

– ASX Announcement –

Increase in Portfolio and Net Worth Values

The Directors of London City Equities Limited report that the company's investment portfolio values have improved since they released the Market Update of 30 April 2020. Shareholders can reflect that their Net Worth has increased comfortably over the month. Details follow below.

Investment Portfolio – up around 11%

There has been a pleasing recovery in London City's Investment Portfolio values since the April Market Update. While the numbers are still below the 31 December 2019 values they have shown considerable improvement since the Covid-19 induced market falls occurred in late March.

Directors note that the improvement has taken place despite the sluggish performances of both international and local indices over the same period. For instance the US Dow Jones Industrial only rose 0.5%, the UK FTSE was up only 1.9% and the local ASX All Ordinaries Index itself only rising 0.2%.

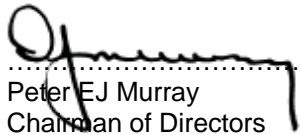
The share performance of the 7% owned **Fiducian Group Limited** has done well with a corresponding positive impact on London City's portfolio values. While the Board recognises that some care should be taken of sometimes low share turnover volume the price movements of Fiducian Group nonetheless reflect both serious market interest in the sector and key shareholders holding on to their holdings. Directors report that the Investment Portfolio has appreciated some 11% since April.

Excelsior Capital Limited (ECL) modest shareholding increased. Shareholders are aware that London City Equities and associates have been investors in **Excelsior Capital Limited** since its restructure in 2016, passing the 5% shareholding level last July. We had noted in 2016 the adoption by its Board of a new investment management direction. This was the factor governing our interest – and remains the case. In the period since the share price has moved broadly upwards. However in recent times the ECL share price has suffered seemingly from very slow progress on the investment management front (coupled with Board and management changes) and, of course, the current covid-19 impact on share prices generally. **Our associated group has now increased its shareholding above 6%.**

Net Worth – estimated at 42.5 per share,

The impact of the improved Investment Portfolio values on the company's net assets has naturally been positive. Taking account of portfolio uplift and all operating items Directors estimate that London City's unaudited Net Assets are presently in the order of 42.5 Cents per share.

For and on behalf of Directors



Peter EJ Murray
Chairman of Directors

25 May 2020

