

SHARE PRICE: 22.5p *
* as at 29 October 2023

NAV/SHARE: 52.9p

DISCOUNT: 57.4% *



ABOUT LMS CAPITAL PLC

LMS Capital plc (“LMS” or “the Company”) is a listed investment company. We harness experience, capital and access to deal flow to create enhanced shareholder returns for family offices, high net worth investors and others.

Our competitive advantage lay in our long experience, our relationships with exceptional management teams with knowledge of, and connections in, the sectors where we focus - particularly in real estate, energy and late-stage private equity.

We seek to achieve a balance between preserving and growing wealth. We expect to deliver an overall total return, net of costs, over the longer term of 12% to 15% per annum, of which an element will include an annual dividend.

Q3 TO 30 SEPTEMBER 2023

The following update covers the three months ended 30 September 2023.

Financial Highlights

- The net asset value (“NAV”) at 30 September 2023 was £42.7 million (52.9 pence per share). This compares to £44.6 million (55.2 pence per share) at 30 June 2023, a decrease in the quarter of 3.8% after adjusting for dividends paid;
- Overall portfolio net losses were £1.4 million. These comprise underlying losses of £2.4 million offset by unrealised foreign exchange gains of £1.0 million reflecting the strengthening of the US Dollar compared to sterling in Q3;
- Running costs were £0.4 million, investment related costs were £0.1 million and other net income was £0.2 million;

- Cash proceeds from realisations in Q3 totalled £0.1 million, mainly from the redemption of the Tialis Essential IT plc convertible debt instrument;
- Interim dividend of £0.2 million (0.3p per share) paid in September 2023; and
- Cash at 30 September 2023 was £16.0 million (30 June 2023: £16.5 million), representing approximately 37.5% of the NAV and 19.9 pence per share.

NET ASSET VALUE

The NAV at the end of September 2023 is based on the valuation of the Company’s investments as at 30 June 2023 adjusted for transactions in the three month period, price movements on quoted securities, movements in foreign currency exchange rates, cash calls and distributions from funds and the latest information available from third-party asset managers.

OUTLOOK

The Board remains cognisant of its responsibility to demonstrate positive progress and to create value for shareholders through delivery in its core areas, namely:

- bringing to fruition the work that has been undertaken, particularly on real estate, to deploy new capital from the Company’s balance sheet in conjunction with co-investors;
- to support the Dacian team, with an emphasis on restarting its workover programme, following the interruptions to production earlier in the year; and
- continuing to manage the mature asset portfolio to optimise realisation proceeds.

PORTFOLIO BREAKDOWN –
30 SEPTEMBER 2023

	£m	% NAV
Portfolio total	28.6	67.0%
Mature Investment Portfolio		
UK Private	0.6	1.4%
Elateral	0.6	1.4%
US Private	5.7	13.3%
Medhost	5.7	13.3%
UK Listed	0.1	0.2%
Tialis	0.1	0.2%
US Listed	0.1	0.2%
Other	0.1	0.2%
UK Funds	5.5	12.9%
Brockton Capital	4.9	11.5%
EMAC ILF	0.3	0.7%
Simmons	0.3	0.7%
US Funds	6.5	15.2%
Weber	2.1	4.9%
Opus Capital	4.4	10.3%
Total Mature Portfolio	18.5	43.3%
New Investment Portfolio		
US Private		
Dacian Petroleum	10.1	23.7%
Total New Investment Portfolio	10.1	23.7%
Cash	16.0	37.5%
Other Net Assets/Liabilities	(1.9)	-4.4%
Net Asset Value	42.7	