

– ASX Release –

Market Up-date

Directors provide an up-date on events occurring at London City. These include the latest status of the Investment Portfolio, the Net Assets and the legal action against Excelsior Capital Limited.

Today's Board meeting saw the Directors expressing satisfaction at seeing London City's Investment Portfolio and Net Worth sitting at record levels – and incorporating solid cash and liquidity of over \$11 million. However, they did record disappointment of Excelsior's operational performance.

Investment Portfolio Performance – Strong Growth – High Liquidity

Directors are happy to report that the Investment Portfolio has reached a record level of \$27.3 million which comprises \$16.3 million in equities and \$11.0 million in cash and cash equivalent securities. Of particular benefit was the positive upward traction in the **Fiducian Group** share price. This long-held investment, as shareholders will recall, was reduced below 5% in October last year for a gain of \$6.9 million. The remaining Fiducian shares have appreciated with its share price rising 10.3% since 1 January. As the portfolio's percentage weighting to Fiducian continues to rise, further reductions in that shareholding have been made. This has resulted in an additional capital gain of \$2.3 million. On the other hand with **Excelsior Capital** (9.1% owned directly), its share price has hardly moved over twelve months, despite worldwide stock-markets levels reaching historic "highs". The rise in Excelsior's was only 1.2% this calendar year. To be clear, London City Directors raise serious questions about the \$37.8 million invested by Excelsior in "Alternative Assets Managed Investment Funds". Correspondence with Excelsior on this topic received no response. We will be writing to fellow Excelsior shareholders soon to gauge their attitude to this issue – then consider moving that Excelsior calls a Shareholder Meeting to discuss the matter.

Net Assets – now estimated at 78.2 Cents a share

Directors advise that estimated unaudited Net Assets of London City now stand at **\$24.5 million**, or 78.2 cents a share. They also advise the balance sheet structure has changed due to the capital gain of \$9.2 million reducing the remaining past tax losses to around \$3.5 million – and thus reducing future income tax benefit asset levels. The **high level of cash** and cash equivalents is regarded by the Directors as a real positive in this volatile economic and stock-market climate.

Legal Action -v- Excelsior and associates

Directors consider this litigation is vital, despite dealing with unexpected delays and issues, including the replacement of the original legal firm with new lawyers last November. To reiterate, London City in April 2024 filed in the **Federal Court of Australia** an application for orders under the Corporations Act 2001 seeking relief that Excelsior be wound up on just and equitable grounds. Following the change of lawyers, an application was lodged earlier this year for London City to amend its claim to include as Defendants, Excelsior Directors Catelin and Herceg and also expand, inter alia, other areas of relief. These amendments were opposed by Excelsior. On 27 March Justice Stewart made orders granting London City leave to amend its claim. The Court has since determined that the proceedings are listed for hearing on 16-19 February 2026. As Directors have advised shareholders, progress on this matter is unpredictable.

For and on behalf of the Board



Peter EJ Murray
Chairman of Directors

21 May 2025