

2 April 2020

ASX Limited
20 Bridge Street
Sydney NSW 2000

By: e-lodgement

Attention: Company Announcements Office

Market Update

On 25 February 2020 the Board of CVC Limited (ASX: CVC) indicated that the forecast profitability for the year ending 30 June 2020 was expected to be breakeven. Approximately 18% of CVC's current investment portfolio is in ASX listed investments, of which approximately half represents an investment in Eildon Capital Limited. As these investments are required to be marked-to-market based on prevailing share prices it is now uncertain what the expected profitability will be for the full financial year. In the event that the share prices of the ASX listed portfolio remain at the current levels, the forecast loss for the year ended 30 June 2020 would be in the range of \$9 - \$11 million, which will be subject to any further adjustments.

A review has been undertaken of the property loans and direct property investments. This review has not provided an indication of a reduction in current carrying values. The current value of the property portfolio, plus cash balances, represents approximately 60% of the current investment portfolio of CVC.

A review of the remaining investments in the unlisted equities and the non-property lending portfolio has not yet been completed at this point in time as it is considered to be too early to determine if there will be a need for a reduction of the value of these investments.

The Board and management team of CVC actively monitors the investment portfolio with the objective of providing assistance where possible. Although the fall in the share prices of various ASX listed investments has had a significant impact on current profitability, CVC continues to trade within its lending covenants, including those applicable to the Convertible Note.

Authorised by:
John Hunter
Company Secretary