

## ABOUT LMS CAPITAL PLC

LMS Capital is a listed investment company. Following a shareholder meeting on 28 November 2019, a new Board was appointed and initiated the process of transitioning the Company to being internally managed.

The driving force behind the Company's investment philosophy is the preservation and creation of wealth over the long term. Shareholders will benefit through share price appreciation and through distributions. It is the Company's aim to broaden its shareholder base and develop it into an attractive investment for family offices, high net worth investors and institutions attracted by the returns it achieves and the character of its investments.

## Q3 to 30 SEPTEMBER 2020

## Financial Highlights

- Unaudited Net Asset Value ("NAV") at 30 September 2020 was £47.0 million (58.2p per share). This compares to £46.5 million (57.6p per share) at 30 June 2020;
- At the half year the Company announced the initiation of a progressive annual dividend policy targeting a dividend equal to approximately 1.5% of each financial year's closing NAV, subject to the Company's liquidity, investment income generated, distributable profits and market conditions. The first interim dividend under this policy, of £0.2 million (£0.3p per share) was paid to shareholders in September 2020;
- Cash at 30 September was £22.0 million. This is after having funded £7.0 million of cash for its previously announced \$9 million investment in Dacian petroleum ("Dacian") - see below.

## Investment in Dacian

- On 12 August 2020 the Company announced that it was leading an investor group which has conditionally agreed to finance the acquisition by Dacian from OMV Petrom, the Romanian oil company, of a business operating 40 onshore oil and gas fields located in Romania;

- Completion of the acquisition by Dacian is conditional upon Dacian obtaining certain Romanian Government regulatory approvals. During September, in accordance with the investment agreement, the investor group were called to deposit funds to be held pending conclusion of the approval process;
- The Dacian team has reported to the investor group that, whilst not yet completed, the approval process is proceeding well and it is their current expectation that the necessary approvals will be obtained and the transaction will complete before the current contractual backstop date in early January 2021; and
- LMS will provide a further update to the market once the approval process is completed.

## NET ASSET VALUE

The NAV at the end of September is based on the valuation of the Company's investments as at 30 June 2020, adjusted for transactions in the three months ended 30 September 2020, price movements on quoted securities, movements in foreign currency exchange rates, cash calls and distributions from funds, and latest information from third party fund managers.

The following table summarises the change in NAV for the third quarter:

	£ millions
Unaudited NAV as at 30 June 2020	46.5
Unrealised Portfolio Gains	1.7
Unrealised Portfolio Foreign	
Exchange Losses	(0.5)
Overheads	(0.4)
Unrealised Other Foreign Exchange Losses	(0.1)
Interim Dividend	(0.2)
Unaudited NAV as at 30 Sept 2020	47.0

## PORTFOLIO BREAKDOWN AS AT 30 SEPTEMBER 2020

	£m	% NAV
Portfolio total	19.5	41.5%
UK Private	1.1	2.3%
Elateral	0.4	0.9%
Northbridge	0.6	1.3%
IDE Convertible Debt	0.1	0.2%
US Private SFEP	2.4	5.1%
Total YesTo	1.6	3.4%
Total ICU	0.8	1.7%
US Private - Other	5.5	11.7%
Medhost	5.5	11.7%
UK Listed	0.2	0.4%
IDE Group	0.2	0.4%
US Listed	0.2	0.4%
Other	0.2	0.4%
UK Funds	5.6	11.9%
Brockton Capital	3.8	8.1%
Eden	0.5	1.1%
EMAC ILF	0.9	1.9%
Simmons	0.4	0.9%
US Funds	4.5	9.6%
Weber	0.8	1.7%
Opus Capital	3.6	7.7%
Others	0.1	0.2%
Cash	22.0	46.8%
Dacian Investment - Funds Deposited	7.0	14.9%
Other Net Assets/Liabilities	-1.5	-3.2%
<b>Net Asset Value</b>	<b>47.0</b>	