

Ouestia Holdings S.A.

Societe Anonyme

With registered office at:

2-4 rue Eugène Ruppert, L-2453 Luxembourg

RCS Luxembourg: B187954

Subscribed capital: GBP 100,451,614

Annual report and consolidated financial statements

for the year ended 31 December 2023

Ouestia Holdings S.A.

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Ouestia Holdings S.A.

Company information

Directors	I J Chappell I Pollard S E Reisen D J Wingrove
Registered company number	B187954
Registered office	2-4 rue Eugène Ruppert L-2453 Luxembourg
Bankers	JPMorgan Chase Bank, N.A. 25 Bank Street London E14 5JP J.P. Morgan SE - Luxembourg Branch European Bank and Business Centre 6 route de Treves Senningerberg Luxembourg L-2633
Independent auditors	PwC Societe cooperative 2, rue Gerhard Mercator B.P.1443 L-1014 Luxembourg
The International Stock Exchange	Bedell Channel Islands Limited PO Box 75 26 New Street St Helier Jersey, Channel Islands JE2 3RA

Ouestia Holdings S.A.

Directors' report For the year ended 31 December 2023

The Directors present their report for Ouestia Holdings S.A. (the "Company") for the year ended 31 December 2023.

Principal activity and business review

These consolidated financial statements include the financial statements of the Company and its subsidiaries (together the "Group").

The purpose of the Company is to carry out the business for the Group of acquiring, holding and disposing of investments in property either directly or indirectly, in accordance with the Joint Venture Agreement dated 11 August 2014.

The Company's shares are listed on The International Stock Exchange ("TISE").

Key performance indicators and results

The Directors consider the key performance of the Group to be the value of its assets under management and its profitability.

The Group made a profit of £7,371,000 for the year (2022: loss of £4,341,000). The share of fair value of the Group's investment property joint interest was £122,694,000 (2022: £123,834,000).

Distributions

There were £8,800,000 of dividends paid during the year (2022: £15,250,000).

There were no dividends declared or proposed by the Group at the date of approval of this report (2022: £nil).

Directors

The Directors, who held office during the year, and up to the date of signing of the consolidated financial statements were as follows:

I J Chappell

I Pollard

S E Reisen

D J Wingrove

Future developments

Currently, there are no significant future developments for the Company. The Company will continue its normal activities for the foreseeable future.

Events after the reporting date

Details of events after the reporting date are disclosed in note 17.

Principal risks and mitigation

The Directors' consider the principal risks faced by the Group to be market, credit and operational risk.

All principal risks are assessed and mitigated where possible. The Directors meet regularly to discuss the above risks and their mitigation. The Group reports internally to the independent AXA Real Estate Risk Management & Compliance team. This team sets standards and limits, identifies risks, ensure timely remediation plans, controls/monitors investment, operational & regulatory risks.

Ouestia Holdings S.A.

Directors' report (continued) For the year ended 31 December 2023

Principal risks and mitigation (continued)

Market risk

Market risk arises principally through property value movements.

In terms of property valuation movements both real estate and real estate related companies and assets are inherently difficult to value. Valuations are, to a degree, based upon the subjective approach of the valuer involved. As a result, valuations are subject to substantial uncertainty.

The value of real estate may be materially affected by a number of factors, including without limitation, its location and the degree of competition from other real estate owners in its immediate vicinity, the financial condition of occupational tenants of a property and physical matters arising from the state of repair and condition of the property. To mitigate this risk, the Group seeks to invest in assets with robust property fundamentals, to provide additional security to committed equity and performance of the Group, which also supports sustainable cash flows.

Credit risk

Credit risk arises principally through:

- Rental income recoverability
- Lack of liquidity of investments

The principal credit risk exposure is counterparty credit risk and the ability of tenants to meet their rental obligations. This risk can result from difficult economic conditions, or specific operational issues relating to individual tenants, which can impact upon their financial performance and ultimately their ability to meet contractual rental payments. To mitigate this risk, tenant covenant tests are embedded in the Joint Venture Business Plan, with detailed tenant credit risk assessment undertaken prior to acquisition and ongoing monitoring supported by a variety of resources including credit rating agencies, market analysis and financial reporting reviews. As at 31 December 2023, the income of the Group's joint venture was secured by low risk covenants as measured by Dun & Bradstreet.

Economic and property market conditions can also impact upon the liquidity for investment and divestment. The Directors of the Group's joint venture carefully monitor the investment property, with a hold period initially assessed on acquisition and reviewed on an on-going basis during the annual asset planning process. This includes the analysis of all factors impacting income and capital returns and downside risk, along with the identification and negotiation of lease restructuring opportunities including lease extensions - to maximise value and potentially enhance liquidity. Analysis of the capital value progression and market factors are also undertaken to determine the optimum sales point to maximise the Group's performance in the context of changing market liquidity.

Operational risk

All of the operations (including property management, valuation, asset management etc.) of the Group are outsourced (best in class providers were appointed). Operational risks are monitored by ensuring that these providers perform their undertakings in line with the relevant service level agreements.

Political donations

The Group made no political or charitable donations during the year (2022: £nil).

Going concern

The Directors' assessment of going concern is disclosed in note 16.

Auditors

PricewaterhouseCoopers, Société coopérative were appointed as auditor of the Company at a board meeting held in the prior year and shall be deemed to be re-appointed as auditor for a further term.

Ouestia Holdings S.A.

Directors' report (continued) For the year ended 31 December 2023

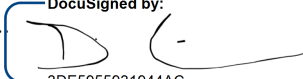
Statement of disclosure of information to the auditors

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Board on 25 June 2024 and signed on its behalf by:

.....
D J Wingrove
Director

DocuSigned by:

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Ouestia Holdings S.A.

Directors' responsibilities statement

The Directors are responsible for preparing the non-statutory annual report and consolidated financial statements in accordance with applicable law and regulations. This annual report and consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards as adopted by the European Union.

In preparing the non-statutory annual report and consolidated financial statements, the Directors are required to:

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

The Directors confirm that the consolidated financial statements comply with the above requirements.

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



Audit report

To the Board of Directors of
Ouestia Holdings S.A.

Our opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of Ouestia Holdings S.A. (the “Company”) and its subsidiaries (the “Group”) as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

What we have audited

The Group’s consolidated financial statements comprise:

- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the consolidated 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.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report but does not include the consolidated financial statements and our audit report thereon.

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

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*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;



- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

Restriction on distribution and use

This report, including the opinion, has been prepared for and only for the Board of Directors in accordance with the terms of our engagement letter and is not suitable for any other purpose. We do not accept any responsibility to any other party to whom it may be distributed.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 25 June 2024

Aurélie Batrel

Ouestia Holdings S.A.**Consolidated statement of profit or loss and other comprehensive income
For the year Ended 31 December 2023**

	Note	2023 £ 000	2022 £ 000
Revenue		-	-
Administrative expenses	7	(406)	(562)
Other operating expenses		<u>(122)</u>	<u>(63)</u>
Loss before taxation and interest		(528)	(625)
Finance income - interest		39	7
Share of profit/(loss) of joint venture	9	<u>7,860</u>	<u>(3,723)</u>
Profit/(loss) before tax		7,371	(4,341)
Income tax	8	<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the year		<u><u>7,371</u></u>	<u><u>(4,341)</u></u>
Total comprehensive income/(loss) attributable to:			
Owners of the company		<u><u>7,371</u></u>	<u><u>(4,341)</u></u>
 Basic and diluted loss per share		 7p	 (4p)
Earnings used in the calculation of earnings per share (expressed in GBP)		7,371,000	(4,341,000)
Weighted average number of shares for purposes of earnings per share		100,451,614	100,451,614

The above results were derived from continuing operations.

The Group has no other comprehensive income for the year other than the results above.

The notes on pages 13 to 32 form an integral part of these consolidated financial statements.

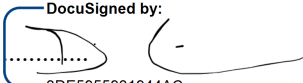
Ouestia Holdings S.A.**Consolidated statement of financial position
As at 31 December 2023**

	Note	2023 £ 000	2022 £ 000
Assets			
Non-current assets			
Investment in joint venture	9	122,694	123,834
Other assets		<u>1</u>	<u>3</u>
Total non-current assets		<u>122,695</u>	<u>123,837</u>
Current assets			
Trade and other receivables	10	-	36
Cash and cash equivalents	11	<u>466</u>	<u>2,472</u>
Total current assets		<u>466</u>	<u>2,508</u>
Total assets		<u>123,161</u>	<u>126,345</u>
Current liabilities			
Trade and other payables	12	<u>120</u>	<u>1,875</u>
Total liabilities		<u>120</u>	<u>1,875</u>
Capital and reserves			
Share capital	13	100,451	100,451
Legal reserve	13	10,045	10,045
Other reserves	13	148,385	148,385
Retained earnings	13	<u>(135,840)</u>	<u>(134,411)</u>
Total equity		<u>123,041</u>	<u>124,470</u>
Total equity and liabilities		<u>123,161</u>	<u>126,345</u>

The consolidated financial statements of Ouestia Holdings S.A. (registration number B187954) and its subsidiaries were approved by the Board of Directors and authorised for issue on 25 June 2024.

They were signed on its behalf by:

.....
D J Wingrove
Director

DocuSigned by:

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The notes on pages 13 to 32 form an integral part of these consolidated financial statements.

Ouestia Holdings S.A.**Consolidated statement of changes in equity
For the year ended 31 December 2023**

	Share capital £ 000	Legal reserve £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2022	100,451	10,045	149,655	(114,820)	145,331
Loss for the year	-	-	-	(4,341)	(4,341)
Total comprehensive loss	-	-	-	(4,341)	(4,341)
Dividends paid	-	-	-	(15,250)	(15,250)
Transfers to other reserves	-	-	(1,270)	-	(1,270)
At 31 December 2022	<u>100,451</u>	<u>10,045</u>	<u>148,385</u>	<u>(134,411)</u>	<u>124,470</u>
	Share capital £ 000	Legal reserve £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2023	100,451	10,045	148,385	(134,411)	124,470
Profit for the year	-	-	-	7,371	7,371
Total comprehensive income	-	-	-	7,371	7,371
Dividends paid	-	-	-	(8,800)	(8,800)
At 31 December 2023	<u>100,451</u>	<u>10,045</u>	<u>148,385</u>	<u>(135,840)</u>	<u>123,041</u>

The notes on pages 13 to 32 form an integral part of these consolidated financial statements.

Ouestia Holdings S.A.**Consolidated statement of cash flows
For the year ended 31 December 2023**

	Note	2023 £ 000	2022 £ 000
Cash flows from operating activities			
Profit/(loss) for the year		7,371	(4,341)
Adjustments for:			
Depreciation and amortisation	7	2	2
Finance income - interest		(39)	(7)
In-specie settlement of related-party receivables		-	(1,270)
Share of (profit)/loss of joint venture	9	<u>(7,860)</u>	<u>3,723</u>
Operating cash flows before movements in working capital		(526)	(1,893)
Working capital adjustments			
Increase in trade and other receivables	10	36	1,252
(Increase)/decrease in trade and other payables	12	<u>(1,755)</u>	<u>1,606</u>
Net cash flows (used by)/generated from operating activities		<u>(2,245)</u>	<u>965</u>
Cash flows from investing activities			
Interest received		39	7
Dividends received from joint venture		6,000	18,750
Loans repaid by/(provided to) joint venture		<u>3,000</u>	<u>(3,000)</u>
Net cash generated from investing activities		<u>9,039</u>	<u>15,757</u>
Cash flows from financing activities			
Dividends paid		<u>(8,800)</u>	<u>(15,250)</u>
Net cash used by financing activities		<u>(8,800)</u>	<u>(15,250)</u>
Net (decrease)/increase in cash and cash equivalents		(2,006)	1,472
Cash and cash equivalents at the beginning of the year		<u>2,472</u>	<u>1,000</u>
Cash and cash equivalents at the end of the year	11	<u><u>466</u></u>	<u><u>2,472</u></u>

The notes on pages 13 to 32 form an integral part of these consolidated financial statements.

Ouestia Holdings S.A.

Notes to the consolidated financial statements For the year ended 31 December 2023

1 General information

Ouestia Holdings S.A. (the “Company”) is a Luxembourg company incorporated on 18 June 2014 as a company under the form of a “Société Anonyme” for an unlimited period of time and subject to the Luxembourg company law.

The address of its registered office is:
2-4 rue Eugène Ruppert
L-2453 Luxembourg

The financial year of the Company and the Group starts on January 1st and ends on December 31st of each year.

The Company’s accounts and those of its group are prepared in Great British Pounds (“GBP”).

The purpose of the Company is the holding of financial participations in Luxembourg and foreign companies and in any other form of investment, the acquisition by purchase, subscription or in any other manner as well as the transfer by sale, exchange or otherwise of securities of any kind and the administration, management, control and development of its portfolio.

The Company may further guarantee, grant security, grant loans or otherwise assist the companies in which it holds a direct or indirect participation or right of any kind or which form part of the same group of companies as the Company.

The Company may raise funds especially through borrowing in any form or by issuing any kind of notes, securities or debt instruments, bonds and debentures and generally issue securities of any type.

The Company's shares are listed on The International Stock Exchange ("TISE").

2 Adoption of new and revised Standards

2.1 New and amended standards that are effective for the current year

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards as adopted by the European Union that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements. These standards are listed below:

- IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies
- Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors-Definition of Accounting Estimates

Ouestia Holdings S.A.

Notes to the consolidated financial statements (continued) For the year ended 31 December 2023

2 Adoption of new and revised Standards (continued)

2.2 New and revised standards and interpretations in issue but not yet effective

At the date of authorisation of these consolidated financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements
- Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the consolidated financial statements of the Group in future periods.

3 Summary of material accounting policies

3.1 Basis of preparation

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

These consolidated financial statements have been prepared on a going concern basis. For more information refer to note 16.

Statement of compliance

The consolidated financial statements for the year ended 31 December 2023 have been prepared on a going concern basis and in accordance with IFRS Accounting Standards as adopted by the European Union as at 31 December 2023. They are presented in GBP which is also the functional currency of the Group.

3.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (hereinafter the “Group”) for the year ended 31 December 2023. Subsidiaries are fully consolidated from the date of acquisition or incorporation, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases. A full list of the Company’s subsidiaries is detailed at note 19.

The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains or losses, resulting from intra-group transactions are eliminated in full.

3.3 Basis of accounting

The consolidated financial statements have been prepared under the historical cost convention. The accounting policies detailed below have been applied consistently throughout the year.

Ouestia Holdings S.A.

Notes to the consolidated financial statements (continued) For the year ended 31 December 2023

3 Summary of material accounting policies (continued)

3.4 Foreign currency transactions

(a) Functional and presentation currency

The consolidated financial statements are presented in GBP, which is the functional and presentation currency for both the Company and all of its subsidiaries.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All translation differences are taken to profit or loss for the year.

3.5 Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.5.1 Financial assets

All financial assets are classified as financial assets 'at fair value through profit or loss' (FVTPL) or those to be measured at amortised cost.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

3.5.1.1 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment losses.

Expected loss model

Expected credit losses are calculated by utilising a provision matrix where loss rates are calculated based on days past due for groupings of various customer segments that have similar loss patterns (for example geography, product type and rating). The provision matrix is initially determined by the Group's historical observed loss rates and will be calibrated for forward looking information. Loss rates will be updated at each reporting date based on changes in observed default rates and changes in forward looking information.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the probability of insolvency or significant financial difficulties of the debtor. Impaired debts are derecognised when they are assessed as uncollectable.

3.5.1.2 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

Ouestia Holdings S.A.

Notes to the consolidated financial statements (continued) For the year ended 31 December 2023

3 Summary of material accounting policies (continued)

3.5 Financial instruments (continued)

3.5.1 Financial assets (continued)

3.5.1.3 Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets and subject to the expected credit loss model. When a trade receivable is considered uncollectable, it is written off.

3.5.2 Financial liabilities and equity instruments issued by the Group

3.5.2.1 Financial liabilities

The Group recognises a financial liability when it first becomes a party to the contractual rights and obligations in the contracts. All financial liabilities are initially recognised at fair value, minus (in the case of a financial liability that is not at FVPL) transaction costs that are directly attributable to the issuing of the financial liability. Financial liabilities are measured at amortised costs, unless the Group opted to measure a liability at FVTPL.

A financial liability is derecognised when an obligation under the liability is discharged or cancelled or expires.

3.5.2.1.1 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently are measured at amortised cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the date of the liability is less than one year, discounting is omitted.

3.5.2.1.2 Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

3.5.3 Fair value of financial instruments

The table below analyses financial instruments carried at fair value by valuation method. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

There were no transfers between levels 1 and 2 during the year.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

Ouestia Holdings S.A.**Notes to the consolidated financial statements (continued)**
For the year ended 31 December 2023**3 Summary of material accounting policies (continued)****3.5 Financial instruments (continued)****3.5.3 Fair value of financial instruments (continued)**

The following table analyses within the fair value hierarchy the Group's assets and liabilities (by class) not measured at fair value but for which fair value is disclosed:

As at 31 December 2023

Financial assets	Level 1	Level 2	Level 3
	£'000	£'000	£'000
Cash and cash equivalents	466	-	-

Financial liabilities	Level 1	Level 2	Level 3
	£'000	£'000	£'000
Trade and other payables	-	120	-

As at 31 December 2022

Financial assets	Level 1	Level 2	Level 3
	£'000	£'000	£'000
Cash and cash equivalents	2,472	-	-
Trade and other receivables		36	-
	2,472	36	-

Financial liabilities	Level 1	Level 2	Level 3
	£'000	£'000	£'000
Trade and other payables	-	1,875	-

3.6 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3.7 Distributions to Shareholders

Distributions paid to the shareholders are recognised as a reduction in the equity attributable to the shareholders and as a liability in the Group's consolidated financial statements in the year in which the distributions are approved by the Directors.

Ouestia Holdings S.A.

Notes to the consolidated financial statements (continued) For the year ended 31 December 2023

3 Summary of material accounting policies (continued)

3.8 Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws in the countries where the Group operates, that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.9 Accounting for joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in joint venture is initially recognised in the consolidated statement of financial position at cost (which includes capitalised costs relating to the acquisition) and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture.

The dividends received by the Group from the joint venture reduce the carrying amount of the investment in the joint venture.

Ouestia Holdings S.A.

Notes to the consolidated financial statements (continued) For the year ended 31 December 2023

3 Summary of material accounting policies (continued)

3.9 Accounting for joint venture (continued)

When the Group's share of losses of a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term debt interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint ventures is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint ventures and its carrying value, then recognises the loss as 'Share of profit of joint ventures' in the income statement. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

The Group considers the recoverable amount of the joint venture to be 50% of the Net Asset Value of the joint venture.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in a former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from the equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such change in ownership interests.

When the Group reduces its ownership interest in a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interest in the joint venture that are not related to the Group.

3.10 Expenses

Expenses are included in the consolidated statement of profit or loss and other comprehensive income on an accrual basis. All of the Group's expenses are derived from continuing operations.

Ouestia Holdings S.A.

Notes to the consolidated financial statements (continued) For the year ended 31 December 2023

3 Summary of material accounting policies (continued)

3.11 Finance income

Finance income and expenses arising on financial instruments carried at amortised cost are recognised in the consolidated statement of profit or loss and other comprehensive income using the effective interest rate method.

4 Financial risk management

The Group's principal financial instruments comprise of cash. It has other financial assets and liabilities such as receivables and payables, which arise directly from its operations and investment in Joint Venture.

The Group's activities expose it to a variety of financial risks: foreign exchange risk, market price risk, credit risk and liquidity risk. The financial risks relate to the following financial instruments: trade and other receivables, cash and cash equivalents, cash, trade and other payables.

The policies for managing each of these risks is summarised below:

(a) Foreign exchange risk

Currency risk is limited as the Group operates predominantly within the UK and most of the transactions and balances in the consolidated financial statements are GBP denominated.

Where the Group enters into transactions outside of the UK, it considers where appropriate, applying a hedging strategy designed to minimize exposure to fluctuations in currency. Such strategy is reviewed periodically.

(b) Market price risk

Market price risk arises principally through property value movements within the Group's joint venture interest. To mitigate this risk, the Group invests in assets with strong property fundamentals to provide additional security to committed equity and performance of the Group, which also supports sustainable cash flows.

(c) Credit risk

Under the credit risk policy of the Joint Venture, rental contracts are undertaken as far as possible with tenants with an appropriate credit history with Dun & Bradstreet A - D ratings (or the equivalent). If there is no independent rating available, an assessment of the credit quality of the tenant is undertaken, taking into account its financial position, past experience and other factors.

Credit risk is the risk of financial loss to the Group if counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions.

To manage the exposure, the Group has policies in place to ensure that deposits are placed with high-credit quality banks. The Group does not enter into derivatives to manage credit risk.

Ouestia Holdings S.A.**Notes to the consolidated financial statements (continued)
For the year ended 31 December 2023****4 Financial risk management (continued)*****(d) Liquidity risk***

Liquidity risk arises from the Group's management of working capital and it is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

Economic and property market conditions can also impact upon the liquidity for investment and divestment. The directors of the Group's joint venture carefully monitor the investment property, with a hold period initially assessed on acquisition and reviewed on an on-going basis during the annual asset planning process. This includes the analysis of all factors impacting income and capital returns and downside risk, along with the identification and negotiation of lease restructuring opportunities including lease extensions - to maximise value and potentially enhance liquidity. Analysis of the capital value progression and market factors is also undertaken to determine the optimum sales point to maximise the Group's performance in the context of changing market liquidity.

The table below analyses the Group's non-derivative financial instruments into relevant maturity groupings based on the remaining year at the consolidated statement of financial position date to the contractual maturity date.

The amounts disclosed in the table are the contractual undiscounted cash flows.

	On demand	< 1 year	Total
	£'000	£'000	£'000
At 31 December 2023			
Assets			
Cash and cash equivalents	466	-	466
Liabilities			
Trade and other payables	-	120	120
At 31 December 2022			
Assets			
Cash and cash equivalents	2,472	-	2,472
Trade and other receivables	-	36	36
Liabilities			
Trade and other payables	-	1,875	1,875

(e) Capital Management

The Group considers its capital to comprise its Shareholder's contribution and its accumulated retained earnings. Management's objective when managing capital is to safeguard the Group's ability to continue as a going concern in the short and long term in order to provide returns for the Shareholder and benefits for other stakeholders. There are no external regulatory requirements imposed on the Group with regards to capital management.

Ouestia Holdings S.A.

Notes to the consolidated financial statements (continued) For the year ended 31 December 2023

5 Segmental Analysis

The Directors have identified only one geographical and only one operating segment in the Group and therefore is not required to produce additional segmental disclosure. The Directors have identified that the geographical segment is the United Kingdom and operating segment is its activities as a real estate investee through its joint venture participation.

6 Critical accounting estimates and judgements

In the application of the Group's accounting policies, the Board of Directors are required to make judgements, estimates and assumptions about the carrying amount 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. 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.

6.1 Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and based on historical experience, current market conditions and other relevant factors. These other relevant factors include expectations of future events that are believed to be reasonable under the circumstances.

Management 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 material risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below:

Income taxes

The Group has been structured to minimize the income tax in the jurisdictions where the members of the Group operate and are registered for tax. Distributions paid by the Company to its shareholders may be subject to UK withholding tax. The level of tax payable on any profit from the disposal of the investment property will be determined by the method of disposal. In the opinion of the Directors it is unlikely that income tax will arise on the disposal of the investment property.

Valuation of investment in joint venture

The Group's primary asset is its interest in its joint venture, which represents the majority of the Group's assets. In recognising the Group's interest in the joint venture, the Group must estimate the fair value of its interest based on the accounting policies applied by the joint venture and adopted as the basis of the investment valuation; such policies include the flow through impact of the valuation on the underlying assets of the joint venture which themselves are subject to accounting estimates of future cash flows and recoverable values. The Group reviews these estimates to ensure they are appropriate and consistent with the Group's own accounting policies.

Ouestia Holdings S.A.**Notes to the consolidated financial statements (continued)
For the year ended 31 December 2023****7 Administrative expenses**

	2023	2022
	£ 000	£ 000
Accounting and tax advisory fees	86	101
Amortisation of other assets	2	2
Audit fees	69	88
Legal fees	5	8
Management fees	218	336
Other professional fees	17	-
Other costs and charges	9	27
	<u>406</u>	<u>562</u>

8 Taxation

Group income taxes reflect the tax payable by the Company and its subsidiaries. The Group is treated as a Group Real Estate Investment Trust ("UK REIT") for tax purposes in the United Kingdom and obtained clearance from HM Revenue & Customs on 3rd July 2014. The principal company of the UK REIT Group is Ouestia Holdings S.A.

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK of 25% (2022: higher than the standard rate of corporation tax in the UK of 19%).

Due to accumulated loss from previous years, which is primarily driven from the impairment of the Group's investment in its joint venture, there is no corporate tax expense recognised in these consolidated financial statements. It is currently uncertain if the Group will fully recover these accumulated losses from the previous years and accordingly, no deferred taxes are recognised by the Group.

9 Investment in joint venture

	2023	2022
Non-current	£ 000	£ 000
Investments in joint ventures	<u>122,694</u>	<u>123,834</u>

The Group's joint venture interest represents a 50% share in the Bristol Alliance Joint Venture, being a 50% holding through both Bristol Alliance Limited Partnership and its general partner, Bristol Alliance (GP) Limited. The joint venture is accounted for using the equity method.

Ouestia Holdings S.A.**Notes to the consolidated financial statements (continued)
For the year ended 31 December 2023****9 Investment in joint venture (continued)**

	2023 £ 000	2022 £ 000
Investment in joint venture		
At 1 January	123,834	143,307
Share of profit/(loss) of joint venture	7,860	(3,723)
Loans (repaid by)/provided to joint venture	(3,000)	3,000
Equity distributions from joint venture	(6,000)	(18,750)
At 31 December	122,694	123,834

£6,000,000 dividends were received from joint venture in 2023 (2022: £18,750,000).

The summarised financial information of the Bristol Alliance Joint Venture, based on its financial statements, and the reconciliation with carrying amount of the investment in the consolidated financial statements are set out below:

	31 December 2023		
	Bristol Alliance Limited Partnership	Bristol Alliance (GP) Limited	Total
Summarised balance sheet	£ 000	£ 000	£ 000
Current assets	25,102	48	25,150
Non-current assets*	248,532	242	248,774
	<u>273,634</u>	<u>290</u>	<u>273,924</u>
Current liabilities	(13,513)	(393)	(13,906)
Non-current liabilities	(14,331)	-	(14,331)
	<u>245,790</u>	<u>(103)</u>	<u>245,687</u>
 The above amounts of assets and liabilities include the following:	 £ 000	 £ 000	 £ 000
Cash and cash equivalents	18,801	-	18,801
Current financial liabilities (excluding trade and other payables)	-	(393)	(393)
Non-current financial liabilities (excluding trade and other payables)	216	-	216

At 31 December 2023, there were contingent liabilities of £2,050,000 relating to claims against the Bristol Alliance Joint Venture arising in the normal cause of business, which are considered unlikely to crystallise and are, accordingly, not recognised in the balance sheet of the joint venture. There are no other unrecognised contingent liabilities or capital commitments.

Ouestia Holdings S.A.

Notes to the consolidated financial statements (continued) For the year ended 31 December 2023

9 Investment in joint venture (continued)

*Non-current assets of the Bristol Alliance Joint Venture are mainly composed of Investment properties located in Bristol, including the Cabot Circus Shopping Centre. The Partnership's investment property, which is carried in the balance sheet at fair value, is valued by external valuers in accordance with RICS Valuation - Global Standards.

The 31 December 2023 valuation report includes a general commentary on wider issues including uncertainty caused by the war in Ukraine and associated cost, supply chain, rising interest rates and inflationary pressures. Key areas of estimate highlighted included:

- Estimation of market rents based on an increased level of activity
- Yield assumptions recognising the selective return of investor appetite towards the retail sector and the limited comparable transactions

Property Valuation Methodology

Investment properties, excluding properties held for development, are valued by adopting the 'investment method' of valuation. This approach involves applying capitalisation yields to estimated future rental income streams reflecting contracted income reverting to ERV with appropriate adjustments for income voids arising from vacancies, lease expiries or rent-free periods. These capitalisation yields and future income streams are derived from comparable property and leasing transactions and are considered to be key inputs to the valuations. Where comparable evidence of yield movement is lacking, valuers are reliant on sentiment or the movement of less comparable assets. Factors that are taken into account include, but are not limited to, the location and physical attributes of the property, tenure, tenancy details, lease expiry profile, rent collection, local taxes, structural and environmental conditions. With regards to the latter factor, the valuers currently make limited explicit adjustment to their valuations in respect of environmental, social and governance ('ESG') matters. However, both the Directors and the valuers anticipate that ESG will have a greater influence on valuations in the future as investment markets place a greater emphasis on this topic and valuers comply with the RICS Guidance Note Sustainability and ESG in Commercial Property Valuation, which took effect from 31 January 2022.

Ouestia Holdings S.A.**Notes to the consolidated financial statements (continued)
For the year ended 31 December 2023****9 Investment in joint venture (continued)**

	31 December 2023		
	Bristol Alliance Limited Partnership	Bristol Alliance (GP) Limited	Total
Summarised income statement	£ 000	£ 000	£ 000
Gross rental income	33,285	-	33,285
Net rental income	22,755	-	22,755
Operating expenses	(663)	-	(663)
Net operating income	22,092	-	22,092
Finance costs	(289)	-	(289)
Other operating income	-	-	-
Deficit on revaluation	(6,067)	-	(6,067)
Impairment on investments	-	-	-
Profit before taxation	15,736	-	15,736
Tax	-	-	-
Profit after taxation	15,736	-	15,736

Ouestia Holdings S.A.**Notes to the consolidated financial statements (continued)**
For the year ended 31 December 2023**9 Investment in joint venture (continued)**

The summarised financial information of the Bristol Alliance Joint Venture, based on its financial statements, and the reconciliation with carrying amount of the investment in the consolidated financial statements are set out below:

	31 December 2022		
	Bristol Alliance Limited Partnership	Bristol Alliance (GP) Limited	Total
Summarised balance sheet	£ 000	£ 000	£ 000
Current assets	29,129	48	29,177
Non-current assets*	250,943	242	251,185
	<u>280,072</u>	<u>290</u>	<u>280,362</u>
Current liabilities	(23,261)	(393)	(23,654)
Non-current liabilities	(14,761)	-	(14,761)
	<u>242,050</u>	<u>(103)</u>	<u>241,947</u>
The above amounts of assets and liabilities include the following:	£ 000	£ 000	£ 000
Cash and cash equivalents	24,145	-	24,145
Current financial liabilities (excluding trade and other payables)	-	(393)	(393)
Non-current financial liabilities (excluding trade and other payables)	(646)	-	(646)

At 31 December 2022, there were contingent liabilities of £1,908,000 relating to claims against the Bristol Alliance Joint Venture arising in the normal cause of business, which are considered unlikely to crystallise and are, accordingly, not recognised in the balance sheet of the joint venture. There are no other unrecognised contingent liabilities or capital commitments.

Ouestia Holdings S.A.**Notes to the consolidated financial statements (continued)
For the year ended 31 December 2023****9 Investment in joint venture (continued)**

	31 December 2022		
	Bristol Alliance Limited Partnership	Bristol Alliance (GP) Limited	Total
Summarised income statement	£ 000	£ 000	£ 000
Gross rental income	31,059	-	31,059
Net rental income	23,716	-	23,716
Operating expenses	(648)	(3)	(651)
Net operating income	23,068	(3)	23,068
Finance costs	(524)	-	(524)
Other operating income	-	38	38
Deficit on revaluation	(29,986)	-	(29,986)
Impairment on investments	-	(45)	(45)
Loss before taxation	(7,442)	(10)	(7,449)
Tax	-	(2)	(2)
Loss after taxation	(7,442)	(12)	(7,451)

Ouestia Holdings S.A.**Notes to the consolidated financial statements (continued)
For the year ended 31 December 2023****9 Investment in joint venture (continued)**

	31 December 2023 £ 000	31 December 2023 £ 000	31 December 2022 £ 000
Net assets of the joint venture:			
Bristol Alliance Limited Partnership	245,786		242,050
Proportion of Group's ownership interest in the joint venture	49.95%	122,770	120,904
Bristol Alliance (GP) Limited	(103)		(103)
Proportion of Group's ownership interest in the joint venture	50.00%	(52)	(52)
		122,718	120,852
Amounts receivable by the Group recognised in the net assets of the joint venture investments		-	3,000
Adjustments of Group's share of joint venture investments		(24)	(18)
Net assets attributable to the Group		122,694	123,834
	31 December 2023 £ 000	31 December 2023 £ 000	31 December 2022 £ 000
Profit/(loss) for the year:			
Bristol Alliance Limited Partnership	15,736		(7,442)
The Group's share of result for the year	49.95%	7,860	(3,717)
Bristol Alliance (GP) Limited	-		(12)
The Group's share of result for the year	50.00%	-	(6)
The Group's share of result for the year		7,860	(3,723)

Ouestia Holdings S.A.**Notes to the consolidated financial statements (continued)
For the year ended 31 December 2023****10 Trade and other receivables**

	2023	2022
	£ 000	£ 000
Other receivables	-	36

11 Cash and cash equivalents

	2023	2022
	£ 000	£ 000
Cash at bank	466	2,472

12 Trade and other payables

	2023	2022
	£ 000	£ 000
Trade payables	3	286
Accrued expenses	69	79
Other payables	48	1,510
	120	1,875

Trade and other payables are interest free and have settlement dates within one year. Trade payables include administration fees payable to third party service providers and costs incurred in relation to various other general amounts pertaining to the operation of the subsidiaries. Other payables are miscellaneous amounts payable and in the prior year, this also included withholding taxes payable on distributions.

13 Capital and reserves

	Par value share	Number of shares	Share capital	Legal reserve	Other reserves	Total
	£	No.	£ 000	£ 000	£ 000	£ 000
At 1 January 2023	1	100,451,614	100,451	10,045	148,385	258,881
At 31 December 2023	1	100,451,614	100,451	10,045	148,385	258,881

	Par value share	Number of shares	Share capital	Legal reserve	Other reserves	Total
	£	No.	£'000	£'000	£'000	£'000
At 1 January 2022	1	100,451,614	100,451	10,045	149,655	260,151
Distribution to shareholders	1	-	-	-	(1,270)	(1,270)
At 31 December 2022	1	100,451,614	100,451	10,045	148,385	258,881

Ouestia Holdings S.A.

Notes to the consolidated financial statements (continued) For the year ended 31 December 2023

13 Capital and reserves (continued)

Subscribed capital

The Company has one class of ordinary shares that carry no right to fixed income.

Legal reserve

In accordance with Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for the distribution to the shareholders.

There has been no movement in the reserve in the current and prior years.

Other reserves

Other reserves represent transfers from share capital and is distributable. This reserve was recognised to comply with requirements of the REIT regime and allow for payments of distributions to shareholders.

Retained earnings

The retained earnings reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

14 Immediate and ultimate parent entities

The immediate parent entity is Ouestia Property Limited Partnership, a limited partnership registered in the UK and managed by the general partner, Ouestia Property GP Limited. In the opinion of the Directors, there is no single ultimate controlling party and the Company is ultimately jointly controlled by the groups headed by AXA France Assurance France ('AXA') and The People's Bank of China.

15 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial or operating decisions or vice versa or where the Group and other parties are subject to common control or common significant influence. Related parties may be individuals or entities.

(a) Administration Services

AXA REIM Luxembourg SA (the "Luxembourg Service Provider"), subsidiary of the AXA group, were appointed to provide various administration services to the entities of the Group. In the year, the UK and Luxembourg service providers received fees of £40,097 (2022: £43,256) for the services to entities within the Group.

(b) Investment Management Services

On 30 October 2014, the Company appointed AXA Real Estate Investment Managers UK Limited to act as the Investment and Strategic Asset Manager for the Group in respect of its joint investment property interest. The appointment continues in force unless terminated upon the disposal of the joint property, the occurrence of certain changes to the ownership of the Group or certain events of default. In the year, AXA Real Estate Investment Managers UK Limited received a fee of £177,975 (2022: £292,544) as part of its services as Investment and Strategic Asset Manager to the Group.

Ouestia Holdings S.A.

Notes to the consolidated financial statements (continued) For the year ended 31 December 2023

15 Related party transactions (continued)

(c) Directors' remuneration

None of the Directors received any remuneration for their services, nor had any material interest in any contract or contract for provision of services during the year.

16 Going concern

The Directors have concluded that the Group has sufficient liquidity on a stand-alone basis for a period of at least 12 months from the date of signing these consolidated financial statements. Accordingly, the Directors are satisfied that they can prepare the consolidated financial statements on the going concern basis.

17 Events after the date of the reporting date

No significant events have occurred after the reporting date.

18 Capital commitments and contingent liabilities

The Group had no capital commitments and contingent liabilities as at 31 December 2023 (2022: £nil).

19 Information on subsidiary undertakings and joint ventures

At 31 December 2023, the Company's wholly owned subsidiaries were as follows:

Subsidiary	Country of operation	Registered office
Ouestia Intermediate S.a.r.l.	Luxembourg	2-4 rue Eugène Ruppert, L-2453
Ouestia Property S.a.r.l.	Luxembourg	Luxembourg
Ouestia GP Investments Limited	UK	14th Floor 22 Bishopsgate, London, United Kingdom, EC2N 4BQ

At 31 December 2023, the Group's joint venture was as follows:

Joint venture	Share	Country of operation	Registered office
Bristol Alliance Limited Partnership	49.95%	UK	Kings Place, 90 York Way, London, N1
Bristol Alliance (GP) Limited	50.00%	UK	9GE, United Kingdom

Bristol Alliance (GP) Limited owns 0.1% in in Bristol Alliance Limited Partnership.