



**4 August 2020**

**LMS CAPITAL PLC**

**Half year results for the six months ended 30 June 2020**

### **Key themes**

#### **Financial**

- Net Asset Value (“NAV”) at 30 June 2020 of £46.5 million, 57.5p per share;
- This compares to £52.6 million (65.1p per share) being the 31 December 2019 NAV (after adjustment for the special dividend of £3.4 million declared in December 2019 and paid in early January 2020);
- The reduction in NAV, excluding the effect of the special dividend, arises principally as a result of the impact of the Coronavirus pandemic on portfolio valuations; and
- Cash at 30 June 2020 was £29.0 million, 35.9p per share, (31 December 2019: £26.6 million), including £4.4 million held in subsidiaries.

#### **Investments**

- Continued progress in refocusing the Company’s investment strategy on three specialist sectors: property, energy and late stage private equity;
- In April the Company announced two deals in the property sector, both unencumbered by legacy asset positions and positioned to take advantage of market opportunities:
  - **George Capital - £2.5 million commitment** to team seeking UK regional mixed use city centre opportunities;
  - **Cavera -seed funding to the team** seeking to identify development projects which will create opportunities for the Company and its co-investors to deploy capital; and
- The Company is at an advanced stage of discussions on a further investment opportunity, and subject to conclusion of its negotiations, hopes to be in a position to make a further announcement in the coming weeks.

#### **Dividend policy**

- The company will institute a progressive annual dividend policy. The Board is initially targeting a dividend in respect of each financial year of approximately 1.5% of that year’s closing NAV. The amount of dividend will be reviewed each year in light of the Company’s liquidity, the investment income generated, distributable profits and market conditions;

- The first payment will be an interim dividend in respect of the Company's financial year to 31 December 2020 of 0.3 pence per share. The dividend will be paid on 11 September 2020 to shareholders on the share register at close of business on 14 August 2020 (with an ex-dividend date of 13 August 2020); and
- The dividend payment to be split approximately one third as an interim dividend in August/September each year and approximately two thirds as a final dividend following the publication of the year's accounts and conclusion of the Annual General Meeting in April/May following the year end.

Robert Rayne, Chairman, commented

"The first six months of 2020 have been challenging, however I am pleased with the progress the Company has made, in commitments to new investments and realisations from its existing portfolio, and in being able to initiate a dividend."

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**Enquiries:**

**LMS Capital PLC**

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**Robert Rayne, Chairman**

**Nick Friedlos, Managing Director**