

– ASX Announcement –

Market Up-Date

The Directors of London City Equities Limited provide the following update on key events.

**The Investment Portfolio – up strongly**

London City's investment portfolio has experienced a comfortable uplift in values this financial year in the order of 22%. This compares favourably with the Australian stock-market where the All-Ordinaries Index improved some 1%-2% in the same period.

**Key Investments**

London City, with its focused shareholdings had a very good half year. **Fiducian Group Limited (7% owned)**, featured highly. The uplift in Fiducian's stock-market rating is considered by London City to have come from a quality FY2020-21 performance coupled with a fully franked Final Dividend elevated by 26% on the previous year. Business expansionary moves in recent weeks have also played a role. Another investment, **Excelsior Capital Limited (4% owned by LCE in a joint 9.25% holding)** has also improved – thanks to one operating division putting in an excellent result. The Investment Division, much promoted in 2016, continues to disappoint shareholders. Excelsior's recent Annual General Meeting of Excelsior saw the Board lose another Remuneration Report vote. An Extraordinary General Meeting will consider the status of all directors in the next quarter. With the **Penrice Soda / Ernst & Young litigation** Directors advise as follows. On 9 December 2021, at a court ordered mediation, a confidential settlement was reached with Ernst & Young of Supreme Court Proceeding 2017/145976 (Proceedings). The compromise reached by the parties reflected the relevant commercial and legal risks in continuing the proceedings.

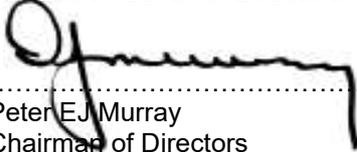
**Net Worth in the order of 66.0 Cents a share**

The new issue funds raised in late 2020 have strengthened London City by increasing the sums available for additional investments where enhanced share prices have taken place. Furthermore, London City's re-introduced Dividend Reinvestment Plan has assisted in further share capital growth and available funds. Balanced with various factors, such as the strong portfolio performance and the dividend payout in October, Directors estimate that London City's unaudited Net Assets are presently in the order of 66.0 Cents per share.

**Annual General Meeting**

Again, shareholders have expressed their appreciation of the input directed at London City's activities by the Board, team members and associates. All resolutions were passed unanimously. The Directors thank shareholders for this support.

For and on behalf of Directors



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Peter EJ Murray  
Chairman of Directors

13 December 2021

