

Quarterly update: 31 March 2025

Downing Estate Planning Service

Helping your clients support the next generation

Through the Downing Estate Planning Service (DEPS) your clients invest in companies that we believe will qualify for Business Relief, providing them with inheritance tax relief on their investment after two years and if held at the time of death.

DEPS investors currently own shares in either Pulford Trading Limited or Bagnall Energy Limited, or a mix of the two companies. Pulford trades predominantly in asset-backed trading businesses and Bagnall in energy & infrastructure.

3-4.5%*

Annual target return

*Not guaranteed.

Past performance is not a reliable indicator of future returns.

£964m

combined market cap

Share price movement (last 12 months¹)

+5.51%

Pulford Trading

+2.26%

Bagnall Energy

¹ 1 April 2024 to 31 March 2025, net of fees

Our commitment to sustainability

As a certified B Corporation and a signatory to the Principles for Responsible Investment and the UK Stewardship Code, Downing has made a firm and public commitment to responsible investing.

We utilise Environmental, Social and Governance (ESG) as a set of tools in the investment process. This includes actively identifying, considering, monitoring and managing ESG factors throughout the period of our ownership, to potentially enhance value and mitigate risk.

Whilst DEPS does not have a sustainable objective, underlying assets within both strategies may possess sustainable investment characteristics. For the asset-backed strategy, some sectors have the potential to provide a positive societal benefit. The energy and infrastructure strategy has focus on core renewables such as solar, wind and hydropower, which may offer climate change mitigation and de-carbonisation benefits.

For more information on Downing's responsible investment reports and policies, please visit www.downing.co.uk/responsible-investing



Signatory to:

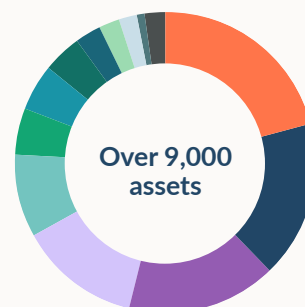


Quarterly performance summary

Both portfolio companies have a combined return of 3.89% in the last 12 months. Returns are net of all Downing ongoing fees.

More information is given in the rest of this report.

Portfolio sector split by value*



21% Solar	4% Hydro
17% Property development	3% Wholesale finance
16% Wind	3% Early years education
13% Specialist care	2% Battery storage
9% Specialist education	1% Funeral care
5% Hospitality	2% Other
5% Elderly care	

*Please note these figures are from the management accounts and subject to change.



Gabriel wind farm, Northeast Sweden



Downend Nursery, Bristol

Asset-backed strategy

Pulford Trading Ltd

Investment strategy

Pulford focuses on asset-backed businesses such as elderly care homes, property development, specialist care, specialist education, hospitality, early years education and funeral care.

A focus on outcomes

Pulford's portfolio continues to make a positive impact on communities both now and for the future. The portfolio has:

- Seven care homes that will offer 503 beds for elderly residents
- 48 specialist care homes of 621 places that cater to those with physical disabilities, learning disabilities and mental health conditions
- Eight early years education nurseries, which will offer up to 626 places to preschool children
- Eleven special educational needs schools' sites, which will offer up to 876 school places to children
- Eight funeral care sites that provide funeral services to approximately 1,100 families a year

Investment activity and company update

During the quarter, Pulford deployed funds across six different sectors, predominantly in education and lending to property developers.

Pulford acquired a closed school site in Croydon, South London, which once refurbished will operate as a 112-place SEND (special educational needs and disabilities) school. This freehold asset represents an attractive opportunity in a strategic location, expanding Pulford's geographic presence into London. It will

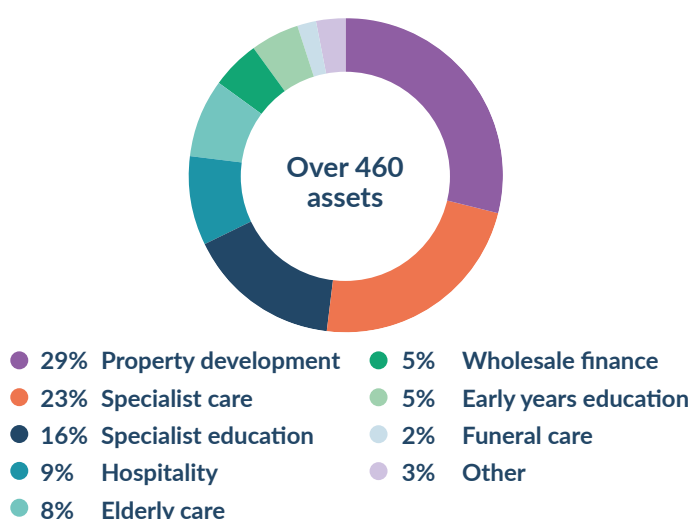
serve a diversified pool of Local Authorities and address the lack of nearby provision. The area is characterised by a significant shortfall of school places for children with social, emotional and mental health problems and autism, with competing SEND schools nearing full capacity.

Additionally, further funding has been deployed for the development of the first floor of Chapel Bridge, an existing school in Plymouth, to increase capacity by 24%, bringing the total to 124 places. The school opened in September 2023 and is forecast to reach full physical capacity by the end of the academic year due to significant unmet demand in the local area.

In the specialist care home sector, Pulford acquired a four-bedroom property in Caerphilly, Wales. After refurbishment, this site will offer supported living services for individuals with learning disabilities, autism, and complex needs. Additionally, Pulford has acquired a five-bedroom residential service on the border of Caerphilly and Newport, South Wales, which has the potential to be refurbished to add two more beds.

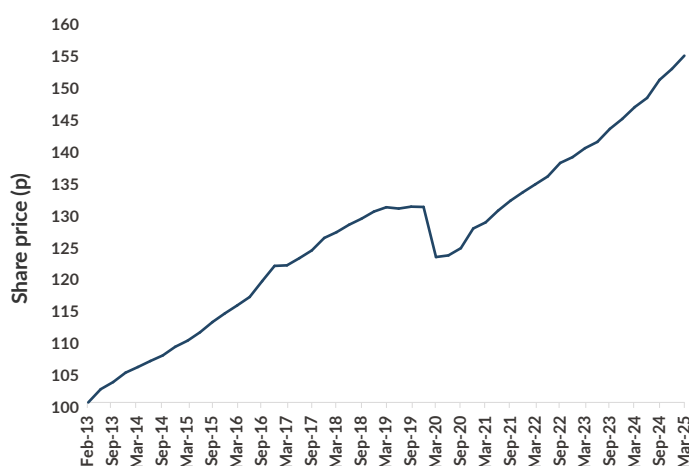
Following the successful exits from the elderly care homes mentioned in the September and December updates, Pulford has exited an additional five care homes in 2025 to the same institutional investor. Pulford is now focused on expanding its presence in the elderly care sector again and during the quarter committed funding to develop seven elderly residential care home sites across the UK. More information can be found in the case study (on page four).

Portfolio sector split by value*



*Please note these figures are from the management accounts and subject to change.

Pulford's share price increased in the quarter by 1.36% to 154.28p



Quarterly share price movement - net of ongoing costs and fees

Pulford Trading Ltd	Annual returns to 30 September each year*											
	1 April 2024 to 31 March 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
	5.51%	5.37%	3.88%	4.49%	5.99%	-4.98%	1.47%	4.01%	4.05%	5.68%	4.86%	4.05%

*The company financial year for Pulford Trading runs from 1 October to 30 September.

All performance data is net of ongoing costs and fees. Past performance is not a guide to future performance.

Energy and infrastructure strategy

Bagnall Energy Ltd

Investment strategy

Bagnall's investment strategy focuses on interests in renewable energy generation, energy infrastructure and other infrastructure assets.

A focus on outcomes

Bagnall's portfolio now contains over 8,600 assets, which are forecast to generate 494,912 MWh of electricity every year. This is enough energy to power 183,301 UK homes annually and would result in 232,911 tonnes of CO₂ being avoided – the same as 1,370,066 trees being planted.

Investment activity and company update

In the quarter, Bagnall deployed £4.6m across solar, wind and battery storage.

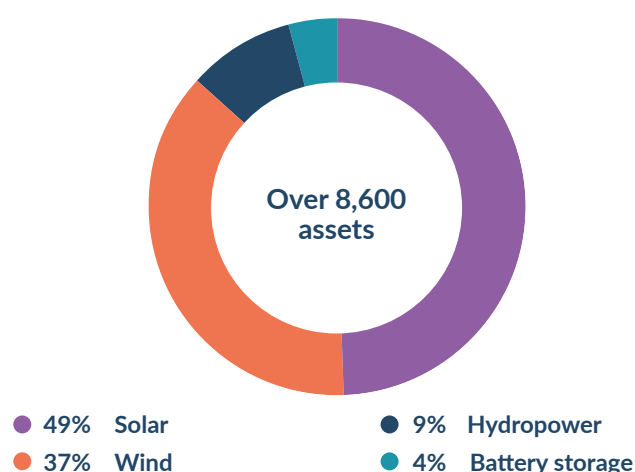
The portfolio continues to be reasonably well insulated to changes in power prices given the high proportion of contractually fixed and / or inflation linked revenues. However, it is not completely immune to these changes and has been

impacted by a reduction in long-term energy market power price forecasts for the Nordic region. The portfolio did benefit from foreign exchange movements, partly offsetting the downward movement of power prices for the Nordic assets.

Overall, technical performance was in line with expectations for the quarter. In the solar portfolio, ground-mounted solar sites performed above expectations due to good sunlight levels in the period. This was offset by low wind resource in both the UK and Nordics, as well as drier weather in Norway impacting the hydropower portfolio. The differing impacts across the portfolio in terms of weather and resource demonstrates the continued value of a diverse portfolio.

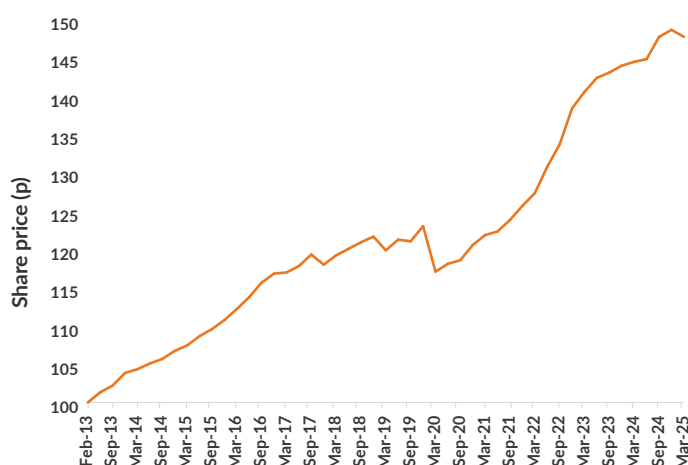
In the quarter, Bagnall successfully completed the sale of its large gas peaking portfolio. This exit means that the Bagnall portfolio now has no fossil fuel burning assets. This represents a continuation of the strategy of an increasing focus on core renewables (solar, wind and hydropower), which now represent c.93% of the portfolio.

Portfolio sector split by value*



*Please note these figures are from the management accounts and subject to change.

Bagnall's share price decreased in the quarter by -0.61% to 147.71p

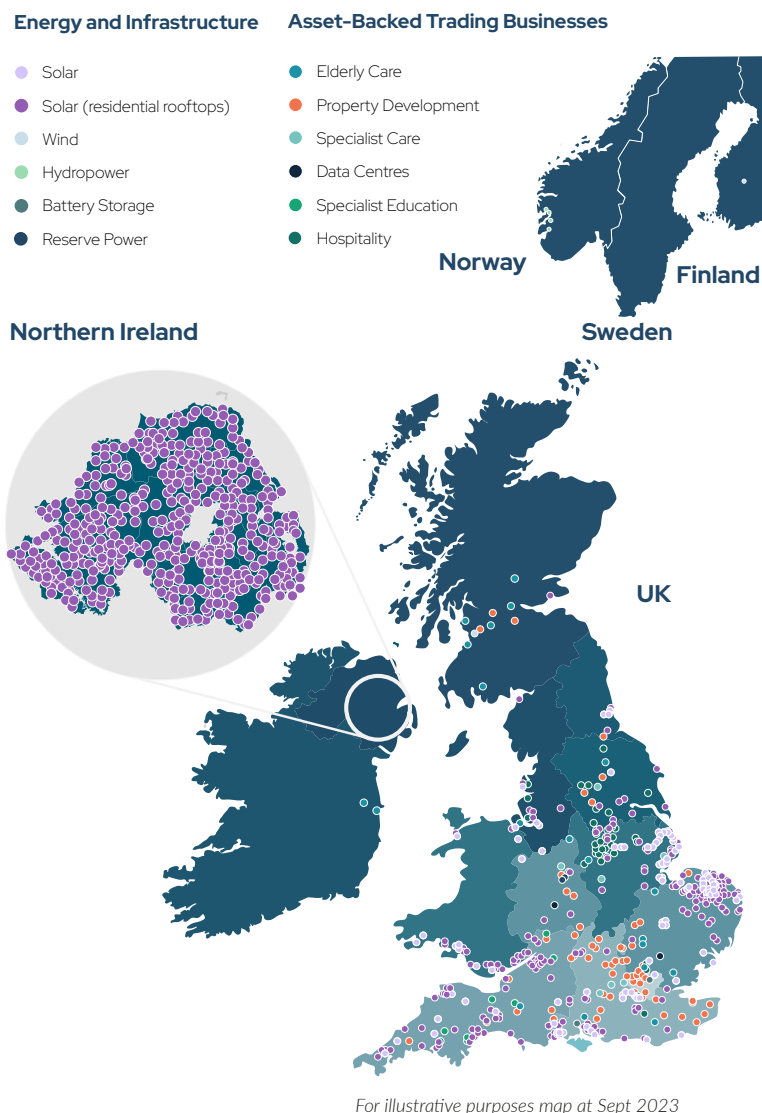


Bagnall Energy Ltd	Annual returns to 30 September each year*											
	1 April 2024 to 31 March 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
	2.26%	3.25%	7.00%	7.97%	4.42%	-2.03%	0.11%	1.35%	3.16%	5.54%	3.68%	3.40%

*The company financial year for Bagnall Energy runs from 1 October to 30 September.

All performance data is net of ongoing costs and fees. Past performance is not a guide to future performance.

DEPS asset map



Case study:

In the quarter, Pulford committed to provide a loan to an experienced care home provider, which Downing has been working closely with since 2012. The recent funding will be used to develop seven elderly residential care home sites across the UK, with the majority located in the south of England (London, Hampshire, Kent, Sussex, and Derbyshire), as well as Scotland. These sites collectively have planning approval for 503 elderly care beds.



Annual Performance	Annual returns to 30 September each year*											
	1 April 2024 to 31 March 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Pulford Trading Ltd	5.51%	5.37%	3.88%	4.49%	5.99%	-4.98%	1.47%	4.01%	4.05%	5.68%	4.86%	4.05%
Bagnall Energy Ltd	2.26%	3.25%	7.00%	7.97%	4.42%	-2.03%	0.11%	1.35%	3.16%	5.54%	3.68%	3.40%
50/50 Pulford/Bagnall	3.89%	4.31%	5.42%	6.18%	5.23%	-3.56%	0.81%	2.70%	3.61%	5.61%	4.27%	3.73%

*The company financial years for Pulford and Bagnall run from 1 October to 30 September.

All performance data is net of ongoing costs and fees. Past performance is not a guide to future performance.

For more information on this performance summary please call us on [020 7630 3319](tel:02076303319), or email sales@downing.co.uk

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