

MONTHLY INVESTMENT REPORT & NTA UPDATE

AS AT 30 APRIL 2022

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
\$1.15	\$1.14	\$1.14	\$1.045	9	\$0.3805	6.08%

The above NTA figures are exclusive of the 1.60 cents per share fully franked Q3 FY22 dividend, which went ex-dividend on 9 May 2022 and will be paid on 6 June 2022.

Market Insight

The month of April saw the NAC Investment Portfolio decrease by -1.74%, underperforming both the benchmark S&P/ ASX 300 Industrials Accumulation Index (XKIAL) which increased by +0.29% and its smaller counterpart the S&P/ ASX Small Ordinaries Accumulation Index which decreased by -1.50%. This brings portfolio performance since inception to +12.96% p.a., outperforming the benchmark index which has returned +7.89% p.a. over the same time period. April was again a frustrating month from a contribution perspective with the two main detractors being Urbanise.com (ASX: UBN) and Gentrack Group (ASX: GTK). In the case of GTK, there was no news over the course of the month, and we expect a solid half year result at the end of May. Although UBN announced a customer loss, in our view their trading update was not overly negative. Clearly, both investments have been caught up in the wider tech meltdown which has seen many "high quality" businesses fall by up to 40-75% in recent months. We firmly believe that in the case of UBN and GTK their profitability over the next 12 – 36 months will provide meaningful positive share price performance, without the reliance on a revenue multiple. We also remain steadfast in our belief that the other core investments within the NAC portfolio such as Experience Co. (ASX: EXP) and Eureka Group Holdings (ASX: EGH) also have the potential to produce reasonable long-term returns, especially considering the industry tailwinds that both companies are currently experiencing.

Investment Portfolio Performance Monthly and FY Returns*

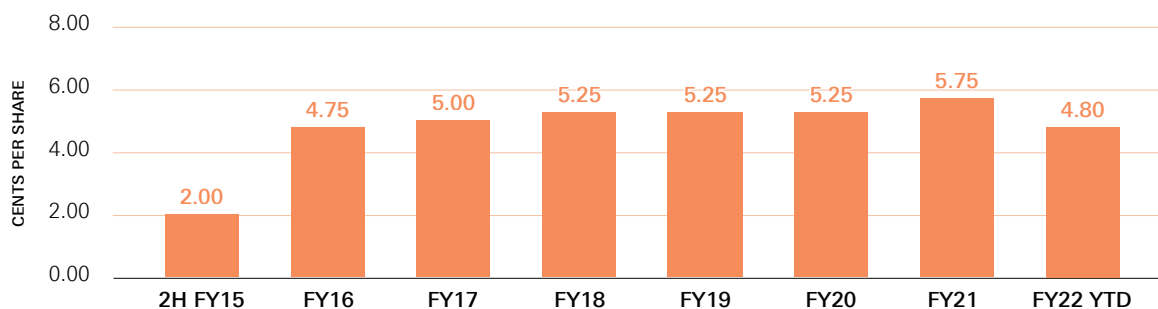
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FY Total Return
FY22	-4.12%	+1.05%	+7.06%	+4.21%	-3.57%	-1.26%	-8.56%	-7.95%	-1.13%	-1.74%			-15.84%
FY21	+5.04%	+11.43%	+3.96%	+5.24%	+5.41%	-5.38%	-2.24%	+10.04%	+2.57%	+4.55%	+4.27%	+6.33%	+63.36%
FY20	+0.50%	+8.14%	+6.58%	+1.99%	+0.98%	+0.87%	+2.31%	-13.80%	-22.22%	+8.81%	+18.84%	+4.15%	+11.16%
FY19	+0.24%	+6.23%	-1.46%	-10.41%	+1.93%	-4.57%	+5.20%	+0.10%	-0.10%	+3.65%	-4.74%	+2.29%	-2.86%
FY18	-0.54%	+0.76%	+1.22%	+2.28%	+6.69%	+3.18%	-0.27%	-1.99%	+0.23%	-2.05%	+0.85%	-0.25%	+10.25%
FY17	+3.81%	+5.01%	+3.84%	-0.22%	-0.63%	-1.98%	+0.35%	-2.56%	+1.48%	-2.78%	-0.11%	+0.65%	+6.69%
FY16	+0.31%	-1.35%	+1.98%	+3.38%	+3.63%	+7.93%	-2.39%	-1.02%	+5.97%	+4.48%	+4.83%	-0.51%	+30.16%
FY15					+0.54%	-1.66%	+2.77%	+0.88%	+2.73%	+0.43%	+4.87%	-1.54%	+9.21%

*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.

As mentioned UBN made two significant announcements in the month of April. The first of these was that Ventia (ASX: VNT) will cease to use UBN for the majority of its current applications as they seek to consolidate the number of software providers they use by removing 18 suppliers and moving to just one tier-1 global ERP (Enterprise Resource Planning) System Integrator. Clearly, this is a negative outcome over the short-term for UBN but we do not believe this is any reflection of the software's capability and more a reflection of a customer seeking cost efficiencies across their group. UBN also released its quarterly activities report for the March quarter. Interestingly, management believes they remain on track to reach a sustainable cash position even with the loss of Ventia over the next 6 months. The pipeline of opportunities

Fully Franked Dividend Profile (Cents Per Share)

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



Conviction. Long Term. Aligned

Investment Beliefs

Value with Long-Term Growth

Quality over Quantity

Invest for the Long Term

Performance v Liquidity Focus

Ignore the Index

Pure Exposure to Industrials

Environmental, Social and Governance (ESG)

Management Alignment

Constructive Engagement

Market Insight Continued

continues to be strong in both strata and facilities management and the integration of Colliers Australia as a client remains on track.

Finally, there were two notable small pieces of news that may have positive longer-term implications for the NAC investment portfolio. The first of these relates to Move Logistics (NZX: MOV) which announced that it plans to complete a dual listing on the ASX before the end of June. Although not significant in its own right, we believe this suggests that management are satisfied with the progress of the internal strategic initiatives to date and are turning their attention to expanding their profile to provide optionality with regard to future growth initiatives. Secondly, in regard to EXP, Cairns Airport announced that over the Easter Holidays they will exceed 300,000 domestic passengers which is the highest monthly total since the start of the COVID-19 pandemic. Anecdotally we have also heard that a number of domestic tourism operators are budgeting for FY23 to be not too far away from the pre-COVID levels. Both data points bode well for EXP over the next 12-18 months.

Core Investment Portfolio Examples



Gentrack Group Limited
ASX: GTK

Gentrack provides leading utilities across the world with innovative cleantech solutions. Working with some of the world's biggest energy and water companies, as well as innovative challenger brands, they help companies reshape what it means to be a utilities business.



Experience Co
ASX: EXP

Experience Co is the largest operator of tandem skydives within Australia and New Zealand with over 150,000 tandem jumps per year. EXP also operates a number of cruise and diving experiences in far north Queensland (Cairns and Port Douglas) that generally accommodate over 250,000 customers per year.



Urbanise.com Limited
ASX: UBN

Urbanise.com Limited is a SaaS business, headquartered in Australia, offering solutions for facilities and strata managers. Their cloud platforms are transformative for users by improving customer service, reducing operational costs, providing key analytics and enabling new revenue streams.

Investment Portfolio Performance

	1 Month	1 Year	3 Years (p.a.)	5 Years (p.a.)	6 Years (p.a.)	Inception (p.a.)	Inception (Total return)
NAC Investment Portfolio Performance*	-1.74%	-6.69%	+14.19%	+10.48%	+10.51%	+12.96%	+148.24%
S&P/ASX 300 Industrials Accumulation Index	+0.29%	+7.94%	+8.22%	+7.01%	+8.65%	+7.89%	+76.27%
Outperformance Relative to Benchmark	-2.03%	-14.63%	+5.97%	+3.47%	+1.86%	+5.07%	+71.97%

*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. Since inception (P.A. and Total Return) includes part performance for the month of November 2014. Returns compounded for periods greater than 12 months.

Key Metrics – Summary Data

Weighted Average Market Capitalisation of the Investments	\$182.3 million
Cash Weighting	0.49%
Standard Deviation of Returns (NAC)	18.03%
Standard Deviation of Returns (XKIAL)	14.27%
Downside Deviation (NAC)	11.18%
Downside Deviation (XKIAL)	9.74%
Shares on Issue	45,355,141
NAC Directors Shareholding (Ordinary Shares)	8,384,109
NAC Options Closing Price (ASX: NACOA)	\$0.031
NAC Options on Issue	19,995,545
NAC Convertible Notes Closing Price (ASX: NACGA)	\$100.70
NAC Convertible Notes on Issue	175,000
Fully Diluted pre-tax NTA	\$1.11
Fully Diluted post-tax NTA	\$1.10

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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