials Note Securitization 2020-2 Ltd.
TFINS 2025-1	TruPS Financials Note Securitization 2025-1 Ltd.
TFINS 2025-2	TruPS Financials Note Securitization 2025-2 Ltd.
TFINS 2025-3	TruPS Financials Note Securitization 2025-3 Ltd.
TFINS 2026-1	TruPS Financials Note Securitization 2026-1 Ltd.
Total Return	As defined in Alternative Performance Measures on page 76.
TruPS	Trust preferred securities.
TruPS CDO Collateral	Has the meaning given in paragraph 4.2(b) of Part II: "The Company" of the Prospectus.
UK	United Kingdom.
UK Code	UK Corporate Governance Code.
US	United States of America.
USCAP4	U.S. Capital IV Funding Ltd
US Dollar or USD	United States Dollar.
US GAAS	Generally Accepted Auditing Standards applicable in the United States.
2025 ZDP Shares	The redeemable Zero Dividend Preference shares of no par value in the Company with a repayment date of 18 June 2025 and bearing a gross redemption yield of 7.00%.
2029 ZDP Shares	The redeemable Zero Dividend Preference shares of no par value in the Company with a repayment date of 17 December 2029 and bearing a gross redemption yield of 8.50%.
ZDP Shares	2025 ZDP Shares and 2029 ZDP Shares.
ZDP Shareholder	The holder of one or more ZDP Shares.
ZDP Share Price	Closing price as at the respective reporting date as published on the LSE.

