

NAOS Emerging Opportunities Company (NCC)

NAOS

LISTED INVESTMENT COMPANY FACT SHEET as at 31 May 2017

NCC seeks to provide investors with genuine exposure to undervalued emerging Australian companies with an industrial focus. The investment approach we adopt is concentrated in nature, focusing only on investments we believe will be value accretive for shareholders. We place primary emphasis on protecting investors' capital and to that end have the flexibility to hold up to 100% of the portfolio in cash. NCC seeks to create and protect investor capital whilst providing a stream of sustainable growing fully franked dividends.

PERFORMANCE

NCC COMPETITIVE ADVANTAGE

- Genuine exposure to undervalued emerging companies (market cap generally <\$250 million) with an industrial focus
- Focus on providing investors sustainable and growing fully franked dividends
- Long term concentrated approach in quality companies to maximise shareholder returns
- No liquidity constraints due to closed end fund/LIC structure
- Soft close strategy at \$125M to maximise potential shareholder returns
- Portfolio flexibility with a benchmark/index unaware approach
- Ability to hold +100% cash in times of poor risk/return opportunities
- Significant management and shareholder alignment

TOP 5 NCC HOLDINGS

Enero Group
(ASX: EGG)



Big River Industries
(ASX: BRI)



BSA Limited
(ASX: BSA)



MNF Group
(ASX: MNF)



Consolidated Operations Group
(ASX: COG)



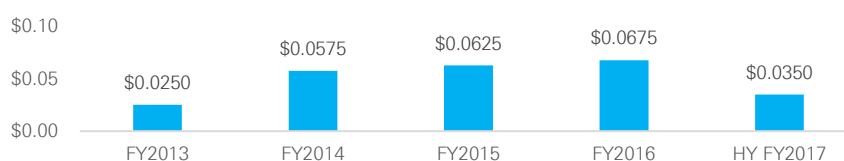
| | 1 Month | 1 Year | 3 Years (p.a.) | 4 Years (p.a.) | Inception (p.a.) | Inception (nom.) |
|---|---------------|----------------|-------------------|-------------------|---------------------|---------------------|
| NCC Investment Portfolio Performance* | +0.70% | +15.23% | +12.54% | +16.54% | +18.52% | +106.15% |
| S&P/ASX Small Ordinaries Accumulation Index (XSOAI) | -2.05% | +3.55% | +6.03% | +6.08% | +2.98% | +13.31% |
| Outperformance Relative to Benchmark | +2.75% | +11.68% | +6.51% | +10.46% | +15.54% | +92.84% |

* Investment Portfolio Performance as at 31 May 2017 and is post all operating expenses, before fees, taxes and initial IPO and placement commissions. Performance has not been grossed up for franking credits received by shareholders. Since inception (p.a. and nom.) includes part performance for the month of March 2013.

KEY CHARACTERISTICS

| | |
|-------------------------------|---|
| Inception Date | 26-Feb-13 |
| Investment Universe | Australian Listed Small Companies, ASX ex-100 |
| NTA | \$1.30 as at 31/05/2017 |
| Shareprice | \$1.33 as at 31/05/2017 Daily Pricing; ASX |
| Historical Dividend | 5.26% p.a. + 100% franking |
| Fees | 1.25%p.a. (ex. GST) of Fund NTA + 15% of outperformance of the benchmark (XSOAI + Management Fee 1.25%) |
| Investment Team | Sebastian Evans (CIO), Jeffrey Kim, Robert Miller, Ben Rundle (PM's) |
| Directors Shareholding | 3,756,353 shares |
| Enquiries | Julia Stanistreet enquiries@naos.com.au +61 2 9002 1576 |

HISTORICAL DIVIDENDS



RISK METRICS

| | NCC | XSOAI |
|--|----------|---------|
| Standard Deviation (Volatility of Returns) | 11.17% | 13.79% |
| Downside Deviation (Volatility of Negative Returns) | 5.85% | 7.29% |
| Performance Since NCC Inception | +106.15% | +13.31% |

HOW TO INVEST

| | |
|----------------------|--|
| Accessibility | ASX: NCC is traded on the Australian Stock Exchange and can be bought and sold by your broker or financial adviser without the need for application forms. |
| Platforms | Macquarie Investment and Super Wrap, MLC Navigator, Netwealth, BT Wrap/Super Wrap, HUB24 and most other platforms. |

Disclaimer: This report has been prepared by NAOS Asset Management Limited. Information provided in this report is for general information purposes and must not be construed as investment advice. In preparing this report we have not taken into account the investment objectives, financial situation or needs of any particular investor. Past performance is not a reliable indicator of future performance. Before making an investment decision investors must read the offer documents and should seek their own financial product advice. Returns are compounded for periods greater than 12 months. The Investment Manager of the Company is NAOS Asset Management Limited (ABN 23 107 624 126, AFSL 273529). www.naos.com.au