



4 November 2025

LMS CAPITAL PLC
Third Quarter 2025 Update

LMS Capital plc (the "Company"), the listed Investment Company, provides the following update covering the period from 30 June 2025 to date and including the Net Asset Value ("NAV") at 30 September 2025.

Financial Highlights

- In July, the Company made the first return of capital to shareholders, of £1.6 million, following the commencement of its managed realisation strategy adopted by shareholders at the general meeting in May 2025;
- Unaudited NAV at 30 September 2025 was £29.8 million compared to £31.3 million at 30 June 2025;
- After adjusting for the £1.6 million return of capital, there was a net £0.1 million increase in NAV during the quarter;
- Cash at 30 September 2025 was £8.8 million compared to £11.3 million at 30 June 2025. The net reduction includes the return of capital, drawdowns by Dacian against the additional loan facility announced in August and running costs partly offset by receipts from investments in realisation.

Unaudited Net Asset Value at 30 September 2025

The unaudited 30 September 2025 NAV is summarised below:

	Unaudited	Unaudited
	30 September 2025	30 June 2025
	£ 000s	
<i>Mature Investment Portfolio</i>		
Quoted investments	7	5
Unquoted Investments	1,680	1,680
Funds	5,024	5,296
<i>Other Investments</i>		
Castle View, Windsor	6,553	6,553
Dacian	8,602	7,339
Total Investments	21,866	20,873
Cash	8,757	11,295
Other Net Assets/Liabilities	(882)	(854)
Net Asset Value	29,741	31,314

The NAV at the end of September is based on the valuation of the Company's investments as at 30 June 2025, adjusted for transactions in the three months ended 30 September 2025, 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 fund managers, generally the 30 June 2025 fund valuation reports, except for Weber Capital Partners which is based on 30 September 2025 valuations.

After adjusting for the £1.6 million returned to shareholders in July 2025, the NAV showed a small net increase of £0.1 million during the quarter comprising the following movements:

- **£0.2 million net increase** from realised and unrealised underlying gains on the investment portfolio:
 - o £0.5 million reduction on Castleview;
 - o £0.1 million reduction on Dacian;
 - o £0.2 million increase on Weber;
 - o £0.6 million realised gain from a final distribution by Brockton Fund 1 which is now being dissolved. The distribution relates to the clawback by the Brockton Fund of previous carried interest payments by the Fund to its managers.
- **£0.2 million increase** from unrealised foreign currency gains on the portfolio as a result of the strengthening of the U.S. Dollar against sterling;
- **£0.3 million reduction** from costs net of interest income comprising:
 - o Running costs £0.3 million
 - o Investment costs, principally relating to retirement living £0.1 million;
 - o Interest income £0.1 million

Portfolio

Weber - Realisation proceeds of £0.5 million were received from Weber during the quarter and formed part of the July return of capital. Since the quarter end, a further £0.25 million has been received.

Realisation plans for Opus and Elateral are under review.

Dacian

As announced in August, the LMS Board agreed to provide additional capital of up to 5.3 million to Dacian to support the restructured Dacian team's plans to restore financial performance.

The plan includes:

- Investment in inventory of replacement components and implementation of a maintenance plan to reduce the frequency of equipment failures and consequent interruptions to production;
- Carrying out a programme of well workovers and interventions, financially evaluated and risk adjusted in accordance with industry best practice, to enhance production over the next 12 months;
- Taking opportunities to monetise some unutilised land and equipment held by Dacian;
- Implementation of cost efficiency measures;
- Evaluating and presenting to external capital, an identified set of additional development projects within Dacian's existing fields; and
- Continuing to work with partners in the development of other opportunities including in clean energy initiatives.

At 30 September 2025 approximately 40% of the loan had been drawn by Dacian. The plan is at the early stages of implementation and is monitored closely by LMS and the Dacian Board, which has been joined by two experienced US industry executives who are closely involved in the execution of the team's plans.

An update on progress will be able to be reported in Q1 2026.

Retirement Living - Castle View

Apartment sales

At the half year we reported two pipeline apartment sales with a value of £1.3 million. One of these completed in early September and the other at the end of October.

Market conditions remain difficult; most purchases are financed through the release of funds from a larger property and slowness in the housing market generally, has a knock on effect on the retirement living sales.

However, there has been a modest increase in levels of interest and viewings at Castle View and there is early interest in some of the remaining apartments and resale stock, albeit subject to sale of the interested parties' current properties.

Rentals

It has been decided to offer apartments for rent in order to improve occupancy, reduce the holding cost of empty apartments and generally through higher occupancy levels and reduced availability, promote the sale of remaining new and pre owned apartments. The first rental was concluded during September.

The existing Castle View debt structure does not allow for units to be held for rental. LMS is currently in the process of securing a finance facility for the rental stock, but in the meantime has refinanced the rental apartment from its own resources and reduced the external debt.

The Company's investment in Castle View has a valuation at 30 September of £6.6 million (£6.6 million at 30 June 2025) and debt of £4.05 million (£4.8 million at 30 June 2025).

Costs

The Company expects to achieve its previously indicated cost run rate targets by the year end of approximately £1.3 million for corporate costs and £0.25 million for investment costs. The Board will continue to look to reduce the cost base consistent with the operating requirements of the business and maintaining appropriate governance as the managed realisation progresses.

For further information please contact:
LMS Capital plc
Nick Friedlos, Managing Director
0207 935 3555

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