

ICG-LONGBOW SENIOR SECURED UK PROPERTY DEBT INVESTMENTS LIMITED

INTERIM REPORT AND UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 JULY 2026

All capitalised terms are defined in the Glossary of Capitalised Defined Terms unless separately defined.

FINANCIAL HIGHLIGHTS

Key Developments

- The Company has two investments remaining, both of which are in advanced exit processes as described below.
- The Southport hotel asset is under offer for sale, however given the time it is taking to conclude the sale, there is no assurance this transaction will complete.
- Substantially all of the properties securing the RoyaleLife portfolio are also under offer for sale; the largest pool of assets to a single buyer with the balance to individual purchasers.
- Following a reassessment of current market pricing driven by bidding activity on the portfolio assets, there has been a further diminution in the capital valuation of the Company's remaining assets of £3.41 million.
- As at 31 July 2026, the Company has recorded a decrease in NAV per share of 2.96 pence compared to 31 January 2026.
- After period end, the Company and its co-lenders settled their litigation claim against the original valuer of the RoyaleLife portfolio. The Company's share of the settlement proceeds has led to an improvement in pro forma NAV of 1.31 pence per share as at the date of this report, compared to the 31 July 2026 figure.

Performance

- NAV of £17.22 million as at 31 July 2026 after ECL adjustments of £(39.63) (31 January 2026: £20.80 million after ECL adjustments of £(35.31) million), (31 July 2025: £23.27 million after ECL adjustments of £(31.96) million).
- NAV per share as at 31 July 2026 of 14.19 pence (31 January 2026: 17.15 pence), (31 July 2025: 19.19 pence).
- Loss after tax of £(3.59) million for the six months ended 31 July 2026 (31 July 2025: profit of £0.05 million).
- Loss per share for the period of 2.96 pence (31 July 2025: profit of 0.04 pence).

Dividend

- No dividends were declared or paid in the six months to 31 July 2026 (six months to 31 July 2025: nil).

Investment Portfolio

- As at 31 July 2026, the Company's investment portfolio comprised two loans with an aggregate principal balance of £42.11 million, and a carrying value after provision for ECL of £14.93 million (31 January 2026: two loans with an aggregate principal balance of £41.98 million, and a carrying value of £18.21 million).

- The Company is seeking to realise the remaining investments through open market sales. The Investment Manager continues to seek opportunities to enhance value and so maximise recoveries.

*Unless stated otherwise, loan balances are stated gross of ECL provisions for impairment. A comparison to the carrying value of the loans is set out in Note 4 to the accounts.

CORPORATE SUMMARY

Investment Objective

In line with the revised Investment Objective and Policy approved by shareholders at the Extraordinary General Meeting in January 2021, the Company is undertaking an orderly realisation of its investments.

Structure

The Company is a non-cellular company limited by shares incorporated in Guernsey on 29 November 2012 under the Companies Law. The Company's registration number is 55917, and it has been registered with the GFSC as a registered closed-ended collective investment scheme. The Company's ordinary shares were admitted to the premium segment of the FCA's Official List and to trading on the Main Market of the London Stock Exchange as part of its IPO which completed on 5 February 2013. The issued capital comprises the Company's ordinary shares denominated in Pounds Sterling.

Investment Manager

The Company has appointed ICG Alternative Investment Limited as external discretionary investment manager, under the Alternative Investment Fund Managers Directive (AIFMD), within a remit set by the Board.

CHAIRMAN'S STATEMENT

Introduction

On behalf of the Board, I present the Unaudited Condensed Interim Financial Statements for the Company for the six months ended 31 July 2026.

As at the date of these statements, the assets securing both of the Company's remaining investments are under offer for sale, with the Southport hotel sale the more advanced. The Investment Manager reports below with more detail on the latest position in the sales processes. We are also pleased to report that the Company has now settled the litigation associated with the RoyaleLife loan, as set out further below.

Your Board does recognise that these processes have proved to be extremely protracted, and notwithstanding any assurances we may be able to give in our reporting to you, ultimately the full exits of these two remaining loans have been heavily delayed. The Board shares shareholders' frustration with these delays. The Board though is satisfied that the Investment Manager continues to employ their best endeavours to complete these sales at fair prices.

As a consequence of the above, during the period there was little activity of note within the portfolio. While there are clearly investment-specific reasons for this, there have also been market-wide challenges which the Investment Manager reports on below, where the initial momentum in UK property markets coming into 2026 appears to have stalled somewhat, initially owing to the conflict in Iran and more recently wider macro concerns on the interest rate environment. This has led to delayed decision making by occupiers and investors.

This has inevitably led to a reassessment of current market values for the two remaining assets. Using a consistent valuation methodology from prior periods, and taking into account emerging bidding evidence for the RoyaleLife portfolio assets, the Board has recognised further ECL charges of £4.23 million as at 31 July 2026, comprising £3.41m of reductions to carrying values and £0.82m of net impairments to default interest accrued on the investments. This is discussed in more detail below.

The Southport hotel continues to remain under offer for sale, with the delay in moving to exchange of contracts due to a complex negotiation with the freeholder (the local Council) on the structure of the lease. Despite this the trading performance of the hotel has been robust, ahead of both prior year and budget, with the property reaping the benefits of the Open Championship golf being held at nearby Royal Birkdale. Nonetheless, during the reporting period, we advanced at the request of the administrator a further £0.13m to support the asset.

The rise in UK mortgage rates over the last several months has led to a slowdown in the velocity of home sales, as has been observed in the reporting of a number of the listed housebuilders. The Company has similarly seen this in home sales within the RoyaleLife portfolio, which slowed over the summer after a strong start to the year.

Within the wider RoyaleLife portfolio, I can report to you that following a sales process run by Savills, the majority of the portfolio sites (by number and value) have now been placed in exclusivity for sale. The balance of non-core sites are being sold separately; of these, one sale completed after period end with four others in contract and offers in hand for a further three. Finally, two further sites are being held while asset management initiatives are completed and will be marketed thereafter.

More positively, I am able to report to you some further news on the RoyaleLife loan. As we have advised previously, the Company is party to a litigation claim against the original valuer of the portfolio in respect of an alleged negligent valuation of the assets securing the loan. While the Company's disclosures on this have necessarily been limited by the ongoing litigation, I am now pleased to be able to report that the Company and its co-lenders have reached a settlement.

While an initial formal settlement offer was received during the reporting period (the Company's share of which is included in the NAV reported herein), final settlement was reached after period end and shortly before issuance of this report. The Company's share of the agreed settlement proceeds has led to an increase in the Company's pro forma NAV, as at the date of this report, of 1.31 pence per share, taking the Company's total pro forma NAV to 15.50 pence per share.

The Board is pleased to have been able to resolve this matter without the cost and delay of a potential trial, and to secure what we consider to be a fair outcome for shareholders.

Valuation and Impairment

The Board and Investment Manager, as in prior periods, have considered the appropriate carrying values for the remaining investments taking into account the range of expected proceeds and the expected timing of returning capital to shareholders.

I noted in our Annual Report and Financial Statements dated 31 January 2026 that your Board remains mindful of the opportunity costs of holding these non-income producing assets but continues to conclude that an accelerated 'fire sale' of the investments would lead to adverse outcomes for shareholders compared to the current strategy of seeking fair and reasonable prices from the ongoing sale processes.

In aggregate, ECL provisions totalling net £4.23m have been charged during the reporting period, reflecting both a reduction in expected capital receipts and a charge in respect of accrued but unpaid default interest.

- In respect of the Southport loan, £0.59m, comprising £0.26m of accrued but unpaid default interest, a working capital injection of £0.125m and £0.2m in respect of the delay in concluding the sale.
- In respect of the RoyaleLife loan, the additional ECL provision of £3.74m comprises £0.65m of accrued but unpaid default interest, with the balance being an adjustment to carrying values as a direct result of third party bid prices for the portfolio received during the formal marketing process. The level of the ECL provision takes account of a formal offer to resolve the litigation claim, which was received during the period. This is the first time we have been able to include such an allowance in the Company's NAV, reflecting the formal nature of the offer received.
- In respect of the Affinity loan, which was repaid in a prior period, a reversal of £0.1m in the previous ECL owing to the receipt of a final wrap up payment from the LPA receiver.

As set out above, post-period end the Company and its co-lenders agreed to settle the RoyaleLife litigation at a level materially above that at the balance sheet date. After allowing for certain legal costs and expenses, this will reverse the above ECL position by £1.59 million on a pro forma basis.

Revenue and Profitability

Accrued income from the portfolio for the period totalled £0.95 million (31 July 2025: £2.34 million), however this has been offset by a net provision for ECL adjustments as set out above. After accounting for these impairments, the Company recognised a loss for the period of £3.59 million (31 July 2025: profit of £0.05 million).

The loss per share for the period was 2.96 pence (31 July 2025: profit of 0.04 pence), reflecting the changes to the carrying values detailed above. Details of the ECL provisions are set out in the notes to the condensed accounts.

Dividend and Return of Capital

No dividends were paid in the period, and the Board does not envisage the declaration of any dividends henceforth. The Company will make capital distributions to shareholders at the earliest opportunity after realisation of the remaining portfolio assets.

NAV and Share Price Performance

The Company's NAV at 31 July 2026 stood at £17.22 million (31 July 2025: £23.27 million), reflecting the adjustments set out above.

The Company's share price ended the period at 12.75 pence per share, down from 14.15 pence as at 31 January 2026. The share price reflected, at period end, a 10.1% discount to the Company's NAV.

The Company's share of the final settlement proceeds in the RoyaleLife litigation has led to an increase in the Company's pro forma NAV of 1.31 pence per share, taking total pro forma NAV as at the date of this report to 15.50 pence per share.

Outlook

Your Board is acutely aware that the Company has been, and continues to be, delayed in realising its final two remaining investments while continuing to suffer mark downs in the value of the loans. I want to reassure shareholders that the Board and Investment Manager remain focused on exiting the investments. Despite some previous 'false dawns', current signs of progress are encouraging. I would like to thank shareholders for their continued patience.

Jack Perry

Chairman

16 October 2026

INVESTMENT MANAGER'S REPORT

Summary

As at 31 July 2026 the Company had two investments remaining, which are being managed and realised following enforcement processes. This report provides a summary update on the realisation process for each remaining investment.

Portfolio

Portfolio statistics	31 July 2026	31 January 2026	31 July 2025
Number of loan investments	2	2	2
Aggregate principal advanced	£42,107,017	£41,982,017	£41,882,017
Aggregate carrying value after ECL	£14,926,398	£18,213,536	£20,465,869
Cash held	£2,454,690	£2,893,123	£2,998,100

Investment Update

Southport Hotel

The hotel securing the Company's Southport loan continues to be run by the administrator, through a specialist hotel operating partner and local management team. The hotel is trading profitably and in the year to 31 July 2026 has outperformed, with EBITDA being ahead of both prior year (due to the positive impact of the Open Championship golf being held nearby in July) but also 15% ahead of budget, which took the expected golf revenue into account. Trading figures for August were also strong – with EBITDA up 26% on budget and 28% on prior year – and early returns for September seem encouraging.

Offsetting this positive hotel trading has been the cashflow drag of VAT liabilities, administrators' fees and the holding costs associated with the vacant commercial units adjoining the hotel (which form part of the Company's security). As a result, during the reporting period and following a request from the administrator, the Company determined to provide a further £0.13 million of funding to support working capital, property holding costs and to allow for continued investment in the asset during the sales process.

As detailed in the annual report and accounts, the asset has been under offer for sale for an extended period, to an experienced North West-based hotelier. While the headline bid price is ahead of the carrying value of the loan, there will be costs associated with the sale and other customary closing price adjustments to allow for. We are also mindful of previous inconclusive sales processes and have adopted a probability-weighted approach to assessing recoveries.

Conclusion of the sale requires the consent of the freeholder, being the local authority. Over the reporting period this has expanded into a wider discussion on a restructure of the leasehold interest which the council is eager to conclude, albeit this has resulted in significant delay. While we have received assurances from the council in writing on their commitment to the transaction, regrettably we have yet to conclude legal agreements.

RoyaleLife

As previously advised to shareholders, substantially all of the assets securing the loan, along with the operating platform, were brought to market during the period, in a formal process targeted at qualified purchasers. Four parties submitted credible bids, with two taken to a second round of bidding. The lenders, including the Company, have now selected a preferred bidder with the portfolio under exclusivity for sale. The pricing evidence from this process has informed the assessment of carrying value, as set out below.

Additionally, a number of smaller, non-core portfolio assets have been marketed separately. One of those assets sold after period end, with completion of another three sales expected in the coming weeks and the balance during the latter part of Q4 2026. There is, however, no assurance that all these sales will complete.

While the sales processes are underway the lenders have continued to support the wider business plan. After a positive start to the year, increases to UK mortgage rates and the subsequent slowdown in the housing market have affected sales velocities, mirroring the experience of many of the listed UK housebuilders who have reported to market recently.

During the period, the Investment Manager continued to pursue negligence litigation against the original valuer of the RoyaleLife property assets, to which the Company is a claimant. While for reasons of confidentiality and disclosure we have been largely unable to provide shareholders with our assessment of the case or the progress therein, we can now confirm that a formal settlement offer was received in the weeks leading up to period end, which has now been reflected in the Company's NAV as described elsewhere in this report.

Since period end, we are pleased to confirm that agreement has now been reached to settle this litigation out of court, at a level higher than that provided for in the period-end NAV. While the terms of the settlement are understandably confidential, we can confirm that the Company's share of the settlement proceeds has led to an increase in pro forma NAV of 1.31 pence per share, as described elsewhere in this report.

Affinity

While this asset was sold in a prior reporting period, in May 2026 the Company received a final payment from the receiver of approximately £0.1m, reflecting post-closing adjustments and the wrap up of the receivership. This has been applied in the accounts as a reversal of the previous ECL, and no further recoveries are expected from the investment.

Reconciliation of Changes in Book Value

Project	Balance outstanding (£m)	31 July 2026		31 January 2026		31 July 2025	
		Book Value after ECL (£m)	Book Value per share (p)	Book Value after ECL (£m)	Book Value per share (p)	Book Value after ECL (£m)	Book Value per share (p)
Southport	16.73	6.66	5.5	6.86	5.7	7.11	5.9
RoyaleLife	25.38	8.27	6.8	11.35	9.4	13.36	11.0
Total	42.11	14.93	12.3	18.21	15.1	20.47	16.9

Economy and Financial Market Update

Despite an optimistic start to the year, the conflict in Iran in late February changed the year's economic trajectory materially. Immediate tensions were restricted to the Middle East; however, the knock-on effects on energy prices, inflation and interest rates spread globally. Against this backdrop, UK Prime Minister Keir Starmer resigned and was swiftly replaced by Andy Burnham, the UK's fifth prime minister in four years.

Despite external economic pressures, the UK economy showed signs of resilience. GDP expanded 0.6% in Q1 2026, driven primarily by services output (+0.8%), before slowing to 0.4% in Q2 as softening consumer demand weighed on activity. This softening in demand was reflected in a slight increase in unemployment in Q2 2026 to 4.9% (+0.2%). The UK nevertheless outperformed much of the Eurozone, where equivalent quarterly figures were weaker.

Inflation has continued to prove stubbornly resistant to target. CPI stood at 3.0% in the year to February before falling to approximately 2.8% in April and May, only to reverse course. August 2026 saw CPI rise back to 3.1%, driven by a sharp increase in motor fuel prices and higher fixed energy tariffs.

In recent months, markets have largely been focused on two structural factors – a global repricing of sovereign debt, and the dizzying rise of AI. While equity markets continue to surge, seemingly impervious to the wider economic backdrop, bond markets are beginning to flash warning signals.

Within real estate, occupational demand generally proved more resilient than investor sentiment. Demand across offices, logistics, living and hotels remained concentrated on the highest quality assets, while development activity continued to be constrained by elevated construction costs, financing costs and planning challenges. A shortage of prime stock has increasingly become the defining characteristic of occupational markets.

Occupational Demand / Supply

The UK office market held steady in H1 2026, with Central London take-up tracking to match the 11.4m sq ft recorded for full-year 2025. Behind these figures, tech- and AI-related leasing was the defining theme: The 0.7m sq ft transacted in Central London in H1 by AI firms was more than double the FY 2025 total, led by Anthropic's 160,000 sq ft lease at 1 Triton Square, NW1. The development pipeline remains constrained, with 47% of Central London space under construction representing refurbishment rather than new-build. Activity in the regions broadly matched London, with widespread rental growth leading to prime rents of £52.00 per sq ft and £48.00 per sq ft in Birmingham and Manchester respectively.

Within the industrial market, H1 2026 take-up totalled 10.9m sq ft, 16% below H1 2025, with build-to-suit activity particularly subdued at 720,000 sq ft. Third Party Logistics ("3PL") occupiers accounted for 45% of take-up, and second-hand stock rose to 42% of transactions versus 32% in prior years. Completions halved to 6.2m sq ft, and the national vacancy rate held stable at 7.1% as at Q2 2026, as the market rebalanced following years of speculative development.

A weakening consumer confidence backdrop did not prevent retail sales volumes from rising 4% year-on-year in Q2, boosted by summer sporting events. Retail park vacancy continued to decline, with prime rents now above pre-pandemic levels, and Oxford Street vacancy compressed to a 20-year low of 0.4%. Prime Central London rents rose 7.6% year-on-year in Q2, although shopping centre performance remained polarised.

The hotel sector delivered resilient H1 2026 trading, with occupancy and ADR holding in London and key regional cities. However, margin growth has become more challenging as wage inflation, business rates and operating costs continue to rise. Business rates became a particular challenge, with replacement of the Retail, Hospitality and Leisure relief scheme in favour of an adjusted multiplier.

Property Investment Market

UK commercial real estate transaction volumes in H1 2026 totalled £23bn, down 8% year-on-year, with the US-Iran conflict weighing on investor confidence. Nonetheless the UK remained the most actively invested market in Europe, with all-property total returns of 2.5% and income returns of 2.8%.

The bifurcation between prime and secondary office assets remains firmly in place, with the former seeing some level of demand returning and the latter very little. H1 2026 investment volumes rose 7% year-on-year, with industry forecasts expecting the sector to attract c.£15bn for the full year, returning offices to the most invested CRE asset class. Central London values held broadly flat over H1, while Outer London/M25 assets declined 4.8%, with liquidity concentrated in prime stock. Regional office markets remain more thinly traded, although pricing appears broadly stable with prime regional yields at approximately 6.75%.

H1 2026 industrial investment remained a focus for institutional capital, with prime yields stable. Multi-let and well-located logistics assets attracted the widest buyer pool, however a lack of prime stock limited the overall volume.

Both retail parks and prime shopping centres remained attractive from an investment perspective, with Q1 2026 volumes reaching £1.5bn. Estimates placed the total return of retail as the highest of any traditional commercial

sector following years of valuation drops. Retail parks remain the most sought-after subsector due to low vacancy, rental growth and limited supply, while the acquisition of Merry Hill by Redical provided a notable boost for the shopping centre market.

The first half of 2026 also brought an exceptional hotel investment market. Volumes exceeded £2.9bn, up 119% year-on-year, with London accounting for £1.7bn. Unlike H1 2024, where a handful of large portfolios drove headline volumes, H1 2026 activity was more broadly distributed, albeit the market remained focused on high-value, high-quality assets in core locations.

The UK residential for-sale market softened in H1 2026 as higher mortgage costs weighed on affordability and buyer sentiment. House prices rose circa 2% in early 2026 before tapering in Q2; the popular listings platform Rightmove downgraded its forecasts from 2% to between 0 and -2%. Two-year fixed rate mortgages peaked at 5.0% in April before easing to 4.6% by 1 July, but the outlook remains challenged. Sales agreed ran 13% below the baseline 2017-19 average in June, with London and the South East most affected.

Finance Markets

Contrary to widespread expectations early in 2026, base rates again failed to deliver the relief commercial real estate finance markets were seeking in H1 through July. SONIA swap rates continued to steepen: the 5-year rate reached approximately 4.45% by July 2026, as markets priced in the possibility of a Bank of England hike rather than further easing. This upward shift in the swap curve continued to dampen investment appetite, as the 'higher for longer' trajectory became truly embedded in the markets, with swaps further rising to approximately 4.7% at the time of writing.

While data on credit margins is sometimes unreliable or outdated, ICG observed a compression in prime lending margins in Q1 2026 before steadying in Q2 following the onset of the conflict in Iran. Banking market liquidity remains robust, as does lender demand for larger-ticket loans supported by back leverage. In the mid-market, liquidity can be patchier depending on the nature of the underlying asset.

Portfolio Outlook

As we have described in this report, some of the initial momentum in the transactions market coming into 2026 has become more subdued over the period, and at the time of writing sentiment continues to trend weaker as a function of geopolitical uncertainty and macroeconomic challenges, principally around rising benchmark interest rates and rates on sovereign bonds.

Despite this backdrop and the relative lack of activity in the Company's two remaining loans, we are now beginning to make some progress on exit with the majority of assets securing the RoyaleLife loan now being under offer for sale along with some of the smaller non-core assets, one of which has now been sold. While there is no assurance the largest sale will complete, we are actively pursuing it. We are also pleased to have been able to settle the litigation accompanying the case, which we believe has delivered a positive outcome for shareholders in partial mitigation of the losses suffered on the loan.

ICG REAL ESTATE

16 October 2026

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing this Interim Financial Report in accordance with applicable law and regulations. The Directors confirm that to the best of their knowledge:

- The Unaudited Condensed Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the UK; and
- The Chairman's Statement and Investment Manager's Report include a fair review of the information required by:
 - (i) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the Unaudited Condensed Interim Financial Statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (ii) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the financial year and that have materially affected the financial position and performance of the entity during that period; and any changes in the related party transactions described in the last Annual Report and Financial Statements that could do so.

On behalf of the Board

Jack Perry

Chairman

16 October 2026

PRINCIPAL RISKS AND UNCERTAINTIES

The Company invests primarily in UK commercial real estate loans of a fixed rate nature; as such, it is exposed to the performance of the borrower and the underlying property on which its loans are secured.

The principal risks and uncertainties of the Company were identified in detail in the Annual Report and Financial Statements for the year ended 31 January 2026.

In addition to regular risk reviews, emerging risks are considered as they arise, to assess any potential impact on the Company and to determine whether any actions are required.

As a result of such risks emerging, the Audit and Risk Committee regularly reviews its assessment of the key risks faced by the Company, which are currently identified as the following:

- The inability to secure the sale or refinancing of an underlying property will frustrate the timely repayment of capital;
- Imprecision of valuations will impact the Company's ability to accurately determine collateral values and to appropriately consider the potential impairment of any particular investment;
- A further deterioration in property market conditions or liquidity could likely result in a further reduction in shareholder value;
- Portfolio diversification: the effect on the Company of challenges experienced on the smaller number of remaining investments is magnified and could lead to increased volatility in cash flows or net asset values;
- Some of the Company's costs are fixed and will therefore consume a greater proportion of the Company's revenues as the Company shrinks, which will impact the amount of funds available for distribution to shareholders;
- Complications with the liquidation process could affect timing of the final distribution to shareholders.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD TO 31 JULY 2026

		1 February 2026 to 31 July 2026 £ (Unaudited)	1 February 2025 to 31 July 2025 £ (Unaudited)	1 February 2025 to 31 January 2026 £ (Audited)
	Note			
Income				
Income from loans		913,443	1,348,576	2,340,810
Other income from loans		-	945,457	-
Income from cash and cash equivalents		36,484	44,154	78,699
Total income		949,927	2,338,187	2,419,509
Expenses				
Investment Management fees	9	52,213	64,807	128,073
Directors' remuneration	9	45,000	42,500	90,000
Audit fees for the Company		28,800	48,299	83,660
ECL charge on loan capital	4	3,412,138	597,365	2,949,698
ECL charge on default interest income	4	913,443	1,348,576	2,340,810
Reversal of ECL charge on default interest from sale of assets		(93,067)	-	(1,125,457)
Other expenses	10	184,501	187,500	368,375

Total expenses	4,543,028	2,289,047	4,835,159	
(Loss)/profit for the period/year before tax	(3,593,101)	49,140	(2,415,650)	
Taxation	-	-	-	
(Loss)/profit for the period/year after tax	(3,593,101)	49,140	(2,415,650)	
Total comprehensive (expense)/income for the period/year	(3,593,101)	49,140	(2,415,650)	
Basic and diluted (Loss)/earnings per Share (pence)	5	(2.96)	0.04	(1.99)

All items within the above statement have been derived from discontinuing activities on the basis of the orderly realisation of the Company's assets.

The Company has no recognised gains or losses for either period other than those included in the results above, therefore no separate statement of other comprehensive income has been prepared.

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

CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2026

		31 July 2026	31 January 2026	31 July 2025
		£	£	£
	Note	(Unaudited)	(Audited)	(Unaudited)
Assets				
Loans advanced at amortised cost	4	14,926,398	18,213,536	20,465,869
Cash and cash equivalents		2,454,690	2,893,123	2,998,100
Trade and other receivables		18,369	41,437	18,025
Total assets		17,399,457	21,148,096	23,481,994
Liabilities				
Trade and other payables		184,297	339,835	208,943
Total liabilities		184,297	339,835	208,943
Net assets		17,215,160	20,808,261	23,273,051
Equity				
Share capital	6	54,946,139	54,946,139	54,946,139
Retained loss		(37,730,979)	(34,137,878)	(31,673,088)
Total equity attributable to the owners of the Company		17,215,160	20,808,261	23,273,051
Number of ordinary shares in issue at period/year end	6	121,302,779	121,302,779	121,302,779
Net Asset Value per ordinary share (pence)	5	14.19	17.15	19.19

The Interim Financial Statements were approved by the Board of Directors on 16 October 2026 and signed on their behalf by:

Jack Perry
Chairman

16 October 2026

Paul Meader
Director

16 October 2026

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

CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIOD TO 31 JULY 2026

Note	Number of shares	Ordinary Share capital £ (Unaudited)	Retained loss £ (Unaudited)	Total £ (Unaudited)
As at 1 February 2026	121,302,779	54,946,139	(34,137,878)	20,808,261
Total comprehensive loss for the period	-	-	(3,593,101)	(3,593,101)
As at 31 July 2026	121,302,779	54,946,139	(37,730,979)	17,215,160

FOR THE SIX-MONTH PERIOD TO 31 JULY 2025

Note	Number of shares	Ordinary Share capital £ (Unaudited)	B Share capital £ (Unaudited)	Retained loss £ (Unaudited)	Total £ (Unaudited)
As at 1 February 2025	121,302,779	64,650,361	-	(31,722,228)	32,928,133
Total comprehensive income for the period	-	-	-	49,140	49,140
B shares issued July 2025	121,302,779	(9,704,222)	9,704,222	-	-
B shares redeemed and cancelled July 2025	(121,302,779)	-	(9,704,222)	-	(9,704,222)
As at 31 July 2025	121,302,779	54,946,139	-	(31,673,088)	23,273,051

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

CONDENSED STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD TO 31 JULY 2026

	1 February 2026 to 31 July 2026 £ (Unaudited)	1 February 2025 to 31 July 2025 £ (Unaudited)	1 February 2025 to 31 January 2026 £ (Audited)
Note			
Cash flows generated from/(used in) operating activities			
(Loss)/Profit for the period/year	(3,593,101)	49,140	(2,415,650)
Adjustments for non-cash items and working capital movements:			
Movement in other receivables	23,068	23,154	(258)
Movement in other payables and accrued expenses	(155,538)	(1,195)	129,697
ECL provisioning	3,412,138	597,365	2,949,699
	(313,433)	668,464	663,487
Loans advanced	(125,000)	(700,000)	(800,000)
Loans repaid	4	9,533,657	9,533,657
Net loans repaid less arrangement fees	(125,000)	8,833,657	8,733,657
Net cash generated (used in)/from operating activities	(438,433)	9,502,121	9,397,144
Cash flows used in financing activities			
Return of Capital paid	6	(9,704,222)	(9,704,222)
Net cash used in financing activities	-	(9,704,222)	(9,704,222)
Net movement in cash and cash equivalents	(438,433)	(202,101)	(307,078)
Cash and cash equivalents at the start of the period/year	2,893,123	3,200,201	3,200,201
Cash and cash equivalents at the end of the period/year	2,454,690	2,998,100	2,893,123

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

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD TO 31 JULY 2026

1. General information

ICG-Longbow Senior Secured UK Property Debt Investments Limited is a non-cellular company limited by shares and was incorporated in Guernsey under the Companies Law on 29 November 2012 with registered number 55917 as a closed-ended investment company. The registered office address is Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 4LY.

The Company's shares were admitted to the Premium Segment of the Official List and to trading on the Main Market of the London Stock Exchange on 5 February 2013.

The unaudited condensed financial statements comprise the financial statements of the Company as at 31 July 2026.

In line with the revised Investment Objective and Policy approved by shareholders in the Extraordinary General Meeting in January 2021, the Company is undertaking an orderly realisation of its investments. As sufficient funds become available the Board returns capital to shareholders, taking account of the Company's working capital requirements and funding commitments.

ICG Alternative Investment Limited is the external discretionary investment manager.

2. Accounting policies

a) Basis of preparation

The Interim Financial Statements included in this Interim Report, have been prepared in accordance with IAS 34 'Interim Financial Reporting', as adopted by the UK and the Disclosure, Guidance and Transparency Rules of the FCA.

The Interim Financial Statements have not been audited or reviewed by the Company's Auditor.

The Interim Financial Statements do not include all the information and disclosures required in the Annual Report and Financial Statements and should be read in conjunction with the Company's Annual Report and Financial Statements for the year ended 31 January 2026, which are available on the Company's website (www.lbow.co.uk). The Annual Report and Financial Statements have been prepared in accordance with IFRS as adopted by the UK

Other than as set out above, the same accounting policies and methods of computation have been followed in the preparation of these Interim Financial Statements as in the Annual Report and Financial Statements for the year ended 31 January 2026. In particular the Company has adopted the same approach to valuation of financial instruments including critical accounting judgements and estimation of uncertainties as set out in detail in the notes to the Annual Report and Financial Statements for the year ended 31 January 2026.

There were no new standards or interpretations effective for the first time for periods beginning on or after 1 January 2026 that had a significant effect on the Company's financial statements. Furthermore, none of the amendments to standards that are effective from 1 January 2026, had a significant effect on the Company's interim condensed financial statements. It is not anticipated that any standard which is not yet effective, will have a material impact on the Company's financial position or on the performance of the Company's statements.

b) Going concern

The Directors, at the time of approving the Financial Statements, are required to satisfy themselves that they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and whether there is any threat to the going concern status of the Company. At the EGM of the Company on 14 January 2021, following a recommendation from the Board published in a circular on 16 December 2020, shareholders voted by the requisite majority in favour of a change to the Company's Objectives and Investment Policy which would lead to an orderly realisation of the Company's assets and a return of capital to shareholders.

It is intended that, following the appointment of receivers or administrators in respect of the last remaining loans, the investments will be realised as and when the underlying property assets, or loans upon which they are secured, can be sold in an orderly manner. The Company may take actions with the consequence of

accelerating or delaying realisation in order to optimise shareholders' returns in the context of the Company's size.

Whilst the Directors are satisfied that the Company has adequate resources to continue in operation throughout the realisation period and to meet all liabilities as they fall due, given the Company is now in a managed wind down, the Directors consider it appropriate to adopt a basis other than going concern in preparing the financial statements.

In the absence of a ready secondary market in real estate loans by which to assess market value, the basis of valuation for investments is amortised cost net of impairment, recognising the anticipated realisable value of each property in the orderly wind down of the Company. In accordance with the Company's IFRS 9 Policy the staging of each loan has been reviewed and both loans are considered to be at Stage 3. Consequently, valuations reflect the ECL assuming a six month realisation period, as detailed on Note 4. No material adjustments have arisen solely as a result of ceasing to apply the going concern basis.

c) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors as a whole. The key measure of performance used by the Board to assess the Company's performance and to allocate resources is the total return on the Company's Net Asset Value, as calculated under IFRS, and therefore no reconciliation is required between the measure of profit or loss used by the Board and that contained in the Financial Statements.

For management purposes, the Company is organised into one main operating segment, being the provision of a diversified portfolio of UK commercial property backed senior debt investments.

The majority of the Company's income is derived from loans secured on commercial and residential property in the United Kingdom.

Due to the Company's nature, it has no employees.

The Company's results do not vary significantly during reporting periods as a result of seasonal activity.

3. Critical accounting judgements and estimates in applying the Company's accounting policies

The preparation of the Financial Statements under IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, including the Company's timeframe for orderly realisation of investments in order to return capital to shareholders. These factors help form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Critical accounting judgements

In assessing the Expected Credit Losses (ECL), the Board has made critical judgements in relation to the staging of the loans and assessments which impact the loss given default. In assessing whether the loans have incurred a significant increase in credit risk the Investment Manager, on behalf of the Board, assesses the credit risk attaching to each of the loans and the realisable value of the underlying property on which the loans are secured.

The Company has adopted the Investment Manager's Internal credit rating methodology and has used its loss experience to benchmark investment performance and potential impairment for Stage 1, Stage 2 and Stage 3 loans under IFRS 9 considering both probability of default and loss given default. It is noted that the Company's remaining loans are past due and that receivers or administrators have been appointed over the Company's security.

The Investment Manager and the Board will also take into consideration the likely repayment term of loans that have become past due and the actions to be taken by the appointed receiver or administrator to repay such loans. Consequently, a loan which is past due, but otherwise performing, may continue to be assessed as Stage 1 where there is an active repayment plan in place, or supporting evidence that the loan can be repaid in full and the Company has given a period of forbearance whilst reserving its rights to, or charging, default interest.

Against the backdrop of higher interest rates and liquidity issues, as discussed in the Investment Manager's Report, the Investment Manager and Board agree that all remaining investments have a heightened credit risk. At the reporting date the remaining two loans are subject to enforcement action and, in the absence of an active and liquid property market, are considered as Stage 3 assets with a material risk of credit loss.

Key sources of estimation uncertainty

The measurement of both the initial and ongoing ECL allowance for loan receivables measured at amortised cost is an area that has required the use of significant assumptions about credit behaviour such as likelihood of borrowers continuing to support their properties through interest payments and equity injections, or defaulting and the resulting losses.

In line with the Company's investment strategy at the time, most loans benefited from significant LTV headroom at origination, with business plans designed to deliver further value increases over time. This combined with tight covenants generally enabled the Investment Manager to manage risk over the term of the loans. However, following the change in Investment Strategy to one of orderly wind down and the reduction of the portfolio to just two remaining assets, the Investment Manager and the Board have placed greater emphasis on the source and delivery of repayment of each loan when assessing valuation and the risk of capital loss.

As discussed above, a material reduction in transactional evidence and higher funding costs have led to a fall in property values generally, but with those sectors subject to structural change and higher interest rates (e.g. residential housing for sale) being particularly impacted. As a result, both remaining loans have evidence of heightened credit risk with the equity buffer having been eroded by falls in property values and the likelihood of further sponsor support being considered remote, and as such have been assessed as Stage 3 loans.

The Board's valuation of Stage 3 assets (those loans considered to have a material risk of credit loss), is first informed by third party property valuations and supporting comparative transactional evidence, including marketing processes being undertaken. The Investment Manager and the Board will then overlay property level cashflows, expected sales costs and other factors considered necessary to achieve exits within the target timeframes for returning capital to shareholders.

Both of the Company's Stage 3 assets are subject to enforcement action in the form of administration at the reporting date. As a result, the Company has considered the likelihood of achieving sales at the most recent third-party valuation or at discounts to reflect the current lack of liquidity in the relevant property sector and the Company's target timeframes and the probability of such outcomes. These probabilities and discounts are further informed by prospective purchasers' offers or expressions of interest where properties have been marketed.

In arriving at the investment valuations, the Investment Manager has overlayed the expected costs of sale and exit timeframes to determine a weighted average valuation of each loan under the expected interest rate method and, thereby, the expected credit loss for each loan that may result.

Revenue recognition is considered a significant accounting judgement and estimate that the Directors make in the process of applying the Company's accounting policies. In respect of the Company's Stage 3 loans, interest income will be recognised through in the Statement of Comprehensive Income net of ECL allowance. In view of the trading conditions of the Southport hotel and liquidity challenges facing the RoyaleLife loan, the Directors consider it unlikely that interest payments will be received in the future and accordingly such imputed income has been provided for, in full, through an ECL provision.

4. Loans advanced

(i) Loans advanced

	1 February 2026 to 31 July 2026	1 February 2025 to 31 January 2026
	£	£
Loans gross carrying value	54,558,556	53,520,113
Less: Expected Credit Losses	(39,632,158)	(35,306,577)
	<u>14,926,398</u>	<u>18,213,536</u>

	31 July 2026	31 July 2026	31 January 2026	31 January 2026
	Principal advanced	Carrying value before ECL allowance	Principal advanced	Carrying value before ECL allowance
	£	£	£	£
Southport ⁽¹⁾	16,725,000	19,158,260	16,600,000	18,774,577
RoyaleLife	25,382,017	35,400,296	25,382,017	34,745,536
	42,107,017	54,558,556	41,982,017	53,520,113

(1) There was a £125,000 increase to the Southport loan principal during the period.

(ii) Valuation considerations

As noted above, the Company is now in the process of an orderly wind down. It had been the intention of the Investment Manager and Directors to hold loans through to their repayment date, and seek a borrower led repayment in order to maximise value for the shareholders. Economic and property market conditions have not enabled this, with commercial property transactions in some sectors remaining subdued.

The carrying value amounts of the loans, recorded at amortised cost in the Financial Statements have been adjusted for expected credit losses. For further information regarding the status of each loan and the associated risks see the Investment Manager's Report.

As loans have fallen past due and enforcement actions have been taken, the Directors have also reassessed the likelihood and timing of receipt of any interest and exit fees associated with the loans in the context of the current underlying property value and weak market conditions.

Each property on which investments are secured was subject to an independent, third-party valuation at the time the investment was entered into and updated valuations have been obtained as deemed appropriate. All investments were made on a hold to maturity basis. Each investment is being closely monitored including a review of the performance of the underlying property security.

Third party property valuations are typically based on the specific particulars of the property (rent, Weighted Average Unexpired Lease Term (WAULT), vacancy, condition and location) and assume a normal marketing period and sales process. Valuers benchmark against comparative evidence from recent transactions in similar properties in similar locations.

Both the remaining Investments are considered to be Stage 3 assets and are subject to enforcement action. The carrying value of each Stage 3 investment has been calculated to reflect the net present value of the expected net proceeds from, and timing of, exit under a range of scenarios reflecting the latest indicators of realisable value and the cost of disposal (including enforcement action taken). For Southport, the potential discount to valuation that a willing buyer may offer in the current market for a purchase out of administration/ receivership in an accelerated process with limited vendor warranties and indemnities is reflected. For RoyaleLife, the new platform with the existing asset base has been reflected.

(iii) IFRS 9 – Impairment of Financial Assets

As discussed above, in recent years, the UK commercial property market has experienced a period of low transaction volumes, as buyers adjust their pricing in order to generate target returns in a higher interest rate environment with uncertain occupational demand in many sectors. Conversely, unless forced, sellers are inclined to hold properties where they can in the expectation of improved liquidity as the economic outlook stabilises. In this context, valuation and, therefore, the ECL for each investment has been recalculated based on the underlying property performance and third party bids on the underlying assets themselves as discussed further below.

The internal credit rating of each loan as at 31 July 2026 has been reviewed. The remaining two loans which were identified as Stage 3 assets at 31 January 2026, have remained Stage 3 assets, with an ECL provision of £39,632,158 (31 January 2026: £35,306,577).

As at 31 July 2026

	Stage 1	Stage 2	Stage 3	Total
Principal advanced	-	-	42,107,017	42,107,017
Gross carrying value	-	-	54,558,556	54,558,556
Less ECL allowance	-	-	(39,632,158)	(39,632,158)

-	-	14,926,398	14,926,398
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As at 31 January 2026

	Stage 1	Stage 2	Stage 3	Total
Principal advanced	-	-	41,982,017	41,982,017
Gross carrying value	-	-	53,520,113	53,520,113
Less ECL allowance	-	-	(35,306,577)	(35,306,577)
	-	-	18,213,536	18,213,536

Southport

The Southport hotel was identified as a Stage 3 asset at 31 January 2023. Following an aborted sales process and a remarketing exercise, the hotel continues to generate positive EBITDA, and is now subject to a bid in excess of the ECL adjusted value, with a small non-refundable deposit paid. In assessing the ECL as at 31 July 2026, the Investment Manager and the Board have considered a range of potential outcomes based on the current bid and have adopted a probability weighted approach, discounting the resultant cashflows to the expected completion. The ECL provision increased by £585,183 in the period, which represents £258,683 of default interest, full provision for the working capital injection made during the period of £125,000 and an increase of £201,500 due to a valuation decline.

RoyaleLife

As previously reported, the companies holding the sites securing the RoyaleLife loan were placed into administration during 2023 to protect the assets from other creditor claims. The sites were sold into a new holding company structure at the end of 2024 and the Company's debt, together with that of its co-lenders, was restructured to facilitate the transaction. Consequently, the Company now participates in a fully cross-collateralised loan to the new operating structure whilst retaining a claim against any proceeds arising from the ongoing administration of the old operating structure. The administrator ran a sales process prior to the restructure from which an institutionally backed offer for the entire platform was received, and heads of terms were agreed. Whilst the sale did not progress, the Investment Manager is continuing to support the new operator to rebrand and relaunch the sale of individual bungalow homes in order to retain optionality and maximise value for the lenders. The administration of the legacy companies is now drawing to a close with all but one of the restructured group companies expected to be dissolved before the end of this year.

The Board and Investment Manager consider there to be a material risk of loss and the loan was categorised as Stage 3 in July 2023, with the restructured loan remaining at Stage 3. In determining the ECL as at 31 July 2026, the Board and the Investment Manager have considered a bid currently in exclusivity to acquire the operating business and majority of the portfolio sites following a sales process conducted by Savills. The balance of non-core sites are being sold separately; of those, one sale has completed after period end, with offers in hand for the remainder. Two further sites are being held while asset management initiatives are completed and will be marketed thereafter. The Board and the Investment Manager have adopted the same probability weighted approach and considered a range of outcomes linked to sales of the properties described above, and to the relaunch of the underlying business with an exit over time.

As at the period end, the Company was party to a legal claim against the original valuer of the portfolio, as set out elsewhere in this report. A formal settlement offer was received from the defendant in the weeks leading up to period end, which has been reflected in the Company's NAV. Adjusting for this offer, the ECL provision has increased by £3,740,398 in the period, which represents £654,760 of default interest and an increase of £3,085,638 due to a valuation decline.

A reconciliation of the ECL allowance is presented as follows:

	At 31 January 2026	Expected Credit Loss Allowances ECL release from loan sale	ECL movement related to default interest	ECL movement related to loan capital	At 31 July 2026
	£	£	£	£	£
Southport	(11,915,362)	-	(258,683)	(326,500)	(12,500,545)
RoyaleLife	(23,391,215)	-	(654,760)	(3,085,638)	(27,131,613)
	(35,306,577)	-	(913,443)	(3,412,138)	(39,632,158)

(iv) IFRS 9 Impairment – Stress Analysis

The carrying values of the remaining investments above contemplate sales in a difficult market and have been adjusted for expected credit losses, making allowance for the potential impact of sales out of receivership/administration on the properties' underlying liquidity and attractiveness to buyers, as well as the timeframe in which the Company is seeking to realise its investments.

The remaining loans are, or have been, subject to enforcement processes, which in some cases may deter certain potential buyers from bidding for the assets. Southport and RoyaleLife are secured against operating assets which brings additional complexity for buyers when compared to, say, single tenant investment properties and, in the case of RoyaleLife, operates in a new and emerging sector.

The Investment Manager and the Board have considered the impact of a further 10%, 20% and 30% reduction in the underlying property values, broadly reflecting a one, two and three stage credit deterioration as previously presented, and recalculated its probability weighted valuations on this basis. The potential negative impact of these further declines in property values on the portfolio as a whole is set out below.

Stress test impact on Expected Credit Loss at 31 July 2026

	31 July 2026	31 January 2026	31 July 2025
10% reduction in property value	£1,386,000	£1,575,000	£2,111,000
20% reduction in property value	£2,773,000	£3,150,542	£4,167,000
30% reduction in property value	£4,159,000	£4,725,813	£6,223,000

All efforts continue to be made by the Investment Manager and the Board to crystallise the value in the remaining investments in a reasonable time frame in order to return capital to shareholders and proceed to the liquidation of the Company. However, as discussed above, in the current market many properties for sale are not receiving any bids, even where they are considered distressed, and the limited number of buyers active in the market are seeking out the maximum distress in order to achieve best relative value and maximise their potential returns. Accordingly, the timing of the final realisation of the Company's remaining assets cannot be predicted with certainty. The Board and Investment Manager have considered the impact of a delay in the realisation of the remaining loans. A 3 month delay would, at 31 July 2026, reduce the net present value of the cashflows arising by 2.02% (£301,155), whilst a 6 month delay would result in a 4.00% (£595,433) reduction in the net present value of the cashflows arising.

5. Earnings per share and Net Asset Value per share

Earnings/(Loss) per share

	1 February 2026 to 31 July 2026	1 February 2025 to 31 July 2025
(Loss)/profit for the period after tax (£)	(3,593,101)	49,140
Weighted average number of ordinary shares in issue	121,302,779	121,302,779
Basic and diluted (loss)/earnings/ per share (pence)	(2.96)	0.04

The calculation of basic and diluted loss per share is based on the loss for the period and on the weighted average number of ordinary shares in issue during the period.

There are no dilutive shares at 31 July 2026 (31 January 2026: none).

Net Asset Value per share

	31 July 2026	31 January 2026
NAV (£)	17,215,160	20,808,261
Number of ordinary shares in issue	121,302,779	121,302,779
NAV per share (pence)	14.19	17.15

The calculation of NAV per share is based on Net Asset Value and the number of ordinary shares in issue at the period/year end.

6. Share Capital

The authorised share capital of the Company is represented by an unlimited number of ordinary shares with or without a par value which, upon issue, the Directors may designate as (a) ordinary shares; (b) B shares; and (c) C shares, in each case of such classes and denominated in such currencies as the Directors may determine.

	31 July 2026	31 January 2026
	Number of shares	Number of shares
Authorised		
Ordinary Shares of no par value	Unlimited	Unlimited
B Shares of no par value	Unlimited	Unlimited
	Total No	Total No
Issued Ordinary Shares	121,302,779	121,302,779
B Shares		
B Shares issued July 2025	-	121,302,779
B Shares redeemed and cancelled July 2025	-	(121,302,779)
	-	-
	£	£
Share capital brought forward	54,946,139	64,650,361
Repaid in the period/year	-	(9,704,222)
Share capital carried forward	54,946,139	54,946,139

Return of Capital

Return of Capital is recognised by the Company in the quarterly NAV calculation following the declaration date.

7. Dividends

Dividends are recognised by the Company in the quarterly NAV calculation following the declaration date. No dividends were declared or paid in respect of the period 1 February 2026 to 31 July 2026.

Following shareholder approval of proposed changes to the Company's Investment Objectives and Investment Policy which allows an orderly realisation of the Company's assets and return of capital to shareholders, the Board has made it clear that payment of quarterly dividends would continue only whilst it remained prudent to do so.

Due to the enforcement actions in place over the two remaining assets, trading levels have been reduced and accordingly levels of operating cashflow are projected to be significantly reduced.

The Company has a predictable cost base and the ability to hold back capital from future repayments to meet costs and preserve working capital over the medium to long-term. However, it is no longer considered appropriate to distribute a regular dividend.

Right attaching to Shares

The Company has a single class of ordinary shares which are not entitled to a fixed dividend.

At any General Meeting of the Company each ordinary shareholder is entitled to have one vote for each share held. The ordinary shares also have the right to receive all income attributable to those shares and participate in distributions made and such income shall be divided pari passu among the holders of ordinary shares in proportion to the number of Ordinary Shares held by them.

The Company's Articles include a B Share mechanism for returning capital to shareholders and following shareholder approval on 14 January 2021, the Company has and will continue to utilise this mechanism in future. When the Board determines to return capital to shareholders, the Company has issued B Shares, paid up out of the Company's assets, to existing shareholders pro rata to their holding of ordinary shares at the time of such issue. The amount paid up on the B Shares will be equal to the cash distribution to be made to shareholders via the B Share mechanism. The B Shares shall be redeemable at the option of the Company following issue and the redemption proceeds (being equal to the amount paid up on such B Shares) paid to the holders of such B Shares on such terms and in such manner as the Directors may from time to time determine. It is, therefore, expected that the B Shares will only ever be in issue for a short period of time and will be redeemed for cash shortly after their issue in order to make the return of capital to shareholders.

It is intended that following each return of capital the Company will publish a revised estimated Net Asset Value and Net Asset Value per Ordinary Share based on the prevailing published amounts adjusted to take into account the return of capital. The number of ordinary shares in issue will remain unchanged.

8. Financial Risk Management

The Company through its investment in senior loans is exposed to a variety of financial risks. The main risks arising from the Company's financial instruments are: market risk, credit risk and liquidity risk and are fully disclosed in the Annual Report and Financial Statements for the year ended 31 January 2026 in addition to the principal risks as set out on in this Interim Report.

The Company's principal risk factors were also discussed in the Company's Prospectus, available on the Company's website (www.lbow.co.uk) and should be reviewed by shareholders.

9. Related party transactions and Directors' remuneration

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions.

In the opinion of the Directors, on the basis of shareholdings advised to them, the Company has no immediate or ultimate controlling party.

Directors

The Company Directors' fees for the period amounted to £45,000 (31 July 2025: £42,500) with outstanding fees at 31 July 2026 of £12,500 due to the Directors (31 January 2026: £12,500).

Investment Manager

Investment management fees for the period amounted to £52,213 (31 July 2025: £64,807). Fees to the value of £34,680 were outstanding at the period end (31 January 2026: £98,908).

10. Other expenses

The other expenses shown in the Statement of Comprehensive Income are made up as shown below.

	1 February 2026 to 31 July 2026 £ (Unaudited)	1 February 2025 to 31 July 2025 £ (Unaudited)	1 February 2025 to 31 January 2026 £ (Audited)
Broker fees	25,940	25,000	50,000
Administration fees	93,338	103,327	195,437
Regulatory fees	9,099	7,045	17,006
Listing fees	6,876	19,511	25,801
Legal & professional fees	21,268	5,255	19,051
Other expenses	27,980	27,362	61,080
Total expenses	184,501	187,500	368,375

11. Subsequent events

After period end, the Company and its co-lenders settled their litigation claim against the original valuer of the RoyaleLife portfolio. The Company's share of the settlement proceeds has led to an improvement in pro forma NAV of 1.31 pence per share as at the date of this report, compared to the 31 July 2026 figure.

There are no other material subsequent events noted after the reporting date.

GLOSSARY OF CAPITALISED DEFINED TERMS

"Affinity" means Impact Spectrum Limited;

"AIFMD" means the Alternative Investment Fund Managers Directive;

"Annual Report" or "Annual Report and Financial Statements" means the annual publication of the Company provided to the shareholders to describe their operations and financial conditions, together with their Financial Statements;

"Board" or "Directors" or "Board of Directors" means the directors of the Company from time to time;

“B shares” means a redeemable Ordinary Share of no par value in the capital of the Company issued and designated as a B Share of such class, and denominated in such currency, as may be determined by the Directors at the time of issue. Issued for the purpose of returning capital in accordance with Article 8;

“Companies Law” means the Companies (Guernsey) Law, 2008, (as amended);

“Company” means ICG-Longbow Senior Secured UK Property Debt Investments Limited;

“ECL” means expected credit losses;

“EPS” or **“Earnings per share”** means Earnings per Ordinary Share of the Company and is expressed in Pounds Sterling;

“EU” means the European Union;

“FCA” means the UK Financial Conduct Authority (or its successor bodies);

“Financial Statements” means the audited financial statements of the Company, including the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and associated notes;

“GDP” means gross domestic product;

“GFSC” means the Guernsey Financial Services Commission;

“GIIN” means Global Intermediary Identification Number;

“IAS” means international accounting standards as issued by the Board of the International Accounting Standards Committee;

“ICG” means ICG PLC;

“IFRS” means the International Financial Reporting Standards, being the principles-based accounting standards, interpretations and the framework by that name issued by the International Accounting Standards Board;

“Interim Report” means the Company’s interim report and unaudited interim condensed financial statements for the period ended 31 July;

“Investment Manager” or **“ICG-Longbow”** or **“ICG Real Estate”** means ICG Alternative Investment Limited or its associates;

“IPO” means the Company’s initial public offering of shares to the public which completed on 5 February 2013;

“ISIN” means an International Securities Identification Number;

“London Stock Exchange” or **“LSE”** means London Stock Exchange plc;

“LTV” means Loan to Value ratio;

“Main Market” means the main securities market of the London Stock Exchange;

“NAV per share” means the Net Asset Value per Ordinary Share divided by the number of Shares in issue (other than shares held in treasury);

“Net Asset Value” or **“NAV”** means the value of the assets of the Company less its liabilities, calculated in accordance with the valuation guidelines laid down by the Board, further details of which are set out in the 2017 Prospectus;

“Official List” is the Premium Segment of the FCA’s Official List;

“Registrar” means MUFG Corporate Markets;

“RoyaleLife” means the Time GB Properties LendCo Limited;

“Southport” means the Waterfront Southport Properties Limited and Waterfront Hotels (Southport) Limited – now in administration;

“UK” or **“United Kingdom”** means the United Kingdom of Great Britain and Northern Ireland; and

“£” or **“Pounds Sterling”** means British pound sterling and **“p”** or **“pence”** means British pence.

DIRECTORS AND GENERAL INFORMATION

Board of Directors

Jack Perry (Chair)
Paul Meader

Audit and Risk Committee

Paul Meader (Chair)

Independent Auditor

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English Solicitors to the Company

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	Identifiers GIIN: 6IG8VS.99999.SL.831 ISIN: GG00B8C23S81 Sedol: B8C23S8 Ticker: LBOW Website: www.lbow.co.uk	The Royal Bank of Scotland International Limited Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4BQ

CAUTIONARY STATEMENT

The Chairman's Statement and the Investment Manager's Report have been prepared solely to provide additional information for shareholders to assess the Company's strategies and the potential for those strategies to succeed. These should not be relied on by any other party or for any other purpose.

The Chairman's Statement and Investment Manager's Report may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology.

These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Directors and the Investment Manager, concerning, amongst other things, the investment

objectives and investment policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects, and distribution policy of the Company and the markets in which it invests.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance.

The Company's actual investment performance, results of operations, financial condition, liquidity, distribution policy and the development of its financing strategies may differ materially from the impression created by the forward-looking statements contained in this document.

Subject to their legal and regulatory obligations, the Directors and the Investment Manager expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

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