LONDON CITY EQUITIES
LIMITED

(ABN 59 003 200 664)

25 August 2026

Appendix 4E - Results for announcement to the market

1. Period Covered: **Year ended 30 June 2026**

2. Key Information	**June 2026**	**June 2025**
	$000	$000
Shareholder's Net Worth Change over the year - before dividend payout		
- Gain (Loss) in Investments / related	**(4,319)**	**3,149**
- Income Account during year	**7,801**	**500**
- New Capital	**350**	**-**
	3,832	**3,179**
Increase on Net Worth over previous year	**+ 16%**	**+ 15%**
Revenue from Ordinary Activities	9,030	1,814
Change on previous year	398%	
Profit from Ordinary Activities after tax	7,801	500
Change on previous year	1460%	
Profit from all Activities after tax	7,801	500
Change on previous year	1460%	
Net Tangible Assets	28,448	24,616
Per Share (Cents)	89.6	78.6
Change on previous year	16%	
Amount of Dividend Proposed:	2.50 cents	2.50 cents (inc Special 1.00 cents)
Amount of Franking expected:	100%	100%
Record Date for dividend entitlements	2 Oct 2026	3 Oct 2025
Payment Date for dividend	16 Oct 2026	16 Oct 2025
Dividend Reinvestment Plan	Operating	Operating
Annual General Meeting Date:	21 Oct 2026	22 Oct 2025

Brief Explanation of the above results:

A. The results reflect the culmination of two major positive events during the year. Firstly, London City sold its final 1.8% shareholding in Fiducian Group Limited for a capital gain of $5.6 million. Secondly, it participated in the ongoing voluntary liquidation of Escelsior Capital Limited being pursued by that company after agreement was reached with London City in November 2025. London City agreed to withdraw its Federal Court litigation provided Excelsior Capital proceeded with a voluntary liquidation and return all funds to shareholders, timing proposed before 30 June 2026. Two fully franked dividends of $8.1 million were received accordingly. The liquidation process continues.

B. London City Directors have adopted a cautious approach to investment over the last two years in the light of volatile stock-markets, erratic international events and economic uncertainty. As a result, the investment portfolio has seen a substantial rise in liquid interest bearing resources. At balance date these comprise over 80% of total assets. The funds are all held via trading bank deposits and securities.

C. Directors propose the payment of a fully franked dividend of 2.5 Cents a share for 2026. This confirms the adoption of last year's one-off component as a firm component of the Ordinary Dividend payout going ahead.

3. Comprehensive Income Statement

Please refer to the attached **2026 Annual Report** for details and explanation. London City confirms that full compliance with AASB 101 Presentation of Financial Statements has occurred.

4. Financial Position

Please refer to the attached **2026 Annual Report** for details and appropriate explanation.

5. Cash Flows

Please refer to the attached **2026 Annual Report** for details and appropriate explanation.

6. Retained earnings and changes in equity

Please refer to the attached **2026 Annual Report** for details and appropriate explanation.

7. Dividend Distributions

Please refer to the attached **2026 Annual Report** for details and appropriate explanation.

8. Dividend Reinvestment Plans

Directors have confirmed the continuation of the Dividend Reinvestment Plan for 2026.

9. Net Tangible Assets

Please refer to the attached **2026 Annual Report** for details and appropriate explanation.

10. Changes regarding control in related entities

No such controlled related entities apply to the Company.

11. Associates and Joint Ventures

Imperial Pacific Limited is an associated company. Details are shown in the 2026 Annual Report

12. Other Significant Information

Please refer to the attached **2026 Annual Report** for details and appropriate explanation.

13. Foreign Entity disclosures

No such foreign entities apply to the Company.

14. Commentary on Events

Please refer to the attached **2026 Annual Report** for details and appropriate explanation.

15. Status - Audit:

1. The above Report has been based on accounts which have been audited.

2. There are no items in dispute in relation to the accounts of the company.

Signed for and on behalf of the Board

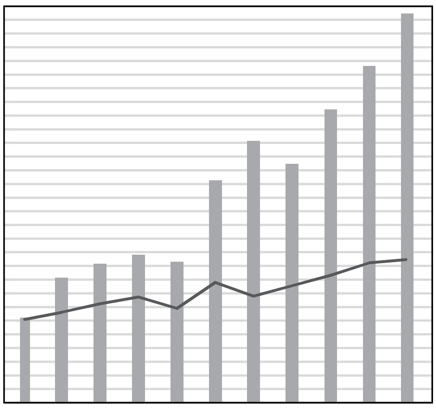
Peter EJ Murray - Director and Chief Operating Officer 25 August 2026

London City Equities
LIMITED

ABN 59 003 200 664

Annual Report

2026



London City Equities Limited

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Shareholders of London City Equities Limited will be held at Level 2, 111 Harrington Street, The Rocks on Wednesday 21 October 2026 at 10.30am.

Ordinary Business

1. To receive, consider and discuss the Directors' Report and Accounts for the year ended 30 June 2026 and payment of dividend.

2. To adopt the Remuneration Report for the year ended 30 June 2026 as disclosed in the Directors Report. (Note: The vote on this resolution is advisory only and does not bind the Directors.)

3. To elect a Director. In accordance with the Constitution Mr. D. G. Butel retires by rotation, and being eligible, offers himself for re-election. (Details of Mr Butel are shown later.)

Other

4. To transact such other business as may be brought forward in accordance with the Constitution and the Corporations Act 2001.

By Order of the Board

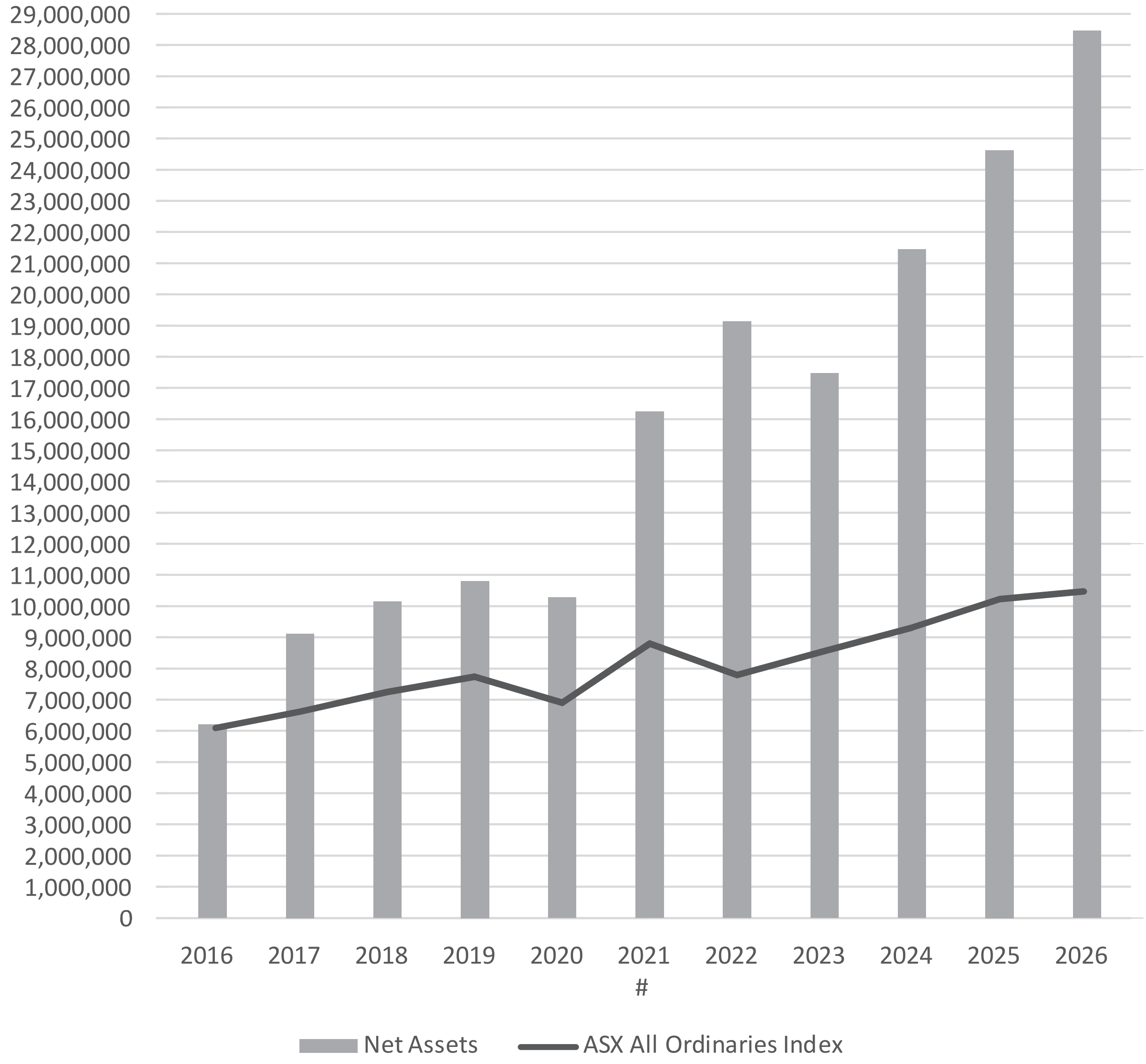
Louis J. Joseph
Company Secretary — Sydney, 24 August 2026

PROXIES
A member entitled to attend and vote is entitled to appoint no more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. A proxy need not be a member of the Company. Proxies must be deposited at the registered office of the Company not less than 48 hours before the time of the meeting. A proxy form is enclosed with this notice.

London City Equities Limited

Net Asset Changes 2016 - 2026

(After Payment of dividends)



Includes $3.0 million in new Rights Issue funds

London City Equities Limited

Key Features of 2025-26

- **London City's Net Worth rose 16% to record levels - major inflows coming from having two key positive events occurring in one year. This performance took place even after a record dividend payment last October.**
- **The first event was the sale of our final shareholding remaining from what had been the second largest (at 7%) holding in Fiducian Group Limited. Having shares there for twenty years, the London City Board has always been impressed with the style, character and effectiveness of Fiducian's Board and management. Thank you, Fiducian.**
- **The second event came from our legal action in the Federal Court of Australia where we sought the ultimate return by Excelsior of all its assets to shareholders. Prior to the trial date Excelsior and London City reached agreement that our litigation would cease and Excelsior would undertake a voluntary liquidation – now 75% completed.**
- **All funds raised are placed into trading bank related securities, mainly term deposits. These funds now comprise over 80% of London City's assets and carry good interest rates. Research for new equity investments has accelerated, albeit cautious.**

Corporate Directory

Directors:	P. E. J. Murray B.A., FCA, AfSIAA (Chairman) D.G. Butel MBA, BSc, Dip Bus Std, Dip Ed. L.J. Joseph B.Comm
Chief Operating Officer:	P. E. J. Murray B.A., FCA, AfSIAA
Company Secretary:	L. J. Joseph B.Comm
Auditors:	HLB Mann Judd Assurance (Newcastle) Pty Limited, 426 King Street, Newcastle West, NSW 2302
Bankers:	Westpac Banking Corporation
Corporate and Registered Office:	Level 2, 111 Harrington Street, The Rocks NSW 2000 Postal Address: PO Box R1414, Royal Exchange, NSW 1225 Telephone: (02) 9247-9315
Solicitors:	Hedges Bhatty Lawyers 111 Harrington Street, The Rocks NSW 2000
Share Registrar:	Registry Direct PO Box 572, Sandringham VIC 3191 Telephone: 1300 55 66 35
Web-site:	www.londoncity.com.au
Stock Exchange:	Australian Securities Exchange Limited (Home Exchange – Sydney (Code - "LCE") 20 Bridge Street, Sydney, NSW 2000

London City Equities Limited

Chairman's Review

Another excellent year - Net Worth rises 16% - Key long term investments exited – serious cash holdings
London City has continued to pursue a careful course in the light of hesitant economic and global conditions. It is now completing its exit from two long held investments with the proceeds of over $25 million going into safe trading bank term deposits. Our assets, profits, cash flows and franking credits are at very comfortable levels.

The **Australian stock-market** was relatively flat this year. The 2.4% rise of the ASX All-Ordinaries Index from **8,773** to **8,986** this June shows this. It was 9.5% the previous year. No surprise, really, given persistent inflation, interest rates concerns and, of course, serious international tensions constantly in the news. Your Directors are very pleased to be in a position of high liquidity in safe hands. And carrying very comfortable interest rates.

Operating Results – Significant Revenue Income – abnormal given strange circumstances.
Shareholders will note the declared Operating Profit of $7.8 million represented record results. That is true. However, they need to be viewed and balanced with the drop in year end unrealised market values. All this arose from the voluntary liquidation process now being undertaken by 9% owned Excelsior Capital. This was a result of settlement of London City's Federal Court litigation. In simple terms all of the $80 million of funds returned to Excelsior shareholders so far have been in the form of fully franked dividends for the Profit & Loss Account. The Capital Return is now taking place but at a price close to low share price levels seen back in 2020. This will become a realised loss in the 2026-27 financial year – and go to capital reserves. For 2026 the 2.5 cent Dividend has been cemented as the new base payout level – and not rely on a "special" component.

Major increases in Portfolio values – to near $29 million – huge change to high liquidity.
As shareholders know, the Board decided two years ago to adopt a more cautious stance on investment and move away from having too much reliance on having a few key investments to one with high liquidity and maximum flexibility via trading bank deposits and securities. The sale of the final portion of our 7% shareholding in **Fiducian Group Limited** concluded total proceeds there of over $21 million with last year's final producing a capital gain of $5.6 Million. Our involvement in Fiducian started twenty years ago. Directors believe this experience confirms the validity of London City's investment criteria. The voluntary liquidation of **Excelsior Capital Limited** (9% owned) now in place saw the payout of two fully franked dividends a few months ago, with London City receiving over $8.0 million.

Balance Sheet – Net Assets 89.9 cents at balance date
The Balance Sheet structure has changed markedly over the last eighteen months. By exiting our two key investments over this period London City has booked high capital gains and maximised its flexibility with very high liquidity. This growth has utilised all past tax losses. And London City now has a tax bill. However, we can report that our corporate activity has boosted franking credit levels. At year end London City's net assets stood at $28.4 million, or 89.9 cents a share.

Outlook
Going through a cautious high liquidity stage, Directors consider London City's short term outlook will be stable with ongoing interest flows covering easily the group outgoings and adding slightly to net worth. They recognise that solid growth can only come from well managed equity investment holdings. However, it may take time for the research programme to come up with candidates that meet our stringent criteria.

Yours,

Peter E J Murray
Chairman of Directors

24 August 2026

London City Equities Limited

Directors' Report
for the year ended 30 June 2026

Your Directors present herewith their report on the Company for the financial year ended 30 June 2026.

Principal Activities
The principal activities of the company are predominantly the investment in Australian equities, those reflecting long term strategic advantage, comfortable profits and held via meaningful shareholding levels. Over the last two years, however, the Board adopted a cautious investment policy and reduced the company's exposure to strategic equity holdings to one focused for a while on a growing portfolio of trading bank liquid funds. While waiting for appropriate investment opportunities to be located. There was considerable time spent on our initiated Federal Court litigation. This process was successful.

Stock-market values were virtually steady over the year. Notwithstanding, market circumstances allowed London City to sell its final remaining holding in Fiducian Group Limited. Furthermore, London City's Federal Court litigation resulted in Excelsior Capital Limited (9% owned) agreeing to undertake an internal voluntary liquidation and return all funds to shareholders.

Accordingly, London City an operating profit of $7,801,195 for the year and a major capital gain of $5,391,000 that, after tax of $514,000 has gone direct to reserves. Dividend payout was firmed at 2025 levels. Shareholders Equity at year end rose to $28,449,000.

Strategic Positioning
London City maintains a policy of being a long term strategic holding company investing in entities that have significant and unique market shares and offer inherent growth. London City is risk averse, avoids borrowings and supports quality management in its holdings. It seeks some control over its destiny and is prepared to be assertive when required. Any surplus funds are held in trading bank related securities.

London City seeks to provide shareholders with attractive investment returns over the medium to longer terms by enhancing capital growth and pay dividends that over time grow faster than the rate of inflation.

Directors and Officers
The Directors and Officers of the Company in office at any time of the year are as follows:

Peter E.J. Murray – Chairman of Directors
Special Responsibility: Chief Operating Officer
Chartered Accountant, Bachelor of Arts, Affil Member of Stockbrokers and Securities Industry Assn. .
Mr Murray has spent over 40 years involved in company management, corporate finance and ASX listed company matters. He has been a senior executive in merchant banking and stockbroking at Director level. Experienced in corporate financial matters, mergers, fund raisings and general management. Chairman of Imperial Pacific Ltd since 1980. Past Chairman of Directors of Camelot Resources NL and CCI Holdings Ltd. [Director of London City since 1986].

David Butel – Independent Non Executive Director
Special Responsibility: Chair of Audit, Compliance and Risk Management Committee.
Master of Business Administration, Bachelor of Science, Diploma of Business Std, Diploma of Education.
Mr Butel has had over 30 years of active executive involvement at senior levels in the Australian resources and services sector in the vital fields of Testing, Inspection and Certification. In recent years his participation has been through ACIRL Pty Limited, CCI Holdings Limited and the international Bureau Veritas organisation as Senior Vice President Commodities – Pacific Zone. He is experienced in high level business management, acquisitions and international resource services. [Director of Imperial Pacific and London City since 2016]

Statutory Directors Report (Cont'd)

Directors and Officers (Cont'd)

Louis J Joseph – Independent Non-Executive Director [Appointed 2022 and Company Secretary since 2016]
Special Responsibility: Chair of Remuneration Committee.
Bachelor of Commerce, Member Turnaround Management Association of Australia.
Mr Joseph has been involved directly in businesses in both the commercial sector and in the securities industry. His experience has been developed within Australia and in overseas locations, including Asia. His expertise includes small business management, financial markets and securities analysis.

Particulars of Directors Interests in Shares in the Company are:

	Ordinary Shares
PEJ Murray	15,459,386
DG Butel	13,291,140
LJ Joseph	13,251,103

(These include 13,170,206 Ordinary Shares held by Imperial Pacific Limited.)

In accordance with the Constitution, Mr. D.G. Butel retires from the Board at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election. The Company proposes to increase the maximum fee level to $275,000 from the $125,000 approved in 2007.

During the financial year the following formal meetings were held:

	Board Meetings		Audit, Compliance and Risk Committee		Remuneration Committee	
	Eligible to attend	Number Attended	Eligible to attend	Number Attended	Eligible to attend	Number Attended
P.E.J. Murray	5	5	-	2*	-	2*
D.G. Butel	5	5	2	2	2	2
L.J. Joseph	5	5	2	2	2	2

* By invitation

Remuneration Report

The company does not have any formal employees and operates through its Board and a shareholder approved management agreement with Imperial Pacific Asset Management Pty Limited. The company has a Remuneration Committee which is responsible for remuneration policies and monitors the remuneration of Directors and officeholders with market conditions. Details of the emoluments of the Directors are set out in Note 17 of the financial statements and are based on the following annual entitlements:

	Fees	Super Contributions	Total
Mr P.E.J. Murray	$10,000	$1,200	$11,200
Mr D.G. Butel	$45,000	$5,400	$50,400
Mr LJ Joseph	$45,000	$5,400	$50,400

Results and Dividend Status

London City reports an exceptional profit for the year of $7,801,195, a sum boosted by high dividends from a corporate investment pursuing voluntary liquidation. The Company also reports a major capital gain of $5,391,000 that, after tax of $514,000, has gone direct to reserves. Dividend payout was again increased. The Dividend Re-investment Plan will again apply. Shareholders Equity at year end rose to $28,449,000.

Statutory Directors Report (Cont'd)

Objectives, Achievements and Review of Operations
The prime objectives during the year were to protect and enhance London City's long term commitment to its thrust as a strategic holding company. As in 2025 the Board recognised market volatility coupled with some excess enthusiasm. And in a climate where official interest rates rose in the second half in an endeavour to counter high inflation. As a result London City sold the final remaining holding in Fiducian Group Limited and continued its Federal Court litigation that in November 2025 led to Excelsior Capital Limited (9% owned) undertaking an in-house voluntary liquidation. Prior to the planned final capital return Excelsior paid two significant dividends to shareholders, including the London City group. The input of substantial funds has been placed in trading bank securities, predominantly term deposits carrying an attractive rate of interest

Significant changes in the state of affairs
There have been no significant changes in the state of affairs other than those mentioned elsewhere in this Annual Report.

Likely developments and expected results of operations
London City intends to focus on building up its portfolio carefully from its current high liquid position. London City will continue to search for equity investments into companies that exhibit high market shares, inherent growth, managements with owner mentality and ones that represent good value. Shareholders are aware that London City favours companies where it may have positive influence. The present investment portfolio comprises some 80% in trading bank interest rate securities, pending the result of ongoing research for equity investments that meet the Company's stringent criteria. Otherwise, Directors are not aware of any major development likely to have a significant effect upon the operations of the company.

Matters subsequent to the end of the financial year
Since balance date the valuation of the investment portfolio has improved slightly in line with the accrual of interest income. Only modest purchases of equities have taken place. Directors propose payment in October of a fully franked dividend of 2.5 cents per share. This dividend sum has not been provided for in the financial statements.

Environmental regulation
The Company is not subject to material environmental regulations under any Commonwealth, State or Territory Law.

Other Information
The Directors are not aware of any significant change in the state of affairs of the group that occurred during the financial year under review not otherwise disclosed in this report and the accounts. In the opinion of the Directors likely developments in the operations of the company known at the date of this report have been covered generally within the Annual Report.

Proceedings in respect of the company
The Company is not presently involved in active legal proceedings. It continues to monitor the voluntary liquidation being pursued by Excelsior Capital Limited in accordance with the agreement reached with that company on 17 November 2025.

Risks (Business and Other) and Compliance
The Company's long term business focus is on being an equity portfolio holding activity where the thrust is directed at strategic percentage shareholdings in companies considered viable on a long tern scenario. During the 2025/26 year it reduced its involvement in that objective by substantially exiting two key investments it owned for many years. The resultant proceeds have all been placed in trading bank securities such as term deposits. These carry very limited risk although may experience interest rate fluctuations from time to time. Directors believe this is a very comfortable situation for the company. Nonetheless, the Board monitors and assesses risk on a regular basis.

Statutory Directors Report (Cont'd)

The Board of Directors has in place an Audit, Compliance and Risk Management Committee to assist its deliberations in respect of these issues. The ACRM Committee meets regularly and considers, amongst other things, the audit arrangements and internal control processes of the company. Board meetings consider issues raised by the ACRM Committee and formal management reports on the compliance by the company with its key obligations. The Board also notes the regulatory compliance obligations of its portfolio management provider, Imperial Pacific Asset Management Pty Limited.

The Directors have received and considered the Section 295A certification from the senior officeholder responsible for meeting the company's financial, operational and compliance requirements.

Indemnification of Officers

The company has not, during or since the end of the financial year in respect of any person who is or has been an officer or auditor of the company or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability incurred by an officer, including costs and expenses in successfully defending legal proceedings.

Auditor

The auditor continues in office in accordance with Section 327 of the Corporations Act 2001.

Non-audit services.

Details of the non-audit services provided by the auditor are set out at Note 18 of the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means the auditor independence was not compromised.

Auditor's Independence Declaration

A copy of the auditor's declaration under Section 307C in relation to the audit for the financial year is provided later in this report.

Signed in accordance with a resolution of the Directors. Dated at Sydney this 24th day of August 2026.

On Behalf of the Board,

P E. J. MURRAY, Director

D. G. BUTEL, Director

London City Equities Limited

Corporate Governance Statement – 30 June 2026

London City has noted the "principles and recommendations" of the ASX Corporate Governance Council. The Board of London City believes it carries out the broad thrust of the issues in a proper and pragmatic way for a small company such as London City in the strategic holding company business. In some cases it has not adopted recommendations. The corporate governance policies of the company and the departures from the recommendations are discussed below.

This Corporate Governance Report has been approved by the Board and is current at 24 August 2026.

Principle 1 Lay solid foundations for management and oversight

London City has a Board Charter which establishes the functions reserved to the Board and to senior management. A copy of the Board Charter is set out in the rear pages of this Annual Report. London City operates its business through its Board of Directors and its Chief Operating Officer in conjunction with its portfolio management arrangements with Imperial Pacific Asset Management Pty Limited, which has managed and administered the portfolio since 1 July 2005. The company secretary is directly accountable to the Board.

London City supports the principle of diversity of skills, background and gender in relation to board membership, management composure and commercial activity. It has incorporated into its Board Charter a policy in this regard. While such diversity is considered when the opportunity arises, the Board recognises that a company of the size of London City, conducting investment activities with three directors and without formal employees, has limited scope for making major changes. The Board considers production of numerical statistics is not meaningful in its case.

The Board sets and monitors strategic business plans and shorter term operating challenges. The Board meets at least once a quarter. London City has a formal policy in relation to Core Business Processes as well as formal policies on investment processes and approvals. Written agreements of appointment are in place with ongoing Directors. The operations of the company and delegation of duties are inherent in a public listed organisation with investments that may impact on other companies.

Principle 2 Structure the Board to be effective and to add value

The Board of Directors is structured to add long term value to London City. The Directors hold a variety of professional, securities market and corporate skills, operating in a climate where cost effectiveness is a key issue and shareholding interests encourage active participation. There are three Directors, of whom two are regarded for corporate governance purposes as independent because of their minor shareholdings in the associated group and their professionalism. Directors believe it is not practicable, nor cost-effective presently, for London City as a small strategic holding company to have an "independent" (as defined by the governance principles) Chairman. Indeed the Directors believe it is positive that major shareholdings are held by Directors. London City structure is such that it operates without a Chief Executive Officer. London City's policy allows Directors, subject to Board approval, to take independent professional advice at its expense.

Directors also point out that they regard a formal Board nomination committee as not being appropriate for a company like London City. This task is undertaken by the Board as a whole as and when circumstances dictate. The criteria set for membership of the Board is to ensure that there exists a sufficient mix of skills and experience for a company of the nature of London City to add value and enhance shareholders' wealth. These include Financial and Commercial acumen, Executive Leadership, Strategy, Investment, Governance, Tertiary or equiv. qualification, Merger and Acquisitions, Taxation, Risk Management and Public Listed Company experience.

The Directors also believe they are very open and transparent in disclosing their plans, aspirations and financial results to the shareholders. They believe the annual shareholder meetings provide a good opportunity for shareholders to evaluate their performance. Directors are subject to re-election every three years. The Board has a policy of operating a tight structure, but appoints external parties experienced in specific sectors from time to time to provide the Board with expert advice or undertake projects.

Corporate Governance (Continued)

Principle 3 Instill a culture of acting lawfully, ethically and responsibly

The Board is committed to ensuring that the group's affairs are conducted in a judicious and ethical manner above and beyond legal and regulatory obligations. To meet these objectives London City has in place a formal Code of Conduct Policy. It also has a Securities Trading Policy for dealing in the company's securities in addition to complying with legislative obligations. A copy is on the ASX Announcements Platform – 29 December 2010. This Trading Policy includes the prohibition of officeholders from dealing in London City securities between the end of accounting periods and the release of results without the written consent of the Chair. Investments on the Embargo List are prohibited without the approval of the Board. A summary of terms of the Code of Conduct follows:

London City Equities Limited ("London City") and its shareholders expect that each Director, member of staff and / or related personnel should pursue exemplary conduct in respect of ethics, roles and responsibilities of their office. The Group's directors and employees should conform with high community standards of corporate and individual behaviour, in particular:

PERSONAL BEHAVIOUR AND ACCOUNTABILITY

a. Role and statutory responsibilities as an officer of the corporation
b. Awareness of social responsibilities
c. Obligations to all corporate stakeholders
d. Honesty and fairness in dealings
e. Pursuit of the best interests of the corporation
f. Adherence to Group policies and practices
g. Continuing assessment of corporate opportunity and risk
h. Undertaking training and being informed on current commercial and business matters.

SECURITY AND CONFIDENTIALITY

a. Boardroom confidentiality
b. Security of corporate information
c. Misuse of corporate information

MANAGEMENT OF PRIVATE INTERESTS

a. Declaration of private interests including any interest in Group contracts
b. Gratuities, gifts, and other benefits related to corporate office
c. Potential and real conflicts of interest

COSTS TO THE CORPORATION

a. Expenses incurred on corporation business
b. Fringe benefits and allowances including leave and retirement allowances
c. Sundry claimable expenses

SANCTIONS

Failure to observe high standards in relation to the foregoing will constitute grounds on which the Board of London City Equities Limited may by resolution of the directors institute such disciplinary or remedial action as it deems appropriate. This may include dismissal and/or reporting to relevant authorities.

Principle 4 Safeguard the integrity of financial reporting

The Board has in place an Audit, Compliance and Risk Management Committee which comprises two non-executive Directors (Mr Butel as Chairman and Mr Joseph as the other party). Both are regarded as independent persons. With a Board incorporating only three personnel London City believes two members, rather than three, are appropriate for an entity of its nature. London City has further assurances in regard to financial reporting integrity because of the involvement of external auditors and the manager of the company's portfolio, Imperial Pacific Asset Management, which has extensive ASIC obligations. Operating office-holders are professionally qualified in financial reporting matters. The Board has received positive written Section 295A opinions from the Chief Operating Officer and Chief Financial Officer equivalents and confirmation that such has been formed on an effective sound system of risk management and internal control in accord with the company's characteristics. In relation to audit partner rotation of the company's external auditors, the Chief Operating Officer monitors the situation in conjunction with the audit firm. The ACRM Committee has a formal charter. A summary is set out in the rear pages of this Annual Report.

Corporate Governance (Continued)

Principle 5 Make timely and balanced disclosures

The Board aims to ensure timely, balanced and continuous disclosure to the market of all material matters concerning London City in accordance with the ASX continuous disclosure regime and appropriate corporate transparency. To carry out this obligation effectively the Board is sensitive to the requirements of an informed market and it has in place a Communications Policy which encompasses a continuous disclosure policy. It seeks to keep its shareholders informed through reports to the Australian Securities Exchange, half and full-year profit disclosures, annual reports and material shareholder information announcements.

While the Board is ultimately responsible for this task, the Chief Operating Officer carries the immediate administrative obligation for meeting communications obligations and shareholder transparency. A summary of the Communications Policy follows:

The Board of London City Equities Limited ("London City") firmly believes in providing quality communications to its shareholders and other stakeholders. This includes meeting the company's obligations to the Australian Securities Exchange ("ASX") in relation to Continuous Disclosure Obligations. London City aspires to over-deliver, rather than under-deliver information to its stakeholders. In view of this approach, London City meets the ASX Corporate Governance Principle No 5.

London City seeks to provide to its stakeholders the highest levels of communication standards by adopting the following focus:

- Shareholders are the owners of the company and are entitled to the maximum of information.
- The company will provide all regulatory documentation such as Annual Reports and other letters of advice on a consistent and timely basis
- London City will maintain a web site that provides information on its activities for external consumption.
- Communications will be set out in a clear way, be honest, be factual and endeavour to answer all likely queries that may arise.
- London City will not employ financial "spin doctors" or embellish a story.
- Annual Reports will be explanatory and will be mailed as soon as possible and sent to holders in a hard copy.
- Shareholders are encouraged to telephone management to discuss issues and subject to confidentiality issues, full explanations will be forthcoming.
- London City will announce all important and material items as soon as practicable. Where announcements may impact on other organisations, London City may advise that organisation on a confidential basis beforehand..

The Board of London City is primarily responsible for communicating matters to stakeholders. Management personnel will provide the support for the preparation and distribution of announcements. Mr Peter EJ Murray is the senior executive responsible for London City meeting its Continuous Disclosure obligations to the Australian Securities Exchange and any ASIC required communications.

Principle 6 Respect the rights of security holders

London City, as reported earlier, has a communications policy in place. This recognises the importance of effective communications with shareholders and other parties. London City has an informative web-site that assists shareholders in making decisions on their rights and contacting the company electronically. Furthermore, the shareholders have other formal and informal rights provided by the company's Constitution, regulatory bodies and proper public company behaviour. These rights include their entitlement to financial statements, attendance at shareholder meetings, participation by voting on the election of directors at the Annual General Meeting and on other important issues. The auditor is invited to attend the Annual General Meeting, however the board notes that auditor is professionally restricted from providing detailed financial information and limited to discussing audit process. Shareholder meetings are conducted in an open forum with wide discussion encouraged by the Chairman.

Principle 7 Recognise and manage risk

London City has established policies for the recognition, oversight and management of material business risks. It does not consider it has material exposure to economic, environmental and social sustainability issues. Given the volatility of equity markets and economic conditions, especially in recent times, London City regards risk management as a very important issue. It does not have a formal internal audit function but has in place an Audit, Compliance and Risk Management Committee. Risk recognition, oversight and management issues are carried out by senior personnel in conjunction with the Board, the Committee and in some cases, external professionals. The Audit, Compliance and Risk Management Committee's framework was prior to the completion of the Annual Report.

Corporate Governance (Continued)

While the company's internal policies are considerable, the Board points out that, as a strategic holding company investing in other companies, it can be difficult to monitor the behaviour of those entities, especially when weak regulatory bodies do not examine or enforce corporate law. The Board has received positive written Section 295A assurances from the Chief Operating Officer and Chief Financial Officer equivalents. A summary of London City's policies on risk recognition, oversight and management follows:

The Board of London City Equities Limited ("London City") believes in competent risk recognition, oversight and management.
It recognises that as a strategic holding company (where it primarily invests in other organisations) there is some danger where that organisation does not provide proper business or financial reporting disclosures or does not meet competent risk management practices. For these reasons London City must continue to be vigilant in these procedures.

London City seeks, as far as practicable for an organisation in strategic investment in other companies, to undertake competent levels of risk management. These relate to its internal and external matters:

Internal Matters (Own resources)

- London City seeks to have a comfortable asset base in which it has no formal gearing.
- Investments must be selected carefully and generally monitored for some time before any shares are purchased.
- London City must concentrate on investment opportunities where it can acquire a reasonably significant equity stake (eg 10%-20%) in a company that can be understood, has a leading position in its market, has good management and represents good investment value with attractive IRRs. (The policy of a leading US investor).
- London City must be available to work in with investee companies.
- London City must remain cost conscious.
- Surplus monies must be placed only with its trading bankers,
- Monies on Deposit and investments must take account of external advice when necessary.
- Good internal controls to be maintained, disaster recovery assessed and regulatory compliance pursued.

Other Matters (External Factors)

- London City must monitor economic, stock-market, industrial sector conditions and maintain close contact with existing investee companies
- London City must have the potential (where events prove unsatisfactory) to become active supporters of the investee company either through direct Board representation or by arms-length support.
- London City must maintain close contacts in various industries of interest.
- London City may seek Board representation with certain investee entities.

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The Board of London City is primarily responsible for risk recognition, oversight and management. The Board of London City is assisted in its deliberations by the Audit, Compliance and Risk Management Committee (ACRM). Both the Board and the ACRM Committee are assisted by the management of London City and its portfolio management service provider Imperial Pacific Asset Management Pty Limited. Risk Management issues must be discussed regularly. All Board meetings must be provided with details of current investments, targeted investments and funds on deposit

Principle 8 Remunerate fairly and responsibly

London City has a Remuneration Committee in place. The Remuneration Committee is responsible for assessing appropriate remuneration and payment for Directors as well as for other office holders and the portfolio management service provider. The Remuneration Committee comprises Mr Joseph (Chairman) and Mr Butel. Both are regarded as independent under the ASX definition. Details of their attendance at committee meetings are set out elsewhere in this Annual Report. Ultimately shareholders approve director's fees and in 2007 they approved a maximum payout of $125,000 per annum. This maximum is being reviewed now to reflect the increased nature of the work undertaken and the size of the company. Shareholders in London City on 22 November 2023 voted and approved the current management agreement in which the portfolio of London City would continue to be managed by Imperial Pacific Asset Management Pty Limited.

Except for compulsory legislative obligations London City has no scheme for retirement benefits for non-executive directors. Furthermore, London City has no equity based remuneration scheme and has no requirement for policies in this regard. A summary of the Remuneration Committee Charter is set out in the rear pages of this Annual Report.

Income Statement
for the year ended 30 June 2026

	Notes	2026 $	2025 $
Revenue from ordinary activities	3	9,030,950	1,814,197
Other expenses from ordinary activities			
Management fees	4	(498,211)	(274,543)
Other Operating Expenses	4	(265,167)	(509,350)
		(763,378)	(783,893)
Cost of Trading Investments sold	4	(466,377)	(530,393)
Profit (Loss) from ordinary activities before tax		7,801,195	499,911
Income tax	5	-	-
Profit (Loss) for Year		**7,801,195**	**499,911**

	Notes	2026	2025
Earnings per share:			
Earnings per share from profit from continuing operations attributable to the ordinary equity holders of the company.			
Basic and Diluted earnings per share (Cents)	25	24.66	1.60

The accompanying notes form part of these financial statements.

London City Equities Limited

ABN 59 003 200 664

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2026

	Notes	2026 $	2025 $
Profit (Loss) for Year		**7,801,195**	**499,911**
Other Comprehensive Income (Expense)			
Net Realised and Unrealised Gain (Loss) for the period on securities in the Investment Portfolio:	14	(3,536,459)	3,148,675
Total Other Comprehensive Income (Expense)		**(3,536,459)**	**3,148,675**
Total Comprehensive Income for the year		**4,264,736**	**3,648,586**

The accompanying notes form part of these financial statements.

London City Equities Limited

ABN 59 003 200 664

Balance Sheet
as at 30 June 2026

	Notes	2026 $	2025 $
Current assets			
Cash and cash equivalents	6	306,400	42,842
Short Term Securities	7	24,845,345	11,324,571
Trade and other receivables	7	41,494	402,466
Total current assets		**25,193,239**	**11,769,879**
Non-current assets			
Investment Portfolio	8	3,709,134	14,586,727
Deferred Tax Assets	9	450,000	750,000
Total non-current assets		**4,159,134**	**15,336,727**
Total assets		**29,352,373**	**27,106,606**
Current liabilities			
Trade and other payables	10	320,549	250,288
Tax Payable	10	514,000	-
Total current liabilities		**834,549**	**250,288**
Non-current liabilities			
Deferred Tax Liability - Investment Portfolio	11	69,000	2,240,000
		69,000	**2,240,000**
Total liabilities		**903,549**	**2,490,288**
Net assets		**28,448,824**	**24,616,318**
Equity			
Share Capital	12	8,430,580	8,080,174
Realised Capital Gains Reserve	14 (a)	9,417,788	4,539,828
Unrealised Revaluation Reserve	14 (b)	(2,704,598)	5,709,821
Retained Profits	14 (c)	13,305,054	6,286,495
Total equity		**28,448,824**	**24,616,318**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
for the Year Ended 30 June 2026

	Notes	**2026** **$**	**2025** **$**
Total Equity at the beginning of the year		**24,616,318**	**21,437,296**
Transactions with Equity holders in their capacity as equity holders:			
Capital issued during the year via Dividend Reinvestment Plan	12	350,406	-
Dividends paid:	15	(782,636)	(469,564)
Total transactions with Equity holders in their capacity as equity holders:		**(432,230)**	**(469,564)**
Income and Expense for Year:			
Profit (Loss) for Year:		**7,801,195**	**499,911**
Other Comprehensive Income (Expense) Items:			
Net Realised Gain for the period	14	4,877,960	11,272,723
Net Unrealised Realised Gain (Loss) for stocks held on 30 June	14	(8,414,419)	(8,124,048)
Total other comprehensive income (including realised and unrealised gains and losses) for the year		**(3,536,459)**	**3,148,675**
Total Equity at the end of the year		**28,448,824**	**24,616,318**

The accompanying notes form part of these financial statements.

Cash Flow Statement
for the year ended 30 June 2026

	Notes	2026 $	2025 $
Cash flows from operating activities			
Investment Income			
Dividends Received		8,034,460	1,162,338
Interest Received		673,045	128,959
Payments to suppliers and personnel (inclusive of goods and services tax)		(632,265)	(703,393)
Net cash inflow (outflow) from operating activities	24	**8,075,240**	**587,904**
Cash flows from investing activities			
Payments for investments		(935,617)	(1,964,733)
Proceeds from sale of investment		6,923,371	13,787,842
Proceeds - Sale of Trading Securities		323,444	522,900
Outlays - Short Term Trading Securities		(466,377)	(530,393)
Proceeds - Short Term Trading Securities and Term Deposits		6,178,202	-
Outlays - Short Term Trading Securities and Term Deposits		(19,722,285)	(11,301,263)
Net cash inflow (outflow) from investing activities		**(7,699,262)**	**514,353**
Cash flows from financing activities			
Increase in Issued Capital		350,404	-
Related Corporations		319,808	(609,608)
Dividends paid		(782,632)	(469,565)
Net cash inflow (outflow) from financing activities		**(112,420)**	**(1,079,173)**
Net increase (decrease) in cash held		263,558	23,084
Cash at beginning of the financial year		42,842	19,758
Cash at end of the financial year	24	**306,400**	**42,842**

The accompanying notes form part of these financial statements.

Note 1: Summary of material accounting policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. International Financial Reporting Standards ("IFRS") form the basis of Australian Accounting Standards ("AASBs") adopted by the AASB. The financial statements have been prepared in accordance with AIFRS (Australian Equivalents to International Financial Reporting Standards.

The Company has endeavoured to adopt "plain English" where possible to assist in information transparency.

The following is a summary of the significant accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless stated otherwise.

Basis of Accounting
London City Equities Limited is a listed public company incorporated and domiciled in Australia. It is a free standing company and its accounts are presented as such. The financial statements are prepared using the valuation methods described below for holdings of securities. All other items have been treated in accordance with historical cost convention.

In the application of the Company's accounting policies described above, the Directors are required to evaluate estimates and judgments that may be incorporated into the financial statements. Estimates and associated assumptions are based on historical experience and assume a reasonable expectation of future events. Actual results may differ from these estimates.

There are no estimates or judgments that have a material impact on the Company's financial results for the year ended 30 June 2026. All material financial assets are valued by reference to quoted prices and therefore no significant estimates or judgments are required in respect to their valuation.

(a) Income Tax
The income tax expense or credit for the period is the tax payable on the current period's taxable income adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and to the unused tax losses. The rate of 30% has been adopted for these statements.
Deferred tax assets and liabilities are offset as all current and deferred taxes relate to the Australian Taxation Office and can legally be settled on a net basis. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those differences and losses.
A tax provision is made for the unrealised gain or loss on Trading Portfolio securities valued at market value through the Income Statement. A Tax rate of 30% has been adopted.
Where non-current Investment Portfolio assets are adjusted for unrealised gains or losses at balance date in the Unrealised Revaluation Reserve an assessed deferred tax liability or asset is created to reflect the applicable tax, even though there may be no intention to dispose of those holdings. The tax sum is applied to the Unrealised Revaluation Reserve on one hand and the deferred tax liability or asset on the other.

(b) Investments
The Company has two discrete types of investments - the Trading Portfolio (Current Assets) and the Investment Portfolio (Non-Current Assets). The Company is a long term investor. All investments are initially recognised at the fair value of the consideration given. After initial recognition, investments (classified as either Trading or Investment) are measured at their fair value. Fair Value of listed securities is determined by reference to the last sale price at the close of business at balance date. Gains or losses on Trading Portfolio investments are recognised in the Income Statement. Gains or losses on Portfolio investments are recognised as a separate component of equity in the Unrealised Revaluation Reserve.

Note 1: Summary of significant accounting policies (Cont'd)

(c) Non-Current Assets
The carrying amounts of all non-current assets other than investments are reviewed at least annually to determine whether they are in excess of their recoverable amount. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower value. In assessing recoverable amounts, the relevant cash flows have been discounted to their present value.

(d) Derivatives
To a large extent the company may be exposed to fluctuations in interest rates with its activities. It is not the policy of the company to use derivative financial instruments. The company does not hedge its exposure to interest rates.

(e) Financial Risk issues
The economic entity has in place risk management controls supervised by the Board and the Audit, Compliance and Risk Management Committee. Risk issues are explained further in Note 16 of the financial statements.

(f) Cash and cash equivalents
For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Revenue
Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend revenue is recognised when the right to receive a dividend has been established. Revenue from the rendering of a service is recognised upon meeting the relevant performance obligations.

(h) Goods and Services Tax
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.
Receivables and payables are stated inclusive of the amount of GST receivable or payable where invoiced. The net amount of GST recoverable from, or payable to the ATO is included with other payables in the balance sheet. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are reported as operating cash flows.

(i) Leases
A lessee is required to recognise, the commencement date of the lease, the present value of the remaining non-cancellable lease payments as a lease liability on the statement of financial position with a corresponding right-of-use asset. The unwinding of the financial charge on the lease liability includes depreciation and an interest borrowing rate expense. The Company has assessed that it is not a party to any arrangements that are required to be accounted for as Leases under AASB 16.

(j) New Standards and interpretations not yet adopted.
The Australian Accounting Standards Board has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The reported results and position of the Company are not anticipated to materially impact the Company's existing accounting policies. Adoption will, however, result in changes to information currently disclosed in the financial statenents. The Company does not intend to adopt any of these pronouncements before their effective date.

(k) Consolidated Entity Disclosure Statement
As the Company is not required to prepare consolidated financial statements by Australian Accounting Standards, it is not required to present a consolidated entity disclosure statement.

(l) Financial Statements Approval
The financial statements were authorised for issue by the Board of Directors on 19 August 2026.

Note 2. Segmental information

The economic entity predominantly acted through the year as a strategic investor investing funds in Australia.

2026	Investment	Other	Total
Revenue	$	$	$
Investment /other revenue	8,355,952	674,998	9,030,950
Segment result			
Profit (loss) after tax	7,409,309	391,886	7,801,195
Segment assets	28,427,419	924,954	29,352,373
Segment liabilities	(834,500)	(69,049)	(903,549)
Net cash inflow from operating activities	7,448,942	(13,060,718)	(5,611,776)

2025	Investment	Other	Total
Revenue	$	$	$
Investment /other revenue	1,685,238	128,959	1,814,197
Segment result			
Profit (loss) after tax	709,502	(209,591)	499,911
Segment assets	26,601,299	505,307	27,106,606
Segment liabilities	(2,404,732)	(85,556)	(2,490,288)
Net cash inflow from operating activities	662,470	(11,383,322)	(10,720,852)

Note 3. Revenue

From continuing operations	2026 $	2025 $
Dividends	8,034,460	1,162,338
Interest - Other Corporations	673,046	128,959
Other Income	-	-
Sales - Trading investments	323,444	522,900
Total Operating Revenue	9,030,950	1,814,197

Note 4. Profit from ordinary activities

Profit from ordinary activities before income tax expense includes the following specific expenses:

Expenses		
Auditors Fees (Note 18)	23,400	21,200
Directors fees (Note 17)	130,500	105,000
Superannuation - Directors (Note 17)	17,185	11,875
Listing Costs	41,157	49,184
Licence fee payable regarding premises	25,941	25,773
Management fees - associated company		
- Basic management fee	299,759	255,903
- Performance Fee	198,452	18,640
Legal and Litigation Costs	(18,777)	187,907
Unrealised Diminution in value - trading securities	21,381	89,082
Other Operating Expenses	24,380	19,329
Total Operating Expenses	763,378	783,893
Cost of Trading and other Investments sold	(466,377)	(530,393)
Operating Profit before Tax	7,801,195	499,911

(b) Individually significant items included above

Costs - Management fees - associated company	498,211	274,543
Costs - Litigation Expenses	(See Note)	187,907

Note 5. Income Tax Expense

	2026	2025
(a) The components of income tax credit (expense) comprise:		
Current Tax	-	-
Deferred Tax	-	-
	-	-
(b) The income tax credit (expense) for the financial year differs from the amount calculated on the profit. The differences are reconciled as follows:		
Profit from ordinary activities before income tax expense	7,801,195	499,911
Income tax calculated at 30%	(2,340,359)	(149,973)
Less: Tax Effect of :		
- Recoupment of prior year losses	-	-
- Net Dividend Franking Credit re dividends	2,340,359	149,973
- Future income tax benefits arising in prior years not previously brought to account	-	-
Income tax benefit (expense)	-	-
(c) Amounts recognised directly in equity:		
Decrease (Increase) in deferred tax asset relating to		
(i) capital gains tax on the increase in unrealised losses in the Investment Portfolio	-	-
(ii) capital gains tax on realised loss in the Investment Portfolio	-	-
Net Movement	-	-

(d) Deferred tax assets not recognised

All future income tax benefit has been brought to account in 2026. For 2025 no future income tax benefit was brought to account in the accounts in respect of estimated tax losses of approximately $3,000,000.

	2026	2025
Revenue Losses	-	4,992,000
Capital Losses	-	9,347,000
	-	14,339,000

The tax losses have not been confirmed by the tax authorities. The taxation benefits will only be obtained if:-

(i) Assessable income is derived of a nature and of amount sufficient to enable the benefit of the deductions to be realised;

(ii) Conditions for deductibility imposed by the law complied with; and

(iii) No changes in tax legislation adversely affect the realisation of the benefit and of the deductions.

It is noted that London City's present share portfolio holds substantial Unrealised Gains (Note 14).

Note 6. Current assets - Cash and cash equivalents

	2026	2025
Cash at Bank and on Hand	123,446	42,842
Cash on Deposit - Other	182,954	-
The above figures are the final balances of the statement of cash flows.	306,400	42,842

Note 7(a). Current assets - Trade and other receivables

	2026	2025
Other debtors	40,786	396,291
Amounts due from Associated Entities	708	6,175
	41,494	402,466

Note 7(b). Current assets - Short Term Securities

	2026	2025
Term Deposits - Westpac Banking Corpn	24,268,541	5,146,369
Listed Bank Hybrid Floating Rate Securities	576,804	6,178,202
	24,845,345	11,324,571

Note 8. Non current assets - Investment Portfolio

	2026	2025
Listed investments		
Listed securities of corporations at market value	2,578,402	14,115,117
Unlisted investments		
Unlisted securities of corporations at market value	1,130,732	471,610
	3,709,134	14,586,727

Note 9. Non current assets - Deferred Tax Assets

Recognised deferred tax assets are attributable to the following:

Tax Value of loss carry-forwards partly recognised:		
Unrealised Capital Losses	390,000	690,000
Revenue Losses	60,000	60,000
	450,000	750,000

Note 10(a) Current liabilities - Trade and Other Payables

Unsecured liabilities:		
Sundry Creditors	128,435	171,112
Amounts payable to associated companies	192,114	79,176
	320,549	250,288

Note 10(b) Current liabilities - Provision for Tax

Tax Liability related to Realised Long Term Gains	514,000	-
	514,000	-

Note 11. Non-current liabilities - Deferred Tax Liability

Deferred Tax Liabilities on Unrealised Gains in the Investment Portfolio	69,000	2,240,000
	69,000	2,240,000

Note 12. Share Capital

(a) Issued capital

31,742,318 (2025: 31,304,311) fully paid ordinary shares	8,430,580	8,080,174

(b) Movement in ordinary share capital:		
Balance at beginning of accounting period	8,080,174	8,080,174
Share capital issued during year via Dividend Reinvestment Plan	350,406	-
Balance at reporting date	8,430,580	8,080,174

(c) Movement in ordinary share numbers:	Number	Number
Balance at beginning of accounting period	31,304,311	31,304,311
Shares issued during year via Dividend Reinvestment Plan	438,007	-
Balance at reporting date	31,742,318	31,304,311

(d) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number and amounts paid on the shares. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll is entitled to one vote.

Note 13. Capital Management

The Company's objective in managing capital is to continue to provide shareholders with attractive investment returns over the medium to longer term through access to a steady stream of fully-franked dividends, minimal gearing and enhancement of capital invested. Its goals include paying dividends that, over time, grow faster than the rate of inflation.

The company recognises that its capital will fluctuate in accordance with market conditions and the performance of its underlying investments. It may adjust the amount of dividends paid, issue new shares from time to time, buy-back its own shares or sell assets to minimise debt. At present there is no share buy-back programme in operation. The company intends to pay dividends according to franked credits available.

Note 14. Reserves and retained profits

	2026	2025
(a) Realised Capital Gains Reserve	**$**	**$**
Balance - beginning of year	4,539,828	(6,732,895)
Gain (Loss) realised during year	5,391,960	11,272,723
Less Related Tax Payable	(514,000)	-
Balance - year end	9,417,788	4,539,828
(b) Unrealised Revaluation Reserve		
Balance - beginning of year	5,709,821	13,833,869
Reverse Unrealised - Prior Year	(7,469,821)	(14,919,869)
Reverse Applicable Tax - Prior Year	2,240,000	4,476,000
Increase (Decrease) in Unrealised Gains (Declines)	(2,815,598)	7,469,821
Provision for Tax on Unrealised (Gains) Losses	(69,000)	(2,240,000)
Less: Unrequired Provision / Reduced Future tax expectation	(300,000)	(2,910,000)
Balance - year end	(2,704,598)	5,709,821
(c) Retained Profits		
Retained Profits at the start of the financial year	6,286,495	6,256,148
Net profit (loss) for the year	7,801,195	499,911
Dividends paid	(782,636)	(469,564)
Retained Profits at the end of the financial year	13,305,054	6,286,495

(d) Nature and purpose of reserves

Realised Capital Gains Reserve

The Realised Capital Gains Reserve records realisation gains or losses from the sale of non-current assets. The reserves may be used for the distribution of bonus shares to shareholders and is available for the payment of cash dividends as permitted by law.

Unrealised Revaluation Reserve

The Unrealised Revaluation Reserve is used to record increments and decrements on the revaluation of non-current Investment Portfolio assets, as described in the accounting policies and adjusted to reflect the applicable deferred tax liability or asset. It is then reduced according to future tax benefits.

Note 15. Dividends

(a) Status of dividends

		2026	2025
Dividend paid - Fully Franked	16 Oct 2025	(782,608)	(469,564)
Total Dividends Paid		(782,608)	(469,564)
Proposed fully franked dividends			
- Ordinary of 2.5 Cents per share	16 Oct 2026	(793,558)	(782,608)

Note: The dividend recommended for October 2026 has not been accrued in the above accounts. The Dividend Reinvestment Plan will continue to be operating this year.

(b) Franking credits

	2026	2025
Franking credit tax component available for dividends in future years	4,401,673	1,020,000
Fully franked dividends possible at tax rate of 30%	10,270,570	2,380,000

Note: The above amounts represent the balance of the franking account as at the end of the financial year adjusted for franking credits and debits arising from payment of tax and receipt of franked dividends.

Note 16. Financial instruments and risk

A. Financial instruments - fair value of financial assets and liabilities

Accounting Standards require the disclosure of fair value measurements by level of the following fair value measurement hierarchy:

Level 1 - Quoted prices in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Inputs for the asset or liabilities that are not based on observable market data (unobservable inputs).

2026 Allocation	Level 1	Level 2	Level 3	Total
Financial assets	$	$	$	$
Cash & cash equivalents	306,400			306,400
Short Term Securities	24,845,345			24,845,345
Receivables		41,494		41,494
Portfolio Investments	3,709,134			3,709,134
Financial liabilities				
Other creditors	(320,549)			(320,549)

2025 Allocation	Level 1	Level 2	Level 3	Total
Financial assets	$	$	$	$
Cash & cash equivalents	42,842			42,842
Short Term Securities	11,324,571			11,324,571
Receivables		402,842		402,842
Portfolio Investments	14,586,727			14,586,727
Financial liabilities				
Other creditors	(250,288)			(250,288)

B. Main Risk Considerations

London City's activities expose it to various financial risks, mainly market risk, credit risk and liquidity risk.Risk management is carried out by senior management under policies and strategies approved by the Board and the Audit, Compliance and Risk Management Committee. The company is not directly exposed to currency risk.

(a) Market Risk

This is the risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market prices that depend on many factors including economic conditions and corporate profitability. London City seeks to reduce market risk by adhering to the prudent investment guidelines of its Board, including guidelines in respect of industry status, investee position in industry, performance outlook, management skills and level of stategic shareholding acquired. Price and Interest Rate risks are shown below.

(a) (i) Price Risk

The company is exposed to equities securities price risk because of certain investments held by the company and classified on the balance sheet as either Trading or Investment. Major funds are also held on short term term deposit and are thus exposed to Reserve Bank decisions and market movements. London City is not directly exposed to commodity price risk or derivative securities risk.

Note 16. Financial instruments and risk (Cont'd)

Price Risk Sensitivity Analysis:

The table below summarises the pre-tax impact of both a general increase and general fall in stock-market prices by 10%. The analysis is based on the assumption that the movements are spread equally over all assets in the Trading and Investment Portfolios.

	---- 2026 -----		---- 2025 -----	
	10.0% increase in market prices	10.0% decrease in market prices	10.0% increase in market prices	10.0% decrease in market prices
	$	$	$	$
Impact on Profit (Pre tax)	(3,709)	3,709	(14,587)	14,587
Impact on Equity (Pre tax)	370,914	(370,914)	1,458,673	(1,458,673)

(a) (ii) Interest Rate Risk

This is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At balance date London City had a proportion of its assets held in interest-bearing bank accounts, deposits and bank hybrids. As such, the company's revenues and assets are subject to interest rate risk to the extent that the cash rate falls over any given period. Given that London City has no interest bearing liabilities at balance date, the Board and management consider there is no need to undertake hedge arrangments.

Interest Rate Risk Sensitivity Analysis:

London City's levels of cash at bank and on short term deposit are material and reflect historical "highs'. The Board and managenent constantly monitor market conditions. All funds are short term up to 120 days.

(b) Credit Risk

The credit risk on the financial assets of an entity is the risk that one party to a financial instrument may cause a financial loss for the other party by failing to discharge an obligation. This credit risk for London City is minimised by its policy of placing surplus funds with the company's bankers.

(b) (i) Cash and Cash Equivalents

The credit risk of London City in relation to cash and cash equivalents is in the carrying amount and any accrued unpaid interest. The average weighted maturity of the cash portfolio at any time is no greater than 120 days. The credit quality of material deposits of cash and cash equivalents can be assessed by reference to external credit ratings.

	2026	**2025**
Cash at bank and short-term bank deposits:		
AA -	24,391,987	5,181,211
BBB -	576,840	6,178,202

(b) (ii) Trade and sundry receivables

The credit risk of the company in relation to trade and sundry receivables is their carrying amounts. The sums are minor and relate mainly to accrued interest and prepayments. The risk is mitigated by internal monitoring.

(c) Liquidity Risk

This risk is that experienced by an entity when it has difficulties meeting its financial obligations. London City has no external formal borrowings. It manages liquidity carefully, recognising dividend inflow timing and maturity balances of term deposits and marketable securities. London City's Board and management actively reviews its liquidity position on a regular basis to ensure that the company can always meet its commitments, including investment programmes.

Note 16. Financial instruments and risk (Cont'd)

(c) (i) Maturities of financial assets

The following table details London City's maturity periods of its financial assets. This table has been prepared based on the fair values of financial assets as at 30 June and according to the committed deposit maturing dates. Estimates are continually evaluated and are based on historical experience and expectations which are considered reasonable.

Maturity:	**2026**	**2025**
Immediate	306,400	42,842
To 30 Days	402,466	402,466
30 - 365 days	24,845,345	11,324,571
Longer Term	3,709,134	14,586,727

(c) (ii) Maturities of financial liabilities

The following table details the company's maturity periods of its financial liabilities. This table has been prepared based on the undiscounted cash flows of financial liabilities based on the earliest date on which London City is liable to meet its obligations. The table includes both interest (where applicable) and principal cash flows.

Maturity:	**2026**	**2025**
To 30 Days	320,549	250,288
90 - 120 days	-	-
Greater than 120 days	-	-

Note 17. Directors and Executives' Remuneration

The company has no executives. Its portfolio is managed by a Management Agreement with Imperial Pacific Asset Management Pty Limited. The basic management charge for 2026 was $299,759 (2025 - $255,903) and the performance fee accrued was $198,452 (2025 - $18,640).

(a) Names and positions held of directors and specified executives in office at any time during the financial year are:

Mr P E J Murray	- Chair and Chief Operating Officer
Mr DG Butel	- Director - Non-Executive
Mr LJ Joseph	- Director - Non Executive and Company Secretary

(b) Directors' Remuneration:

2026	Salary, Fees Commissions	Primary Super Contributions	Post Employment	Other (Equity Options Etc)	Total $
Mr P E J Murray	10,000	1,200	-	-	11,200
Mr D G.Butel	45,000	5,400	-	-	50,400
Mr LJ Joseph	45,000	5,400			50,400
	100,000	12,000	-	-	112,000
Paid incuding prior years	130,500	17,185	-	-	147,685

2025	Salary, Fees Commissions	Primary Super Contributions	Post Employment	Other (Equity Options Etc)	Total $
Mr P E J Murray	30,000	3,450	-	-	33,450
Mr D G.Butel	40,000	4,400	-	-	44,400
Mr LJ Joseph	35,000	4,025			39,025
	105,000	11,875	-	-	116,875

Note 17. Directors and Executives' Remuneration (Cont'd)

(c) Shareholdings

Number of Shares held by Directors and Specified Executives

	Balance 01-Jul-25	Received as Remuneration	Options Exercised	Net change *	Balance 30-Jun-26
Mr P E J Murray	15,011,730	-	-	447,656	15,459,386
Mr D G Butel	12,947,959	-	-	343,181	13,291,140
Mr LJ Joseph	12,907,922	-	-	343,181	13,251,103

* Net change refers to shares purchased, sold or resulting from relevant interest during the financial year
Note: Each holding includes 13,170,206 shares (2025 - 12,817,025 shares) held by Imperial Pacific Ltd.

(d) Remuneration Practices

1. The company has no executives.
2. The remuneration arrangements for directors are determined by the shareholders in general meeting. From time to time the Board may submit proposals to increase the fees, which are presently a maximum of $125,000. An increase is being proposed. The company has scope to remunerate Directors for special duties that may be requested on occasion.
3. There is a formal management agreement in place with Imperial Pacific Asset Management Pty Limited, a subsidiary of Imperial Pacific Limited. This was approved by shareholders on 22 November 2023 and provides for, inter alia, a term of 10 years from 22 November 2023 that continues until replaced. Fees are 1% of the portfolio value, together with possible performance fees of 15% of any gain achieved above the performance of the S&P ASX 300 Accum Index movement. The total basic fee payable during 2026 was $298,759 ($255,903 in 2025). In addition a performance fee of $198,452 ($18,640 in 2025) was accrued for 2026. This was payable due to the portfolio of the company outperforming the S&P ASX 300 Accumulated Index by some $1.3 million.
4. Interests of Mr Murray were paid or accrued $151,193 by Imperial Pacific Limited during 2026.
5. The company has a Remuneration Committee in operation.

Note 18. Auditor's remuneration

	2026	2025
Remuneration contracted for audit review of the financial reports of the parent entity or any entity in the consolidated entity.	$	$
HLB Mann Judd Newcastle Pty Ltd - Assurance services	21,000	18,200
	21,000	18,200
Remuneration for other services		
HLB Mann Judd Newcastle Pty Ltd - Other services	2,400	3,000
	2,400	3,000
	23,400	21,200

Note. London City's Audit, Compliance and Risk Management Committee oversees the relationship with the Auditors, including reviewing the scope of the audit and the proposed fee.During the year the assurance firm Cutcher & Neale Assurance Pty Ltd joined the HLB organisation and is now HLB Mann Judd Assurance (Newcastle) Pty Limited.

Note 19. Contingent liabilities

Directors report that there are minor bank guarantee arrangements regarding office rentals. Legal action is no longer being pursued. Otherwise, Directors of London City are not aware of any contingent liabilities that may impact on the company.

Note 20. Capital and Leasing commitments

	2026	2025
(a) Capital Expenditure Commitments	$	$
There are no material capital commitments outstanding at year end.		
(b) Licence Fee Arrangements - Premises		
Arrangement in relation to use of premises at the reporting date but not recognised as liabilities, payable		
Not later than one year	26,634	25,858
Between 1 & 2 years	25,307	26,892
Later than 2 years but not later than 5 years		25,552
	51,941	78,302

These arrangements represent a premises use licence.

Note 21. Related parties

Directors

The names of persons who were Directors of London City Equities Limited at any time during the financial year were Mr P.E.J.Murray, Mr D.G.Butel and Mr L.J.Joseph. Each of these parties were directors of associated company, Imperial Pacific Limited and its group companies during the year, including the subsidiary Imperial Pacific Asset Management Pty Ltd, the manager of London City's Portfolio.

Remuneration

Information on remuneration of directors is disclosed in Note 17.

Other related parties

Aggregate amounts included in the determination of operating profit before income tax that resulted from transactions with other related parties, predominantly its associate Imperial Pacific Limited.:

Associated Entity - Imperial Pacific Limited Group	2026	2025
- Management Fee Payable (Basic)	(299,759)	(255,903)
- Management Fee Payable (Performance)	(198,452)	(18,640)
Amounts payable at balance date (to) by Imperial Pacific Ltd Group	(191,407)	(73,001)

Note 22. Economic dependency

The main trading activity of the company during the year was investment in equities, cash deposits and bank hybrids. From time to time a significant strategic investment may be made which could influence its economic dependency. London City Equities has its resources mainly held in term deposits with its bankers and $0.5 million in bank hybrid securities. Accordingly, London City main dependency now rests with the leading banking system operators and the Reserve Bank of Australia interest rate decisions.

Note 23. Events occurring after balance date

An Ordinary Dividend totalling 2.5 Cents per share has been proposed for payment in October 2026. This has not been provided for in the financial statements. Since balance date the levels of funds held on deposit with the trading bank sector have increased slightly. London City continues to monitor the status of the voluntary liquidation undertaken by Excelsior Capital Limited where approximately one quarter of its previous asset base has not been returned to shareholders, contrary to a number of pronouncements made by that company over the last nine months.

Note 24. Cash Flow Information

	2026	2025
Reconciliation of operating profit after income tax to net cash inflow from operating activities:	$	$
Operating Profit (Loss) after Income Tax	7,801,195	499,911
Unrealised Value Diminution	21,381	89,082
Dividends Receivable by DRP	(3,600)	
Changes in Operating Assets and Liabilities:		
(Increase) Decrease in Other Debtors, prepayments	(21,177)	311,350
Increase (Decrease) in Other Creditors, accruals	277,441	(312,439)
Net Cash inflow from Operating Activities	8,075,240	587,904

	2026	2025
Cash Balances at year end:		
Money at Bank and on Hand	306,400	42,842
	306,400	42,842

Note 25. Earnings per share

	Cents	Cents
Basic and Diluted earnings per share (Note: No dilution as no options in existence).	24.66	1.60
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	31,632,818	31,304,311

Directors' Declaration

In the opinion of the Directors of London City Equities Limited (“the company”):

(a) the financial statements and notes as set out on pages 12 to 28 are in accordance with the Corporations Act 2001 including

a. complying with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with Corporations Regulations 2001 and complying with International Accounting Standards; and

b. giving a true and fair view of the Company’s financial position as at 30 June 2026 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the financial year on that date; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

(c) The Directors have been given the declarations by the effective chief executive officer and the effective chief financial officer required by Section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors.

P. E. J. MURRAY, Director

D. G. BUTEL, Director

Sydney

Dated: 24 August 2026

HLB MANN JUDD
ADVISORY AND ACCOUNTING

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of

LONDON CITY EQUITIES LIMITED
ABN 59 003 200 664

I declare that to the best of my knowledge and belief, during the year ended 30 June 2026 there have been:

i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

HLB Mann Judd Assurance (Newcastle) Pty Ltd
(An authorised audit company)

Nick Nancarrow
Director

NEWCASTLE WEST

17 August 2026

HLB Mann Judd Assurance (Newcastle) Pty Ltd ABN 37 126 556 330
Level 1, 426 King Street, Newcastle West NSW 2302
T: 1800 934 002 **E:** mailbox@hlbnewcastle.com.au

Independent Audit Report to the Members of

LONDON CITY EQUITIES LIMITED
ABN 59 003 200 664

Report on the Financial Report

Opinion

We have audited the financial report of London City Equities Limited (the Company), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of London City Equities Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year ended on that date; and
(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

HLB Mann Judd Assurance (Newcastle) Pty Ltd ABN 37 126 556 330
Level 1, 426 King Street, Newcastle West NSW 2302
T: 1800 934 002 **E:** mailbox@hlbnewcastle.com.au

Independent Audit Report to the Members (cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current year. These matters were addressed in the context of our audit of the financial report, and in forming our opinion thereon, but we do not provide a separate opinion on these matters.

<u>Investment Valuation</u>

The Company's primary activity is investment in other companies and its main asset is an investment portfolio consisting primarily of listed and unlisted equities and other short-term securities. As at 30 June 2026, the value of listed securities (refer to note 8 to the financial statements) amounted to $2.578M representing 8% of total assets held by the Company. Since 2025, the Company has reduced its holdings in listed securities through the sale of one particular investment.

The Company's accounting policy (refer to note 1(b) to the financial statements) describes the distinction between the "Trading Portfolio" and the "Investment Portfolio" with both asset classes recorded at fair value in accordance with Accounting Standard *AASB 9 Financial Instruments*.

The distinction between "Trading" and "Investment" portfolio assets can have a significant impact on the financial report as changes in market value of the former are recorded in the Income Statement and the latter within a separate reserve within equity. The classification and valuation of investments within the Investment Portfolio, and the tax effect of unrealised gains or losses, (refer to note 14(b) to the financial statements) is considered a key area of focus.

How our audit addressed this key audit matter

In obtaining sufficient audit evidence we:

(a) Assessed the classification of each investment as either Trading or Investment Portfolio assets in accordance with the Company's accounting policy
(b) Confirmed investment holdings to external confirmations
(c) Confirmed the valuation of all listed investments had been recorded to reflect the appropriate market value of the securities at balance date
(d) Evaluated the Company's assessment of fair value for possible impairment
(e) Evaluated the Company's recognition of deferred tax assets, in respect of tax losses, to reduce the tax payable in respect of realised gains on the Investment Portfolio.

Independent Audit Report to the Members (cont'd)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's 2026 Annual Report other than the financial report and the auditor's report thereon. We obtained the Chairman's Review and Directors Report that are to be included in the Annual Report prior to the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Audit Report to the Members (cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2026. In our opinion, the Remuneration Report of London City Equities Limited for the year ended 30 June 2026, complies with section 300A of the Corporations Act 2001.

Independent Audit Report to the Members (cont'd)

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd Assurance (Newcastle) Pty Ltd
(An authorised audit company)

Nick Nancarrow
Director

NEWCASTLE WEST

25 August 2026

London City Equities Limited

Corporate Governance Charters - 2026

A – The Board Charter of London City Equities Limited

The Board of London City Equities Limited ("London City") recognises that formal and informal responsibilities and tasks are established in the company's Constitution, in legislation and in regulatory requirements. The purpose of this Charter is to provide a structural framework to give the Board direction and authority over non contractual, legislative or regulatory responsibilities and duties.

Terms of Reference

Complementary to contractual, legislative or regulatory responsibilities, the Board's responsibilities shall include the following:

- Recognising that London City is foremost a business entity.
- Considering and approving corporate strategies and policies, reviewing and approving business plans and major items of expenditure and reviewing and approving financial statements and their presentation to shareholders
- Monitoring and utilising bodies such as the Audit, Compliance and Risk Management Committee and the Remuneration Committee, ensuring that the company has in place a reporting system which enables it to address the compliance and risk management responsibilities of the business carried out by London City.
- Assessing management, including the appointment of executives to the organisation, including the Company Secretary and examining corporate and executive performance.
- Considering Board appointments
- Reviewing from time to time the compliance undertaken by the company's portfolio manager, Imperial Pacific Asset Management Pty Limited.

Membership

The membership of the Board is determined by the Constitution and "shall be not less than 3 or more than 7". One-third of (non-executive) Directors must retire from office each year. They may seek re-election. From time to time the Board may consider it appropriate to appoint a new member (or members) to the Board. Personnel considered for selection shall be chosen in the first place on the basis of their requisite business, financial and communications skills. Assessments will then be made as to their suitability for the role in the light of other characteristics including diversity of skills and background, diversity of gender, potential conflicts of interest, personality, costs, availability and the ability to conform to a small company operation such as that of London City. Independence (as defined by ASX Corporate Governance statements) is not considered an important characteristic for London City. Induction of new Board members is to incorporate detailed explanations of operational matters and assurances as to meeting competent business practices.

London City supports the principle of diversity of skills, background and gender in relation to board membership, management composure and commercial activity. Directors should pursue relevant research and investment presentations to enhance professional development. London City will adopt as far as practicable for a company of the size and business activity of London City such a policy in these matters.

Meetings

The Board proposes to meet a minimum of four times each year. Additional meetings may be initiated by a Director or through requests from senior management.

External Reporting

The Board recognises its legislative and regulatory obligations to report financial and other events to its owners, the shareholders, on a continuous disclosure basis and to comply with other regulatory obligations such as those of ASIC and ATO and to undertake scrutiny and re-election at Shareholder Meetings.

Other Duties and Responsibilities

In addition to its formal legislative and regulatory obligations, the Board's responsibilities include the following:

Planning and Decision making

- Considering and approving corporate strategies and policies;
- Reviewing and approving business plans and major items of expenditure
- Assessing and deciding upon Investment opportunities.
- Assessing and deciding upon capital adequacy, gearing ratios and conservative placement of surplus monies on deposit.

Board Charter (Cont'd)

Monitoring

- Meeting regularly, formally and informally monitoring the company's performance and its capital and funding adequacy.
- Creating, monitoring and utilising the Audit, Compliance and Risk Management Committee;
- Ensuring that the company has in place a reporting system which enables it to address the reporting, compliance and risk management responsibilities of the business carried out by London City.
- Reviewing from time to time the compliance undertaken by the company's portfolio manager, Imperial Pacific Asset Management Pty Limited.

Reporting

- Ensuring that the company has in place a reporting system which enables it to produce effective, accurate and responsible financial reporting to the shareholders and other parties, including ASIC, ASX and ATO.
- Assessing Section 295A declarations by the CEO and the CFO.
- Reviewing and approving final financial statements and their presentation to shareholders.
- Maintaining open dialogue with all shareholders, especially at the Shareholder Meetings.

Management

- Assessing the need for additional or amended management personnel.
- Evaluating corporate and executive performance.
- Selecting and appointing executives to the organisation.
- Delegating the task of managing the corporation to executive management, namely:
    - Creating structure of command and responsibilities
    - Day–to-day management of resources
    - Payments of accounts and receipt of monies
    - Recording of transactions
    - Preparation and presentation of investment proposals, updates on existing and potential investments to the Board in conjunction with Imperial Pacific Asset Management Pty Limited
    - Preparation and presentation of various Board reports, agenda and minutes.
- Creating, monitoring and utilising the Remuneration Committee;

Liaison with Management

- The Board is ultimately responsible for the success of the entity and although it undertakes top level strategic planning and decision making for the entity, any Director is entitled to examine and if necessary, audit, any aspect of the company's operations or its management.

Codes of Conduct, Securities Dealings

- Considering and establishing codes of conduct about Director and personnel behaviour.
- Considering and establishing principles in relation to dealing in securities by Directors and company personnel, including Embargo Lists

Other

Any Director has the right, with Board approval, to seek independent professional advice where this is reasonably required for fulfilment of the responsibilities set out in this Charter.

B – The Audit, Compliance and Risk Management Committee Charter (Summary)

The Audit, Compliance and Risk Management ("ACRM") Committee's activities are directed towards satisfaction of Principles 4 and 7 of the ASX Corporate Governance Principles of the time.

Terms of Reference

The primary function of the ACRM Committee is to assist the Board of London City Equities Limited ("London City") in fulfilling its governance responsibilities in the following areas of Audit, Compliance and Risk Management:

A. Audit

a. Articulation of the guiding principles to be adopted by the external auditors;

b. Consideration of operating functions that will ensure adequate internal controls and financial reporting systems are in place.

B. Compliance

c. Consideration of operating functions that will provide adequate compliance with all relevant statutory and regulatory requirements and community obligations.

C. Risk Management

d. Appropriate consideration of operating functions that will provide adequate protection of the company's tangible and intangible assets by acceptable management of risk.

ACRM Charter (Summary) (Cont'd)

Membership

The membership of the ACRM Committee will be determined from time to time by the Board and comprises at least two non-executive members of the Board appointed by the Board on the basis of requisite business, financial and communications skills. The Board appoints the Chairman of the Committee. The Chairman presides over the meetings of the Committee and reports, as necessary, its actions and recommendations to the Board. The company's Chief Operating Officer and other personnel may be invited to attend meetings. The Chairman may call special meetings of the Committee in addition to those regularly scheduled and may request the attendance of staff and / or external auditors. A Secretary of the Committee may be appointed to facilitate administrative functions including the preparation and circulation of notices of meetings and agendas, and the recording of minutes.

Meetings

The ACRM Committee shall meet a minimum of two times during each year. Additional meetings are held at the discretion of the Committee Chairman or by direction of the Board. Agendas and minutes shall be prepared in relation to the meetings.

Reporting to the Board

The outcomes of the Committee's deliberations are to be reported to the Board as soon as possible after each meeting of the Committee. The minutes of these meetings are to be circulated to the Board.

Specific Duties and Responsibilities

The Committee is given responsibility for considering and advising Board on the following six areas:

One - Internal Controls and Procedures

- Ensuring through regular reviews that adequate procedures are in place to safeguard the company's assets provide informative financial statements and reports.
- Reviewing internal audit reports.
- Seeking to ensure that a system is in place to monitor legislative changes and current developments in accounting standards that might impact on the company.
- Assessing Section 295A declarations by the CEO and the CFO equivalents.

Two - External Audit

- Discussing with the external auditors the scope and extent of the half yearly and full year financial audits
- Reviewing and discussing findings of the external auditors and advising the Board of any issues of concern.

Three - Published Financial Statements

- Ensuring that systems are in place to allow the annual report statements to reflect properly the financial condition of the company and comply with ASX listing and other regulatory requirements

Four - Compliance

- Ensuring that the company has in place a reporting system which advises the Board periodically and addresses the compliance obligations of a public listed company such as London City.
- Reviewing from time to time the appropriateness of, and compliance action taken, by the company in maximising compliance obligations.
- Reviewing from time to time the compliance undertaken by the company's portfolio manager, Imperial Pacific Asset Management Pty Limited.

Five - Risk Management

- Ensuring that the company has in place a system which addresses risk recognition, oversight and management and reports as appropriate to the Board.
- Reviewing from time to time the appropriateness of, and risk management action taken by the company in maximising risk management protection.

Six - Special Assignments

- Subject to Board approval, doing such other things as are necessary or prudent to fulfil the responsibilities of the Committee.
- Undertaking other related activities referred to the ACRM Committee by the Board.

General

The ACRM Committee has the right at all times to obtain from all levels of management such information as is necessary to fulfil the responsibilities set out in this Charter The Committee has the right, with Board approval, to seek independent professional advice where this is reasonably required for fulfilment of the responsibilities set out in this Charter.

C – The Remuneration Committee Charter (Summary)

The Remuneration Committee's activities are directed towards satisfaction of Principle 1 of the ASX Corporate Governance Principles. The primary function of the Remuneration Committee is to assist the Board of London City Equities Limited ("London City") in fulfilling its governance responsibilities in the following area:

> *Establishing the guiding principles and the actual approval process to be adopted in the payment of sums of remuneration (or applicable financial arrangements) for any Director, or employee of the organisation or related party such as a portfolio management service provider.*

The membership of the Remuneration Committee will be determined from time to time by the Board and comprise two non-executive members of the Board appointed by the Board on the basis of requisite business, financial and communications skills. The Board appoints the Chairman of the Committee. The Chairman presides over the meetings of the Committee and reports, as necessary, its actions and recommendations to the Board. The company's Chief Operating Officer and other personnel may be invited to attend meetings. The Chairman may call special meetings of the Committee in addition to those regularly scheduled and may request the attendance of staff. A Secretary of the Committee may be appointed to facilitate administrative functions including the preparation and circulation of notices of meetings and agendas, and the recording of minutes.

The Remuneration Committee shall meet as required, expected to be not less than twice per year. Additional meetings are held at the discretion of the Committee Chairman or by direction of the Board. Agendas and minutes shall be prepared in relation to the meetings. The outcomes of the Committee's deliberations are to be reported to the Board as soon as possible after each meeting of the Committee. The minutes of these meetings are to be circulated to the Board.

The Committee is given responsibility for considering and advising Board on the following three areas:

One - The Board **-** Establishing the guiding principles and the actual approval process to be adopted in the payment of sums of remuneration (or applicable financial arrangements) for members of the Board, predominantly directors fees, examining comparative sums payable in the marketplace for similar services and ensuring proper compliance is undertaken for shareholder approval.

Two – Management **-** Establishing the guiding principles and the actual approval process to be adopted in the payment of sums of remuneration (or applicable financial arrangements) for executive management and examining comparative sums payable in the marketplace for similar services.

Three - Service Provider – Assessing and monitoring the payment of portfolio management fees to service provider, Imperial Pacific Asset Management Pty Limited.

The Remuneration Committee has the right at all times to obtain from management such information as is necessary to fulfil the responsibilities set out in this Charter

London City Equities Limited
Additional Information for Australian Securities Exchange Limited

Distribution of Equity Securities as at 15 August 2026

210 Shareholders held Ordinary Shares

Number of Ordinary Shares	Number of Shareholders
1 - 1,000	82
1,001 - 5,000	19
5,001 - 10,000	39
10,001 - 100,000	46
100,001 and over	23
	209

Note: There were 49 shareholders with non-marketable parcels of shares.

Substantial Shareholders as at 15 August 2026

	Shares in which a relevant interest could be held
Imperial Pacific Limited and related parties	13,170,206
J.C.Plummer	12,100,000

Twenty Largest Shareholders as at 15 August 2026

The names of the 20 largest shareholders are:-

Name	*Number*	*Percent of Capital*
Imperial Pacific Limited	12,988,002	40.9%
J.C. Plummer	12,100,000	38.1%
Capel Court Corporation Pty Limited	1,294,088	4.1%
P.E.J.Murray	995,092	3.1%
D.J. and B.L. LeCornu	366,667	1.2%
Clapsy Pty Limited	343,971	1.1%
JMK Wells	246,700	0.8%
REZ Investments Pty Ltd	219,005	0.7%
Imperial Pacific Fund Managers Pty Limited	196,334	0.6%
Wildrose Pty Limited	160,002	0.5%
J.K.Murray	143,482	0.5%
Baulderstone Nominees Pty Limited	135,000	0.4%
Oakey Creek Pastoral Co Pty Limited	134,165	0.4%
Bond Street Custodians Pty Limited	120,934	0.4%
A.Rooney	103,868	0.3%
Minton Consulting Pty Limited	102,395	0.3%
D. Michaelis	100,667	0.3%
R.I.W.Macleod	103,413	0.3%
S.J.McKenzie	100,000	0.3%
Debeyers Road Pty Limited	80,897	0.3%
	30,034,682	94.62%
Percentage of the issued capital held by top twenty:	94.62%	

Voting Rights

Voting Rights are one vote per share held

Service Agreements

There is no contingent liability for this company for the termination of benefits under service agreements at the date of this report.

LOGO: The emblem of London City Equities Limited represents the London Plane Tree. This plant, initially recorded in 1670, has become a long term survivor of the English seasons and population growth. Its resilience comes from its hardwood strength and its ability to shed bark, thereby renewing and protecting itself from risk of disease. Its shiny leaves are easily washed and reinvigorated by the rain. There are many examples still growing vigorously in London Squares that are estimated to be over 200 years old.