IMPERIAL PACIFIC LIMITED

ABN 65 000 144 561

- ASX Announcement -

- Market Update -

Given the current extraordinary worldwide health pandemic and adverse business conditions being experienced across the world Directors of Imperial Pacific Limited provide the following updates to the company's activities.

Investment Portfolio

As with most publicly listed companies in recent weeks Imperial Pacific's Investment Portfolio has seen its portfolio values fall, predominantly as a result of the serious adverse impact of the worldwide Covid-19 pandemic.

Imperial Pacific's main investment, **London City Equities Limited** (31% owned) has experienced value reduction of around 20% since December mainly because of both the broad fall in share prices and the ongoing outlays on legal costs. It has avoided the adverse covid-19 influenced sectors as travel, hospitality and retail. Its major investment in Fiducian Group Limited (7% owned) also fell in value, despite quality earnings and dividends continuing to be delivered to its shareholders. We note London City has now lodged in the Court an amended Statement of Claim against Ernst & Young, following the Court's favourable Judgment last August. In this regard London City has appointed an independent professional forensic accountant to submit precise remedial damages sums suffered by London City. We note London City is reviewing scope for a equity capital raising.

Imperial Pacific's other key shareholding, a 2% interest in **Excelsior Capital Limited** (held via a 5% group holding) has also fallen in value in recent times. Excelsior has undertaken further Board changes over the last six months. The company reported a flat performance for the half year, coupled with a reduced dividend payout designed to help preserve capital.

Net Worth

Consistent with the reduction in worldwide market values Directors report lower shareholder net worth. They estimate that Imperial Pacific's unaudited net assets are presently in the order of **$2.7 million**, or **87.5 cents per share**.

Equity Funding

In addition, Directors advise they are giving consideration to a potential capital raising that will support the company's ongoing corporate needs and take advantage of suitable investment opportunities.

For and on behalf of the Board

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Peter EJ Murray
Chairman of Directors

30 April 2020