

MONTHLY INVESTMENT REPORT & NTA UPDATE

AS AT 30 APRIL 2021

Net Tangible Asset Value Breakdown

Pre Tax NTA*	Post Tax & Pre Unrealised Gains Tax NTA	Post Tax NTA	Share Price	Number of Holdings	Cumulative Fully Franked Dividends	Fully Franked Dividend Yield
\$1.17	\$1.18	\$1.14	\$1.05	14	\$0.5375	6.90%

*Pre-tax NTA is after the payment of \$266k (0.38 cents per share) in tax during the month.

Market Insight

For the month of April, the NCC Investment Portfolio returned +8.79%, outperforming the benchmark S&P/ASX Small Ordinaries Accumulation Index (XSOAI) which increased by +4.98%. The NCC Investment Portfolio has now returned +13.11% p.a. since inception in February 2013, significantly outperforming the XSOAI which has returned +7.31% p.a. over this time. April's outperformance was driven by the fact that not one of the NCC investments provided a detractor to performance, and a number of the core investments such as Saunders International (ASX: SND), Contango Asset Management (ASX: CGA) and Big River Industries (ASX: BRI) all provided significant positive contribution. From a news flow perspective CGA and Wingara Ag (ASX: WNR) both released their quarterly activity reports, and we were pleased to see Experience Co. (ASX: EXP) execute on two acquisitions that will form the basis of a third division of the business, which we believe offers significant growth potential.

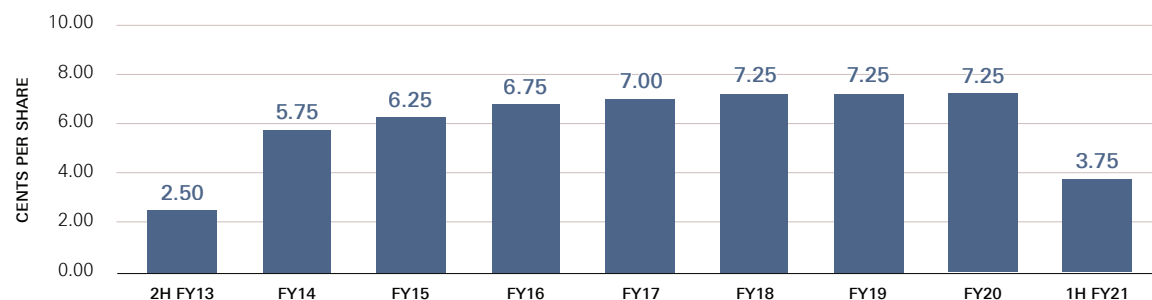
Investment Portfolio Performance Monthly and FY Returns*

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FY Total Return
FY21	+7.98%	-0.90%	+3.69%	+6.01%	+5.57%	+1.25%	+0.23%	+4.28%	-0.79%	+8.79%			+41.83%
FY20	+6.85%	+2.86%	+6.56%	-3.56%	-0.04%	+4.11%	+11.11%	-8.57%	-28.25%	+5.39%	+8.70%	+1.32%	-0.54%
FY19	-2.42%	+3.94%	+2.88%	-6.09%	-6.12%	-2.92%	-0.24%	+4.96%	-1.80%	-3.54%	-1.43%	+0.20%	-12.51%
FY18	+3.43%	+4.94%	-1.24%	+2.32%	+2.39%	+0.14%	-0.77%	-1.52%	+0.43%	-1.49%	-1.89%	+0.44%	+7.13%
FY17	+4.63%	+6.48%	+3.65%	-0.49%	-0.45%	+1.92%	+0.08%	-1.93%	+0.82%	-3.69%	+0.70%	+0.44%	+12.39%
FY16	+2.28%	-5.77%	+0.86%	+3.72%	+1.10%	+4.56%	-3.26%	+4.96%	+1.57%	+4.67%	+5.31%	+2.97%	+24.77%
FY15	+2.30%	+3.58%	-1.51%	-2.39%	+0.58%	+0.46%	+0.58%	+2.81%	-2.59%	-0.18%	+2.37%	-4.27%	+1.43%
FY14	+9.19%	+7.64%	+2.80%	+5.11%	-4.84%	-3.57%	+4.76%	+3.87%	+2.91%	-0.70%	+0.85%	+0.67%	+31.54%
FY13								+0.03%	+3.81%	+3.03%	+4.48%	-0.99%	+10.67%

*Investment Portfolio Performance is post all operating expenses, before fees, taxes and initial IPO commissions and all subsequent capital raising costs. Performance has not been grossed up for franking credits received by shareholders.

Fund distribution business CGA released a detailed quarterly update, which pleasingly showed the business producing a positive cash flow quarter after continuing to grow funds under management ('FUM'). FUM has now increased to over \$1.05 billion, a strong result given markets globally have become more challenging with different investment styles offering sharp divergences in performance over this short period of time. As we have said for several years, investing in CGA is akin to investing in WCM Investment Management, who now manage over \$100 billion in strategies across global equities. With FUM and momentum continuing to build we believe the 2nd billion of FUM will come much easier than the first. This is due to a variety of reasons including greater planner acceptance and Approved Product List penetration, maturity of the strategy performance track records, as well as a full suite of research ratings and platform distribution. If CGA can grow to

Fully Franked Dividend Profile (Cents Per Share)



Conviction. Long Term. Aligned



Market Insight Continued

\$2 billion in FUM, we believe the NPAT of the business should be >\$3 million p.a. with a significant cash position. Finally, if CGA can diversify its key manager risk away from WCM and bring on another tier-1 manager in the near-term then CGA may command a similar valuation multiple to the likes of Pinnacle Investment Management Group (ASX: PNI).

EXP completed two acquisitions of premium walking experiences which will form the third division of EXP, serving the premium adventure category. We estimate that these two acquisitions will initially be small from a contribution perspective with a combined EBITDA of <\$1.25 million p.a., but from a strategy perspective these acquisitions are significant for a variety of reasons. Firstly, the premium adventure segment within Australia has been growing rapidly and looking to compete with the experiences provided in North America, and this trend has been further accelerated due to COVID-19. In such a high growth segment we believe that there are a number of private businesses (such as Australian Walking Tours) that provide unique experiences with high barriers to entry, which would be highly complementary to the existing operations of EXP. These recent acquisitions also bring with them a management team that will transition across to EXP and provide valuable experience in an industry that has ample organic growth opportunities. We believe that over the next 3-5 years EXP will mature into a leading provider of tourism experiences in Australia and New Zealand with diversified operations by experience and location, and the opportunity to maximise this position through capitalising on the knowledge and insights generated from their client base.

Core Investment Portfolio Examples

		
BSA ASX: BSA	Saunders International ASX: SND	BTC Health ASX: BTC
<p>BSA is a solutions focused technical services organisation. BSA assist clients in implementing their physical assets, needs and goals in the areas of Building Services, Infrastructure and Telecommunication. BSA clients include National Broadband Network (NBN), Aldi Supermarkets, Foxtel and the Fiona Stanley Hospital.</p>	<p>Saunders International was established in 1951 and provides constructions, maintenance and remediation services to the energy, resources and infrastructure sectors. Clients include Sydney Water, Australian Government, Lend Lease and Rio Tinto.</p>	<p>BTC Health is a founder led high growth distributor of niche high quality medical devices in Australia and New Zealand. The company's strategy is to make active investments in businesses that acquire, develop and commercialize product opportunities in the healthcare space which will benefit from greater access to development capital.</p>

Investment Portfolio Performance

	1 Month	1 Year	5 Years (p.a.)	7 Years (p.a.)	Inception (p.a.)	Inception (Total return)
NCC Investment Portfolio Performance*	+8.79%	+56.20%	+10.01%	+9.68%	+13.11%	+173.76%
S&P/ASX Small Ordinaries Accumulation Index	+4.98%	+39.78%	+11.10%	+9.39%	+7.31%	+77.96%
Performance Relative to Benchmark	+3.81%	+16.42%	-1.09%	+0.29%	+5.80%	+95.80%

*Investment Portfolio Performance 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 Total Return) includes part performance for the month of February 2013. Returns compounded for periods greater than 12 months.

Key Metrics – Summary Data

Weighted Average Market Capitalisation of the Investments	\$188.6 million
Cash Weighting	3.37%
Standard Deviation of Returns (NCC)	16.40%
Standard Deviation of Returns (XSOAI)	16.55%
Downside Deviation (NCC)	11.13%
Downside Deviation (XSOAI)	10.33%
Shares on Issue	70,441,648
NCC Directors Shareholding (Ordinary Shares)	4,945,187
NCC Options Closing Price (ASX: NCCOB)	\$0.043
NCC Options on Issue	4,931,275

NAOS Asset Management Giving Back

NAOS Asset Management Limited, the Investment Manager, donates approximately 1% of all management fees to the following charities.

			
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