


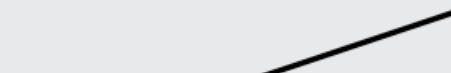


Q3 2025

# Asset Update



# Strategy Overview

Strategy	Definition	Typical Return Profile	Expected Return Profile
<b>Core</b>	<ul style="list-style-type: none"> <li>High quality properties.</li> <li>Very little capital expenditure on property improvements.</li> <li>Typically occupied with credit tenants on long-term leases.</li> </ul>	<b>Regular income</b>	
<b>Core Plus</b>	<ul style="list-style-type: none"> <li>Property owners typically have the ability to increase cashflows through light property improvements, management efficiencies or by increasing quality of tenants.</li> <li>Similar to core assets, these assets tend to be of high quality and well occupied.</li> </ul>	<b>Income + Growth</b>	
<b>Value-add</b>	<ul style="list-style-type: none"> <li>Little to no cash flow at acquisition.</li> <li>Potential to generate strong cashflow once value has been added.</li> </ul>	<b>Growth</b>	
<b>Strategic</b>	<ul style="list-style-type: none"> <li>Projects which may not see a return on their investment for three or more years.</li> <li>This includes developments where new or additional planning is required and change of use opportunities with less predictable cashflows.</li> </ul>	<b>Growth</b>	

# Progress Overview

**Category 1:** In line with or ahead of target expectations.

Assets in this category remain on track with the original investment plan.

Partnership	Slide
Stellar Newark LP	6
Panmure Forestry Partnership	7
Duchrae Forestry LLP	8
Strathclyde Hotel LLP	10
Formby Development Partnership	15
Sky Delta Partnership	17

**Category 2:** Marginally below target expectations.

Action plans to drive performance improvement are in place for assets in this category.

Partnership	Slide
Stellar Bramshaw LLP	4
Stellar Paultons LP	5
Stellar Tavis House (Tunbridge Wells) LP	11
Stellar Tavis House (Poole) LP	12
Nayland Development Partnership	14

**Category 3:** Below target expectations.

Intensive action plans to drive performance improvement are in place for assets in this category.

Partnership	Slide
Stellar Murrayshall Hotel LLP	9
Northampton Development Partnership	13
SSC Bradford Care Home	16
Sky Amber Partnership	18

# Stellar Bramshaw LLP

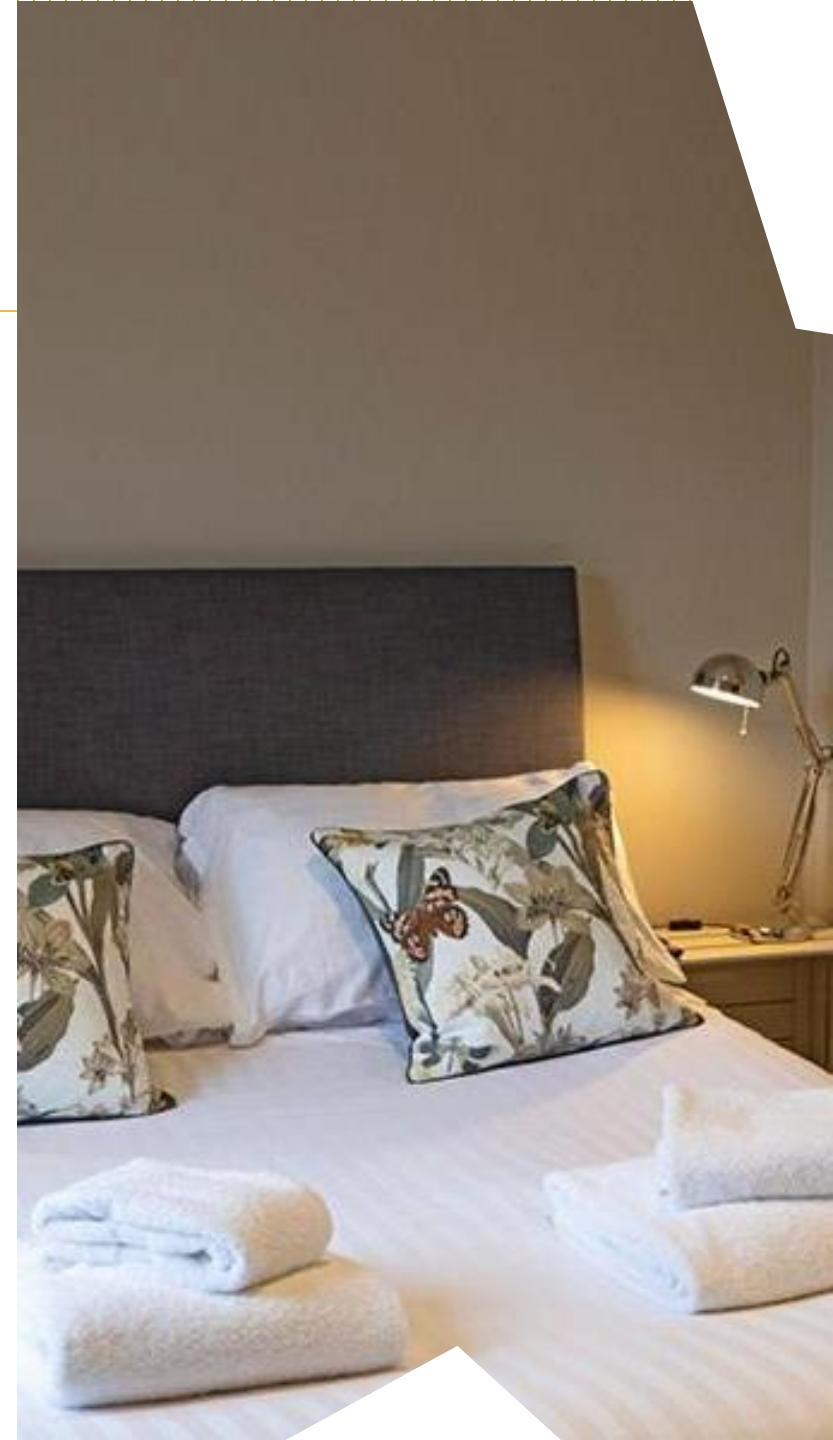
NAV: 1.1536 | Strategy: Value-add | Progress: Category 2

## Operational Update

- ★ **The business comprises The Bell Inn and Bramshaw Golf Club. Whilst Bramshaw Golf Club has experienced positive performance, albeit marginally behind budget, challenges at The Bell Inn have resulted in the asset falling short of budget expectation this year.**
- ★ The business produced a combined operating profit of £189k for the trading year to September 2025, some way short of budget (£410k).
- ★ Despite falling £68k behind budget year to date, Bramshaw Golf club generated £172k of the combined operating profit. The main shortfalls to budget across the site remain F&B and retail. These areas are subject to enhanced focus and attention by the management team.

## Actions / Direction of Travel

- ★ Business on the books is strong for the Christmas period.
- ★ Having experienced delays in planning for the clubhouse balcony extension at Bramshaw Golf Club, works will now be undertaken in H1 2026.
- ★ We are working with Golf Now as an additional tool to drive green fee revenues. As a result, we have seen positive growth in green fee revenue this year.
- ★ **We remain confident in the LLP's ability to achieve target return expectations for investors. With a strong management team, we are well positioned to drive improved trading performance for the remainder of the financial year and beyond.**



# Stellar Paultons LP

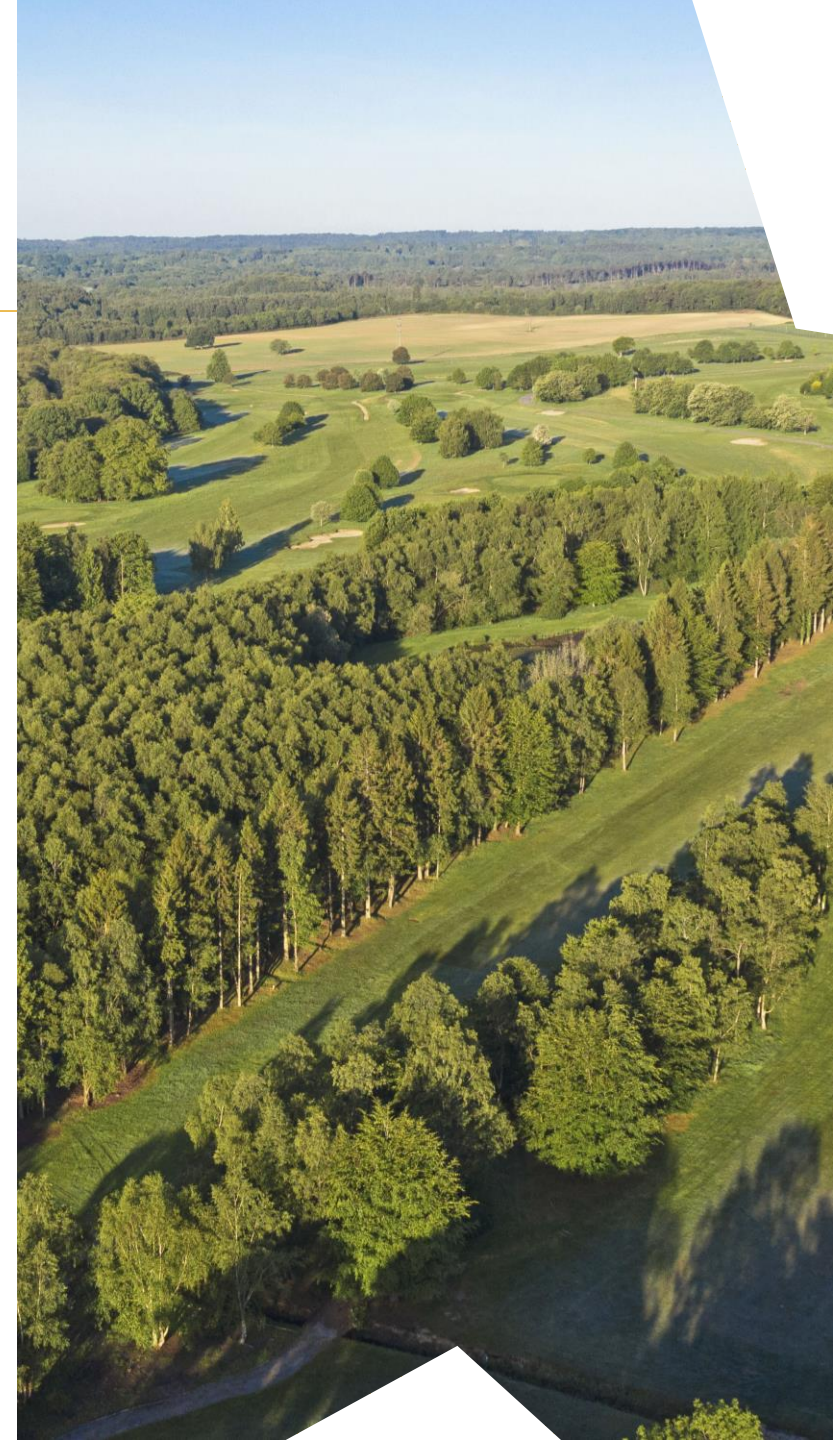
NAV: 1.0140 | Strategy: Value-add | Progress: Category 2

## Operational Update

- ★ **The business has produced an operating profit of £171k year to date as at September 2025 against a budget of £267k.**
- ★ Social engagement around the driving range has continued with revenue from this segment of revenue £107k, 9.2% above for the trading year to September 2025.
- ★ Despite being a pay and play club predominantly, membership renewals have been strong this year.
- ★ Key focuses this year have been on bolstering the management team and driving spend per head of visitors. Having appointed a new General Manager in September 2025, the asset is well placed to deliver strong performance through the remainder of the trading year and into the next.

## Actions / Direction of Travel

- ★ Engagement with platforms such as Golf Now has allowed us to secure green fee revenue on short notice for off peak tee times.
- ★ We have now secured planning permission to reshape part of the course, which is set to realise additional value for investors over the medium term.
- ★ Some staffing challenges subdued performance in the first half of the trading year. However, a strong team, including a new GM is now settled.
- ★ **Having seen a positive direction of travel throughout the summer months we remain confident in the asset's ability to meet target return expectations on behalf of investors in the medium term.**



# Stellar Newark LP

NAV: 1.1251 | Strategy: Core Plus | Progress: Category 1

## Operational Update

- ★ **Positive revenue growth since acquisition symbolises a positive direction of travel for the club.**
- ★ Despite falling short of budget, revenue of £542K year to date as at September 2025 significantly exceeded the £206k achieved in the same period in the prior year.
- ★ Green fee revenue was an untapped revenue stream prior to our acquisition. We have introduced Golf Now to enhance footfall with £87k generated from green fees year to date as at 30 September compared to £25k for the same period in the prior year.
- ★ Operating profit of £20k has been generated year to date against an ambitious budget of £200k.
- ★ Weather played a part in delaying work to improve the greens for the start of the golf season. However, the course is playing well with good reviews.



## Actions / Direction of Travel

- ★ Renovations to the course have taken place with positive feedback from the membership base. This is typified by the volume of membership enquires received this year.
- ★ The driving range has been converted into a grass range with Trackman technology now installed.
- ★ Renovations to the client facing areas of the clubhouse are now complete. Further renovations to the service areas such as the kitchen are set to take place in 2026.
- ★ **This asset remains in line with our original investment strategy.**



# Panmure Forestry Partnership

NAV: 1.4912 | Strategy: Core Plus | Progress: Category 1

## Operational Update

- ★ **Operations at Panmure forest continue to be managed in accordance with our investment strategy.**
- ★ Having undertaken all harvest and restocking activities on site, the forest is now set to be managed with a sale explored once trees have matured.

## Actions / Direction of Travel

- ★ New forestry planting of seven hectares of former farmland on the site is establishing well.
- ★ **We are pleased with progress at Panmure to date and expect target expectations to continue to be met.**



# Duchrae Forestry LLP

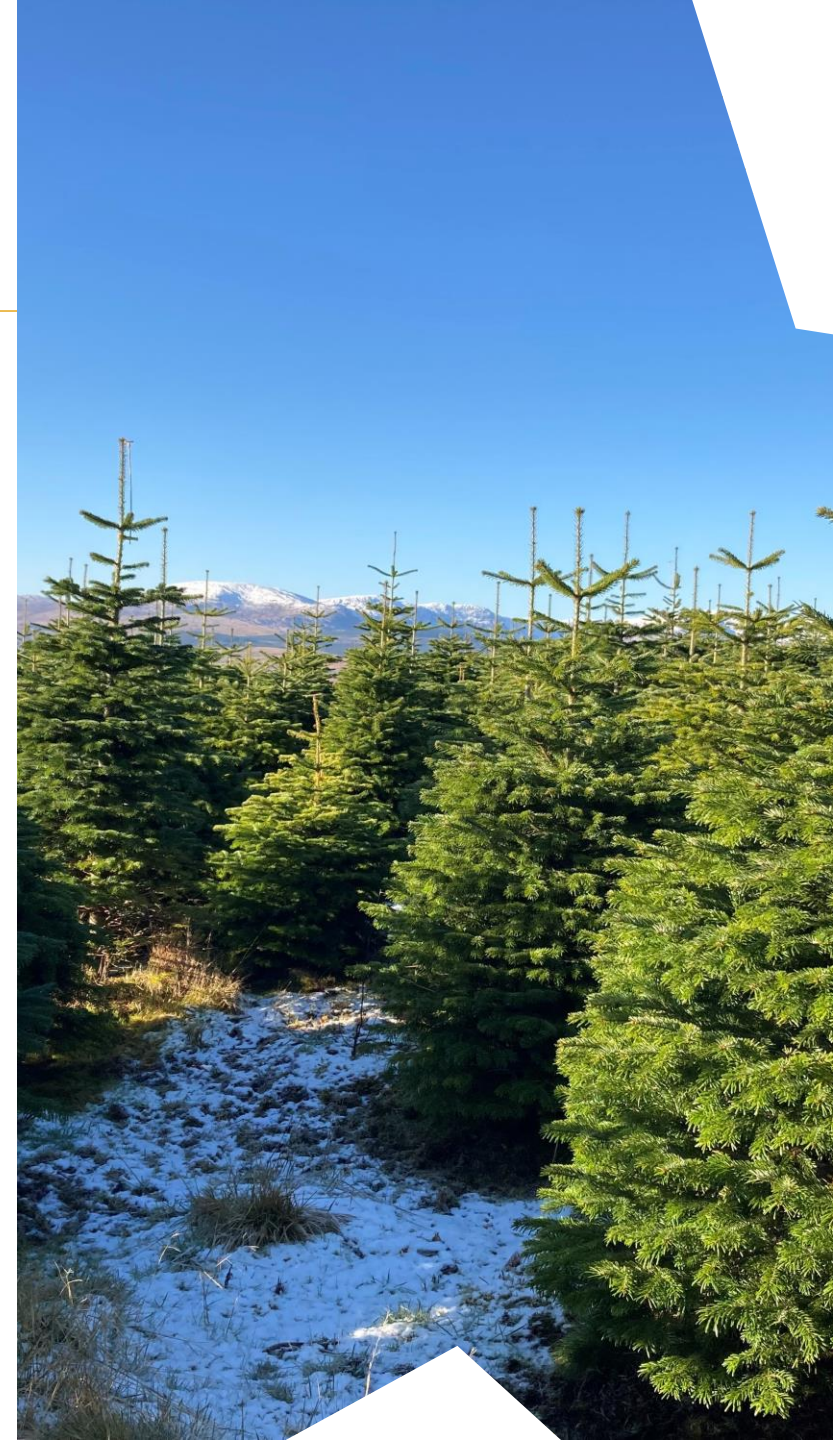
NAV:1.1005 | Strategy: Core Plus | Progress: Category 1

## Operational Update

- ★ **We have continued to make positive progress with our investment strategy at Duchrae Forest since acquisition the summer of 2022.**
- ★ Further positive growth from recent planting activities on the 170 Ha that had planting approval when we acquired the site is evident and the crops continue to be managed well by our forestry partner.

## Actions / Direction of Travel

- ★ We have made progress towards attaining planting permission for the remainder of the estate. If successful, planting will take place in H1 2026.
- ★ We continue to explore other avenues of extracting additional value from the site. This includes negotiations to provide access to facilitate the development of renewable energy on neighbouring plots of land.
- ★ **Progress to date at Duchrae remains in line with both our expectations and our long-term strategy.**



# Stellar Murrayshall Hotel LLP

Nav: 0.3460 | Strategy: Value-add | Progress: Category 3

## Operational Update

- ★ **The partnerships NAV has been held constant with positive planning decisions alongside new sales & marketing initiatives seen in recent months.**
- ★ Trading performance remains short of budget year to date but ahead of prior years. However, a significant commercial contract will underpin weekday business through to 2027.
- ★ Our investment team holds weekly meetings with the management team to monitor progress against the recovery plan.
- ★ A new Sales and Marketing operator, 7Hospitality were embedded into the organisation Q1 2025. Positive progress is evident via the signing of a significant commercial contract.

## Actions / Direction of Travel

- ★ Whilst trading has been below expectations, we have made progress in our endeavours to add value to the site by unlocking additional development opportunities.
- ★ Following approval of our master plan for the site in Q4 2023, a detailed planning application for glamping pods has been approved. The opening of 18 luxury pods occurred on 12 September 2025 with a further 4 family pods to be opened in November 2025.
- ★ A detailed planning application for holiday lodges and a spa has also now been approved.
- ★ **This business is subject to intensive oversight and a recovery plan. All parties are committed to recovery of value.**



# Strathclyde Hotel LLP

Nav: 1.7031 | Strategy: Core | Progress: Category 1

## Operational Update

- ★ **Strong trade has been seen throughout the year. The asset has performed in line with target expectations since inception and remains on track with its investment strategy.**
- ★ An EBITDA of £498k, marginally below a bullish budget of £555k has been achieved year to date, as at 30 September 2025.
- ★ A capital repayment of £500k to investors took place in Q1 2025.

## Actions / Direction of Travel

- ★ **We are pleased with the hotel's performance to date. We will continue to focus on driving trading performance and expect to review a disposal once we have another full trading year and market conditions improve.**



# Stellar Tavis House (Tunbridge Wells) LP

NAV: 1.000 | Strategy: Core plus | Progress: Category 2

## Operational Update

- ★ **Practical completion of the site has taken place.**
- ★ We experienced a delay to commencing construction which means extended finance costs have been incurred. We anticipate that these can be recovered during the disposal process.

## Actions / Direction of Travel

- ★ We have instructed multiple agents to market the units to attract as broad a range of occupiers/buyers as possible.
- ★ Strong interest in the site has been seen to date with negotiations over several units progressing well. However, to date only one unit has been let.
- ★ **Letting activity in this sector has been subdued of late given the economic uncertainty. Consequently, the NAV for this partnership has been marked down to reflect the extended sale process.**



# Stellar Tavis House (Poole) LP

NAV: 1.000 | Strategy: Core plus | Progress: Category 2

## Operational Update

- ★ **Construction works are complete.**
- ★ Marbank, the contractor, has been placed into administration. A small element of construction was remaining when they ceased. However, these works have now been complete.
- ★ Extended finance costs have been incurred due to delays in the construction process. We anticipate that these will be recovered during the disposal process.
- ★ Following the withdrawal of prospective tenants shortly before lease signing, both units are now being actively remarketed, with several viewings conducted in recent weeks.

## Actions / Direction of Travel

- ★ **The withdrawal of prospective tenants has caused further delay to our expected timeline. We have therefore made a provision to reduce the NAV this quarter.**



# Northampton Development Partnership

NAV: 0.5476 | Strategy: Core plus | Progress: Category 3

## Operational Update

- ★ **This development experienced a number of challenges which has resulted in a negative outcome for investors.**
- ★ The challenges experienced at this development include:
  - Construction delay – the build term was impacted by the pandemic;
  - Cost overrun - supply chain cost inflation experienced in the backdrop of Brexit and the pandemic;
  - Sales delay and sale price revisions – heightened mortgage rates and the cost-of-living crisis resulted in a subdued and stagnant residential sales market.

## Actions / Direction of Travel

- ★ All units at the site have now been sold.
- ★ **The NAV is reflective of the position today. Whilst there is a strategy in place to improve the outcome for investors, this will not be accounted for until there is certainty attached. We will continue to report to investors on progress.**



# Nayland Development Partnership

Strategy: Core plus | Progress: Category 2

## Operational Update

- ★ **Although built on time and on budget, we experienced sales delay at this development.**
- ★ All units are now sold.

## Actions / Direction of Travel

- ★ **All Capital has now been returned to investors.**
- ★ **An IRR of 3.9% was achieved.**



# Formby Development Partnership

NAV:1.4798 | Strategy: Strategic | Progress: Category 1

## Operational Update

- ★ **Positive progress has been made with agreements in place to crystallise land value uplift for parts of the site on receipt of planning.**
- ★ Discussions with the council are ongoing. As part of our pre-application process, we are seeking to unlock the land for a sports facility, leisure club and residential developments.
- ★ It has come to light that our application for residential development may be supported due to the shortage of housing in the area.
- ★ This proposal will align with local authority requirements to provide the best opportunity for a successful outcome.

## Actions / Direction of Travel

- ★ We have agreed terms to sell a parcel of land for a leisure club post planning. The purchaser intends to develop the property themselves.
- ★ This sale would enable a significant return of capital with over 80% of land still available afterwards to be utilised for additional opportunities.
- ★ **This remains a long-term, multi-phase strategy. We have worked closely with the local authority to get to this point and dialogue continues to be positive. We expect to be able to provide a definitive update on phase one by the end of the year.**



# SSC Bradford Care Home

NAV: 0.6603 | Strategy: Value-add | Progress: Category 3

## Operational Update

- ★ **The NAV has been revised downwards as a result of the decrease in occupancy in recent months.**
- ★ Following a follow up CQC inspection a Notice of Proposal to deregister the home has been issued.
- ★ Representations to appeal this decision have been submitted. However, we are in the process of appointing a new Operator to guide the home towards a new registration and operational stability.
- ★ Following the local authority embargo on new admissions to the home and the Notice of Proposal, occupancy at the home has fallen.
- ★ The home generated an EBITDA of £92k for the trading year. However, this translated into a net loss of £96k for the same period.
- ★ Occupancy currently stands at 61% having started the year in excess of 90%.

## Actions / Direction of Travel

- ★ Due to occupancy levels, one wing of the home has been closed to manage staffing costs.
- ★ The home's reputation amongst residents and their families remains positive.
- ★ **We remain confident in the new operator's ability to secure a new registration for the home. Should this be achieved, the home will operate as an uninspected service until CQC visit the home again. It is expected that a period of 12-18 months is needed to see trade stabilise and return to levels seen prior to the admissions embargo and CQC Notice of Proposal.**



# Sky Delta Partnership

NAV: 1.0786 | Strategy: Core | Progress: Category 1

## Operational Update

- ★ **This partnership is a bridging finance partnership which was created in Q1 2024.**
- ★ Eight loans have been provided to date totalling 81% of the partnership's capital commitment.
- ★ We will continue to prioritise quality over quantity, ensuring all loans are subject to our robust due diligence process.

## Actions / Direction of Travel

- ★ Whilst the Bridging Finance market remains robust, there has been a noticeable shift toward unregulated bridging loans, which are typically used for investment properties rather than personal residences. This shift complements our investment strategy and therefore, we expect increased deal flow in the coming months.
- ★ **We have a number of deals in due diligence at present and expect further capital to be deployed in the coming months.**



# Sky Amber Partnership

NAV: 0.0299 | Strategy: Core | Progress: Category 3

## Operational Update

- ★ **Only 10% of the original capital remains in the partnership, the rest has been returned to investors. Performance of this partnership has been negatively impacted by two instances whereby borrowers defaulted on their obligations and failed to repay their loan.**
- ★ In both instances, we enforced our security through the courts and sold the security properties on the market. However, the state of repair and market conditions meant that we did not reclaim full value from the sales.

## Actions / Direction of Travel

- ★ The conclusion of legal action by Mercer & Hole was a £65,000 settlement agreed by the trustees in bankruptcy. This outcome leaves a crystallised deficit, with no further means of recovering value.
- ★ **The deficit will be crystallised in Q4 2025.**



# ESG and Sustainability

## Our Process

### Initial questionnaire

- ★ Datapoints across E, S and G.
- ★ Simple, quantitative, unambiguous and repeatable.
- ★ Allows us to measure and track progress
- ★ Underpinned by the PRI and UN SDGs.

### SWOTDOT

- ★ SWOT analysis on E, S and G considerations.
- ★ Also assess a partnership's overall direction of travel (DOT).
- ★ Generates score out of 40 (ESG = 30 + DOT = 10).

**Action Plans:** Unique plans are formed to ensure continual improvement

- ★ Action plans are reviewed quarterly with updates provided monthly.

### Ongoing review

- ★ Scores are updated annually with improvement the key focus for assets where we feel they are failing short.



### SWOTDOT Scoring



### Service Average January 2025



For further information please access our [Sustainable and Responsible Investment Policy](#)  
Our Asset Backed Spotlight can be found [here](#)

# Get in touch

We're here to help

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## Investors

We recommend you speak to a Financial Adviser in the first instance, as we cannot offer investment or tax advice.

If you have any other questions please contact us on 020 3195 3500 or email us at [enquiries@stellar-am.com](mailto:enquiries@stellar-am.com)

For further information, please visit  
[www.stellar-am.com](http://www.stellar-am.com)