

21 February 2025

Litigation Capital Management Limited
("LCM" or the "Company")

Judgment Delivered in Class Action Investment

Litigation Capital Management Limited (AIM:LIT), an alternative asset manager specialising in dispute financing solutions internationally, announces that the Federal Court of Australia has delivered a judgment in the class action funded by LCM on behalf of shareholders in Quintis Limited (**Quintis**) a company which previously operated an extensive plantation of Indian sandalwood trees in northern Australia (the **Judgment**).

The Judgment found that both the former director of Quintis and its auditors, Ernst & Young engaged in misleading and deceptive conduct in relation to the financial statements issued by Quintis. However, the Judgment found that LCM's funded party failed to establish that this misleading and deceptive conduct caused them loss and damage and was therefore unsuccessful. There is a right of appeal from the Judgment which must be filed within 28 days of final orders being made (which has not yet occurred). LCM is considering the Judgment with the legal team and the merits of any appeal.

LCM has invested A 13.2m of its own balance sheet capital into the case. LCM has a policy of insurance in place providing an indemnity in relation to the adverse costs exposure of this claim.

Patrick Moloney, CEO of LCM commented *"In this shareholder class action, our funded claim established misleading and deceptive conduct by the director and the auditors on the facts before the court. The case did not succeed in determining loss caused by this conduct and we are considering carefully with our legal team why this is the case. It is an unusual outcome that the court found that the financial statements in question were misleading, but that this did not result in loss for the shareholders in Quintis. Our focus now is on assessing the Judgment and determining the best course of action alongside our legal team. We remain committed to our disciplined approach in managing risk and capital across our portfolio."*

Enquiries

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NOTES TO EDITORS

Litigation Capital Management (LCM) is an alternative asset manager specialising in disputes financing solutions internationally, which operates two business models. The first is direct investments made from LCM's permanent balance sheet capital and the second is third party fund management. Under those two business models, LCM currently pursues three investment strategies: Single-case funding, Portfolio funding and Acquisitions of claims. LCM generates its revenue from both its direct investments and also performance fees through asset management.

LCM has an unparalleled track record driven by disciplined project selection and robust risk management.

Currently headquartered in Sydney, with offices in London, Singapore, Brisbane and Melbourne, LCM listed on AIM in December 2018, trading under the ticker LIT.

www.lcmfinance.com

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