

MONTHLY INVESTMENT REPORT & NTA UPDATE

AS AT 30 NOVEMBER 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 |
|--------------|---|--------------|-------------|--------------------|------------------------------------|------------------------------|
| \$1.22 | \$1.22 | \$1.18 | \$1.065 | 13 | \$0.575 | 7.04% |

*Pre-tax NTA is after the payment of \$152k (0.21 cents per share) in tax during the month.

Market Insight

For the month of November, the NCC Investment Portfolio outperformed the benchmark XSOAI by +1.11% with the investment portfolio increasing by +0.80% and the benchmark decreasing by -0.31%. The NCC Investment Portfolio has now returned +13.10% p.a. since inception in February 2013, significantly outperforming the XSOAI which has returned +7.69% p.a. over this time. It was an eventful month across the NCC portfolio with Saunders International (ASX: SND) signing what we believe will be a company-defining contract for their business. Wingara Ag (ASX: WNR) released their first set of results under the stewardship of their new CEO, Gentrack Group (ASX: GTK) released a pleasing set of FY21 results and there were numerous Annual General Meetings (AGMs) held, with some providing more tangible and meaningful information than others.

Investment Portfolio Performance Monthly and FY Returns*

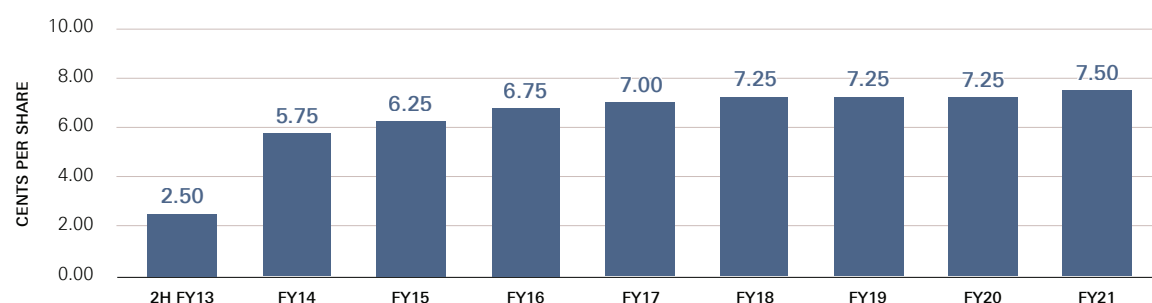
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY Total Return |
|------|--------|--------|--------|--------|--------|--------|---------|--------|---------|--------|--------|--------|-----------------|
| FY22 | +1.29% | +0.55% | -0.10% | +0.06% | +0.80% | | | | | | | | +2.62% |
| FY21 | +7.98% | -0.90% | +3.69% | +6.01% | +5.57% | +1.25% | +0.23% | +4.28% | -0.79% | +8.79% | +2.72% | +1.82% | +48.34% |
| 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, interest, taxes, initial IPO commissions and all subsequent capital raising costs. Performance has not been grossed up for franking credits received by shareholders.

SND announced what we believe to be a company defining contract for their business. The \$165 million contract is by far the largest in SND's history (by at least 3 times) and we believe this will be the first contract of scale where SND will provide Engineering, Procurement and Construction Management (EPCM) services to the end client. To give the above some perspective we believe SND now has the potential to deliver >\$180 million in revenue in FY23 compared to just \$66 million in FY20, of which >95% is organic growth. As with all contractors, execution will be key but we believe the disciplined nature (in regards to signing high risk contracts) of SND management, together with the new contract being focused on only one site, will significantly reduce any financial and execution risk. In our view, there is significant potential for SND to continue to win substantial contracts as no projects have yet been awarded in relation to the Federal Government's program to boost national diesel storage capability. SND has a market capitalisation of just \$100 million together with a net cash balance sheet of \$25 million, and we believe there is potential for FY23 NPAT to be >\$11 million.

Fully Franked Dividend Profile (Cents Per Share)

NCC aims to deliver shareholders a sustainable growing stream of dividends, franked to the maximum extent possible.



Conviction. Long Term. Aligned

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O
SInvestment
BeliefsValue with
Long Term GrowthQuality over
QuantityInvest for the
Long TermPerformance v
Liquidity Focus




Ignore the Index

Pure Exposure
to IndustrialsEnvironmental,
Social and
Governance (ESG)Management
AlignmentConstructive
Engagement

Market Insight Continued

BSA Limited (ASX: BSA) made a couple of notable comments in their AGM presentation. Firstly, the refreshed strategy was articulated, with BSA aiming to be the market leader in “tech enabled workforce management”, through becoming the “go to bridge” between B2B customers and the large pool of skilled technicians in their national network. The company also stated that it expects to announce a capital raising in the near-term to fund an acquisition that will form a key part of this strategy going forward. Finally, BSA also stated that they are in advanced discussions with class action claimants to settle the action which was brought against the business over 3 years ago. Clearly, all of the above are significant events in their own right if they are able to be executed upon, and importantly each of these will go a long way to ensuring that BSA reaches its 3-year ambition of being a \$750 million revenue business generating more than \$50 million in EBITDA. However, in our view it is imperative that going forward the board and management of BSA can clearly articulate a long-term strategy and vision for the business, together with how this benefits their end customer and differentiates it from many, if not all of its peers. Such a strategy and vision, together with a disciplined capital management strategy and alignment will go a long way to restoring shareholder value and proving to the market the business has a stable organic growth profile going forward.

Core Investment Portfolio Examples

| | | |
|--|---|---|
|  <p>BSA ASX: BSA</p> <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 ASX: SND</p> <p>Saunders International was established in 1951 and provides construction, 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 ASX: BTC</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* | +0.80% | +22.60% | +6.87% | +10.17% | +13.10% | +193.82% |
| S&P/ASX Small Ordinaries Accumulation Index | -0.31% | +18.44% | +11.65% | +11.16% | +7.69% | +91.41% |
| Performance Relative to Benchmark | +1.11% | +4.16% | -4.78% | -0.99% | +5.41% | +102.41% |

*Investment Portfolio Performance is post all operating expenses, before fees, interest, taxes, initial IPO and all subsequent capital raising costs. 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 | \$135.8 million |
| Cash Weighting | 0.22% |
| Standard Deviation of Returns (NCC) | 15.87% |
| Standard Deviation of Returns (XSOAI) | 16.11% |
| Downside Deviation (NCC) | 10.79% |
| Downside Deviation (XSOAI) | 10.04% |
| Shares on Issue | 72,952,814 |
| NCC Directors Shareholding (Ordinary Shares) | 5,242,774 |
| NCC convertible notes on issue (ASX: NCCGA) | 230,000 |
| NCC convertible note price | \$100.11 |

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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