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26 May 2022

Company Announcements
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

QV Equities Limited – Market and Portfolio Update presentation

Dear Sir / Madam

Simon Conn, Senior Portfolio Manager of Investors Mutual Limited, Co- Portfolio Manager of the QV Equities portfolio will present at an event this afternoon. A copy of the slides are attached.

A webinar will be held tomorrow, Friday 27 May at 11am, to present the same material. Interested parties can register for the webinar and later access the recording at qvequities.com/investor-centre/investor-presentations/

Yours faithfully

Zac Azzi
Company Secretary

Authorised for release by the Company Secretary

QV Equities (ASX: QVE) was listed in 2014 with the objective of providing shareholders with a portfolio of companies that sit outside the top 20 of the Australian Stock Exchange, selected by Investors Mutual based on their 'quality and value' investment philosophy.

The QVE portfolio aims to deliver consistent returns to investors over time through the growth of the underlying net tangible assets (NTA) of the company and through the provision of a consistent and growing fully franked dividend over time.

QV Equities Investor update

May 2022



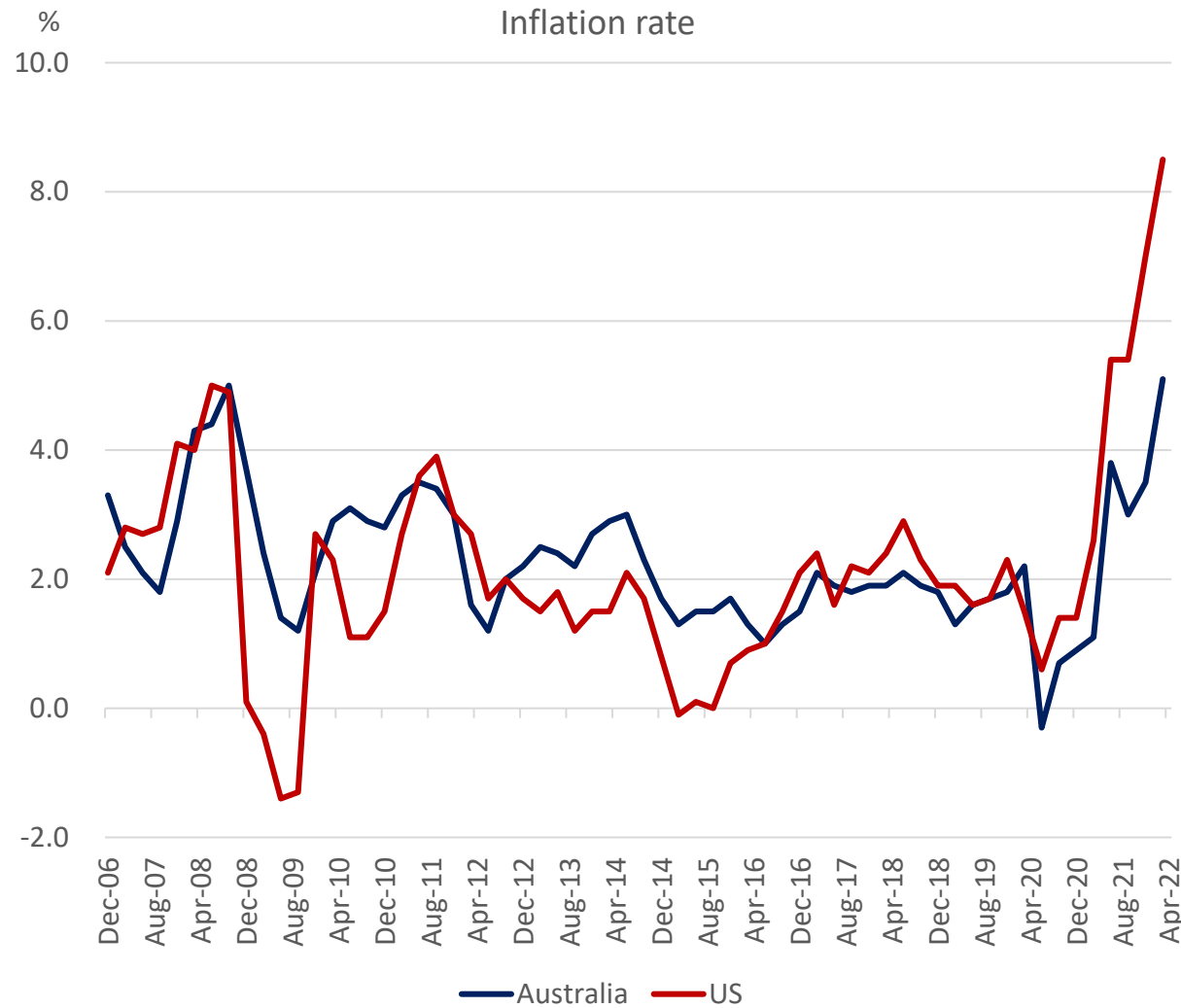
QV
Equities Ltd.

IML INVESTORS
MUTUAL LTD

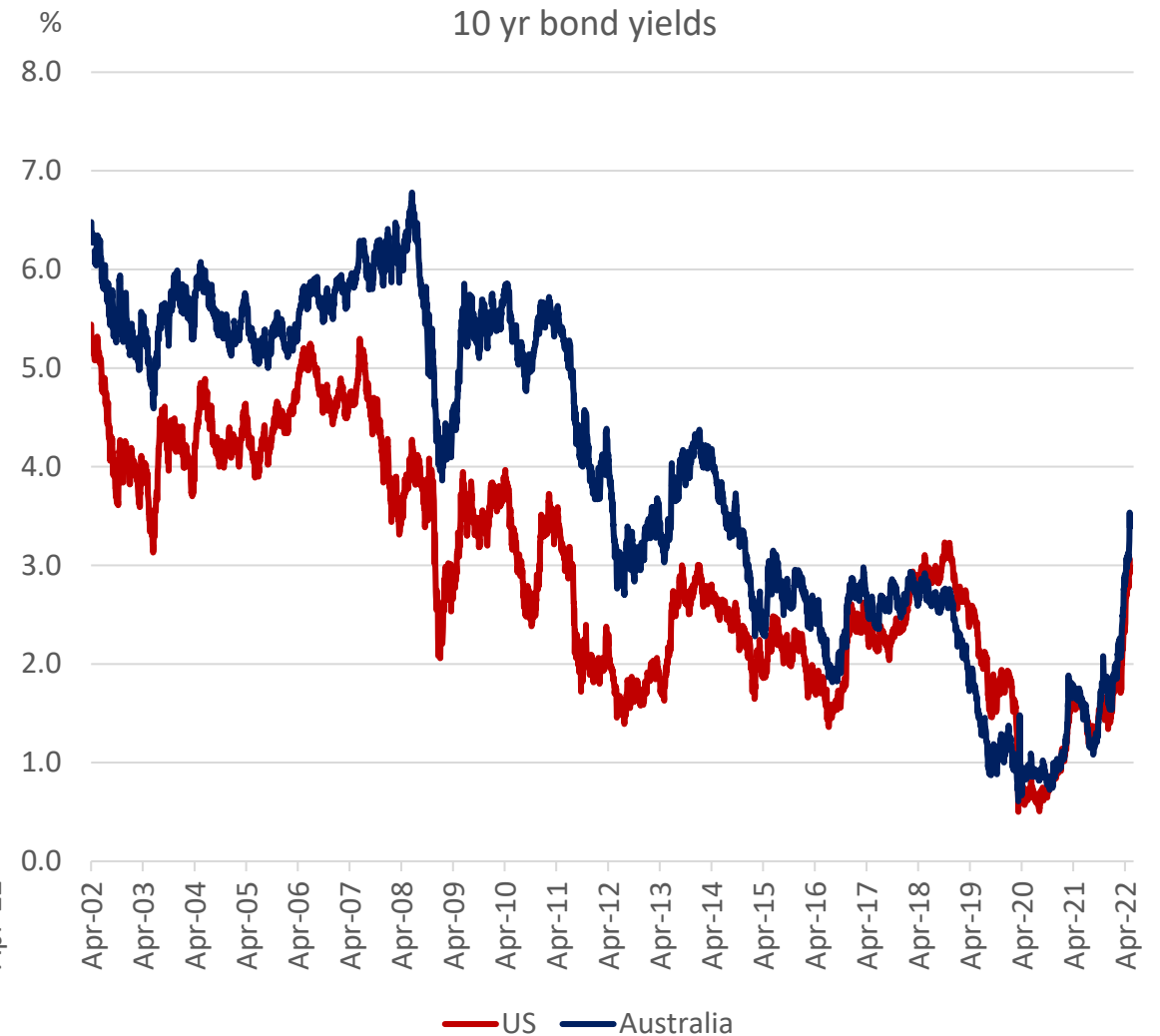
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- ❑ *Release authorised by the Company Secretary, Zac Azzi*

Inflation & 10 yr bond yields – last 20 years

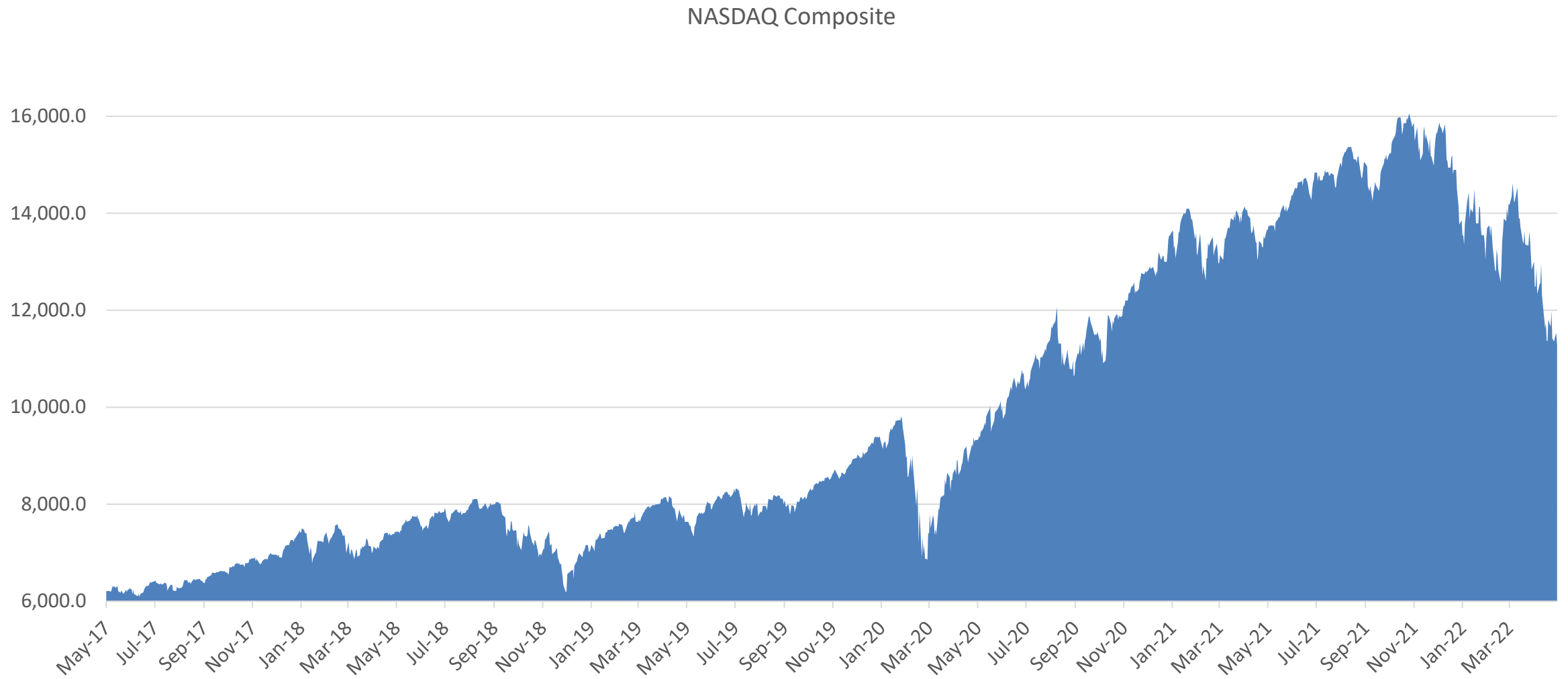


Source: US Bureau of Labor Statistics & RBA
As at 31 March 2022

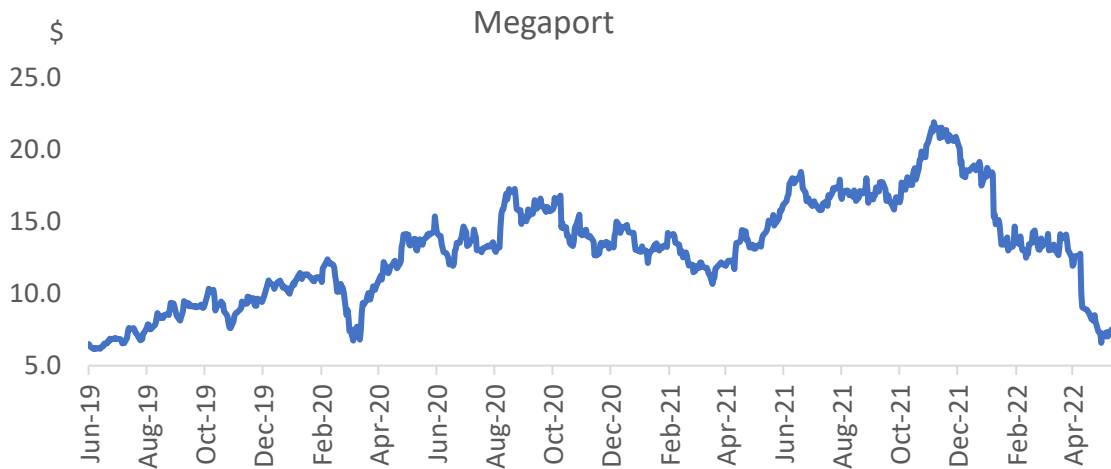
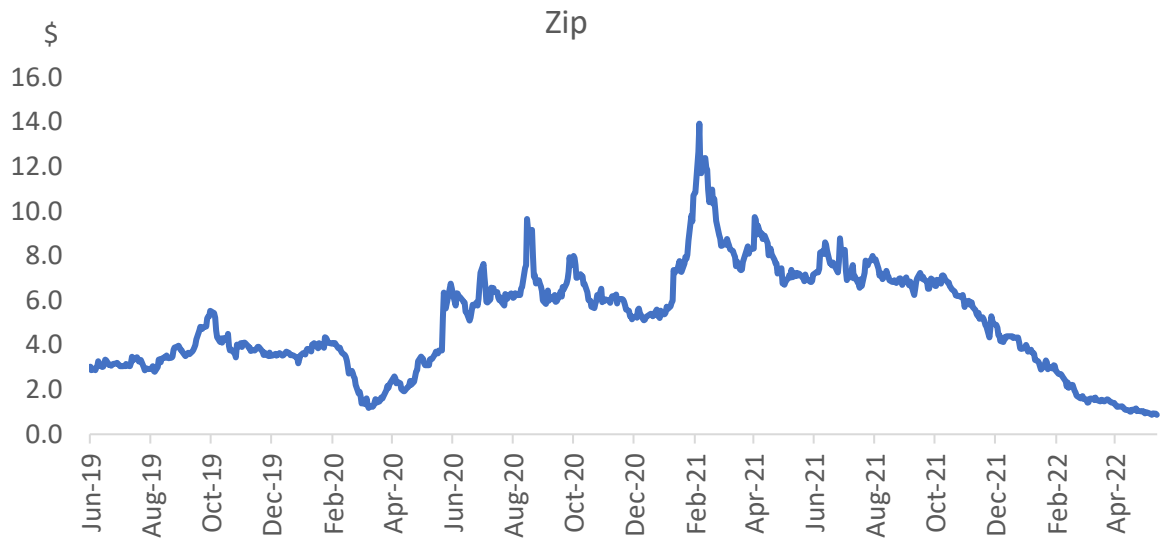
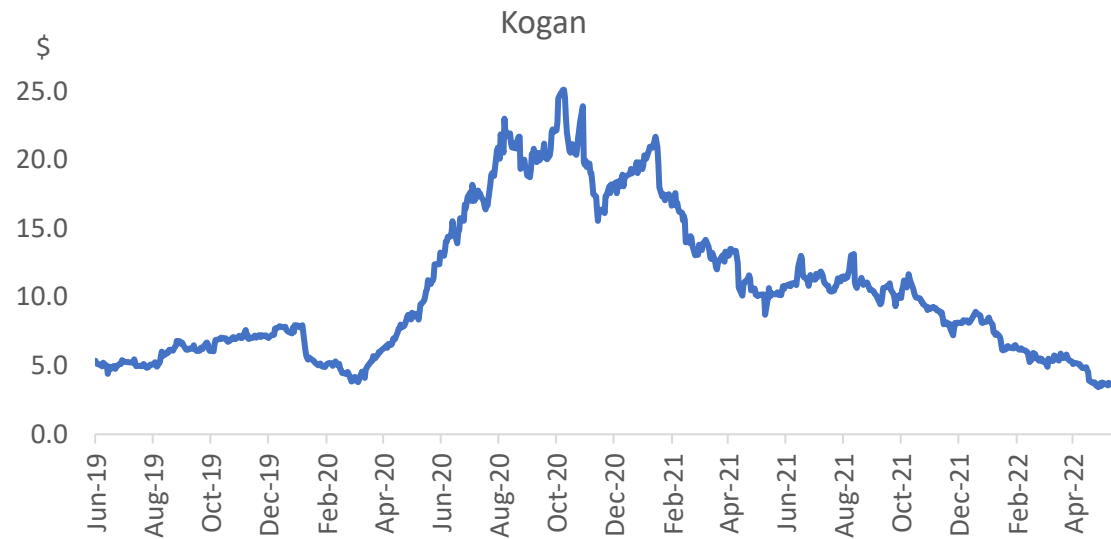


Source: FactSet
As at 4 May 2022

Nasdaq over the last 5 years



The New World?



Past performance is not a reliable indicator of future performance

Investment Philosophy

We seek to buy and own:

Companies with a **competitive advantage**,

with **recurring earnings**,

run by **capable management**,

that can **grow**,

.....at a **reasonable price**.

What sort of companies are we looking for :

- ☐ Industry leaders
- ☐ Recurring earnings
- ☐ Experienced management
- ☐ Strong balance sheets
- ☐ Company specific growth drivers

.....at the right price

Top 10 stocks

Top 10 holdings
Orica
Amcor
Aurizon
Ampol
Tabcorp
Pact
Coles
Origin Energy
Sonic Healthcare
Crown Resorts

M&A remains strong



Recent buys

 Brambles

 GUD

 Codan

 Abacus

Recent sells/trimms

❑ Z Energy & API (takeover)

❑ Incitec Pivot

❑ Events Hospitality

❑ Cleanaway

❑ Crown

❑ Sonic

- ❑ Merger of TPG & Vodafone => new major full-service telco
- ❑ Multiple growth drivers:
 - Cost outs (\$125-\$150m merger synergies by FY23)
 - Market share gains in enterprise (recent wins of Qantas and NAB);
 - Fixed wireless opportunity – NBN alternative
 - Improving mobile pricing and sub growth from 5G rollout & open borders
- ❑ Potential value release – towers & fibre assets
- ❑ Highly cash generative business trading on **17x FY23 adjusted* PE; 5% yield (CY23)**



Past performance is not a reliable indicator of future performance

*Source: IML & TPG Telecom;
Estimates as at 24 May 2022*

** Adjusted for normalised depreciation & tax*



GUD Holdings



- Leading aftermarket automotive parts and accessories suppliers diversified by channel and product:

- 4WD,
- EVs,
- lighting & power,
- powertrain and
- undercar.



- Two key recent acquisitions:

- Auto Pacific Group (APG) positions GUD as an integrated leader in 4WD

accessories, Towing & Trailering in ANZ & export.

- Vision X allows GUD to grow a global niche leadership position in

Automotive Lighting

- PE: 11.8x FY23e; yield 5.1%



Past performance is not a reliable indicator of future performance

Source: GUD & IML 24th May 2022

- ❑ Founded in 1959 - Electronics manufacturer that builds robust products using radio wave technology with 2 distinct divisions:
 - **Minelab** - global leader in hand held metal detectors used for recreation, gold prospecting in developing countries, and by humanitarian/military organisations
 - **Radio Communications**
 - Tactical Communications solutions provide a “mesh network solution” used across a range of applications (Military, law enforcement, uncrewed)
 - Zetron - end to end mission critical communications solutions for regional/urban markets for emergency response & public infrastructure



- ❑ PE: 12.8x; FY23e - yield 3.9%



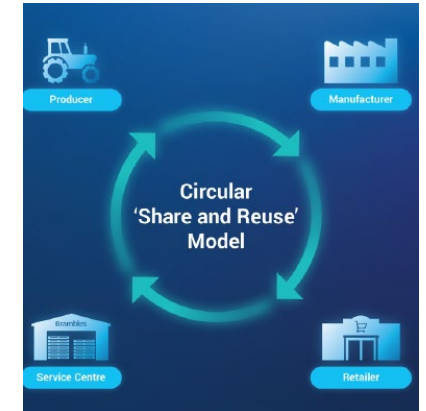
Past performance is not a reliable indicator of future performance

Source: Codan & IML as at 5th May 2022

Why we like Brambles

Brambles

- ❑ Global leader in pallet pooling – underpins highly recurring cashflows
- ❑ Recent cash flow impacted by higher lumber and operating costs
- ❑ CHEP able to reprice contracts (ave 3yr duration) with customers having limited alternatives & competitors facing the same cost imposts
- ❑ Concerns around Costco moving to plastic pallets – however they have a unique requirement
- ❑ Profit margins and Free Cash Flow should expand materially when the short term cost and capex headwinds fall away.
- ❑ 18.5x FY23 PE, 3% yield and recent interest from Private Equity.



Past performance is not a reliable indicator of future performance

Source: IML and Brambles
Estimates as at 24 May 2022

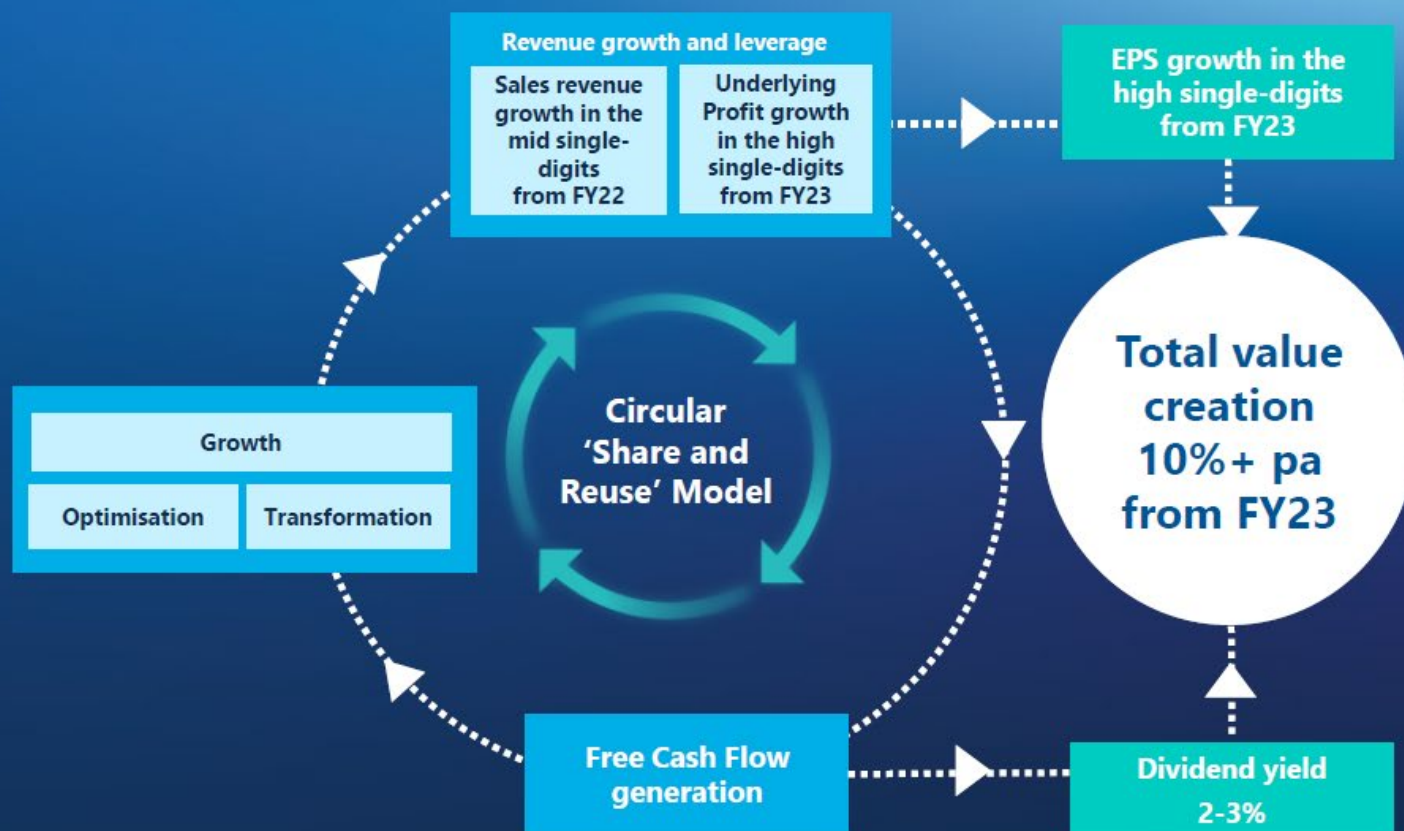
Brambles – Circular Model

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Investor value proposition

FY22 a year of increased investment to support sustained benefits delivery from FY23 onwards

ROCI in the mid-to-high teens



Source: Brambles 2021 Investor Day presentation;
As at 13 September 2021

Recent strong performance helped by

- ❑ Rerating of many portfolio companies' share prices
- ❑ A number of takeover offers
- ❑ Selective participation in new IPO's and placements
- ❑ Buyback continues to be accretive to NTA and performance

Performance & NTA – as at 30 April 2022

NET TANGIBLE ASSETS (NTA)*	QVE-ASX
NTA before tax	\$ 1.16
NTA after tax	\$ 1.15

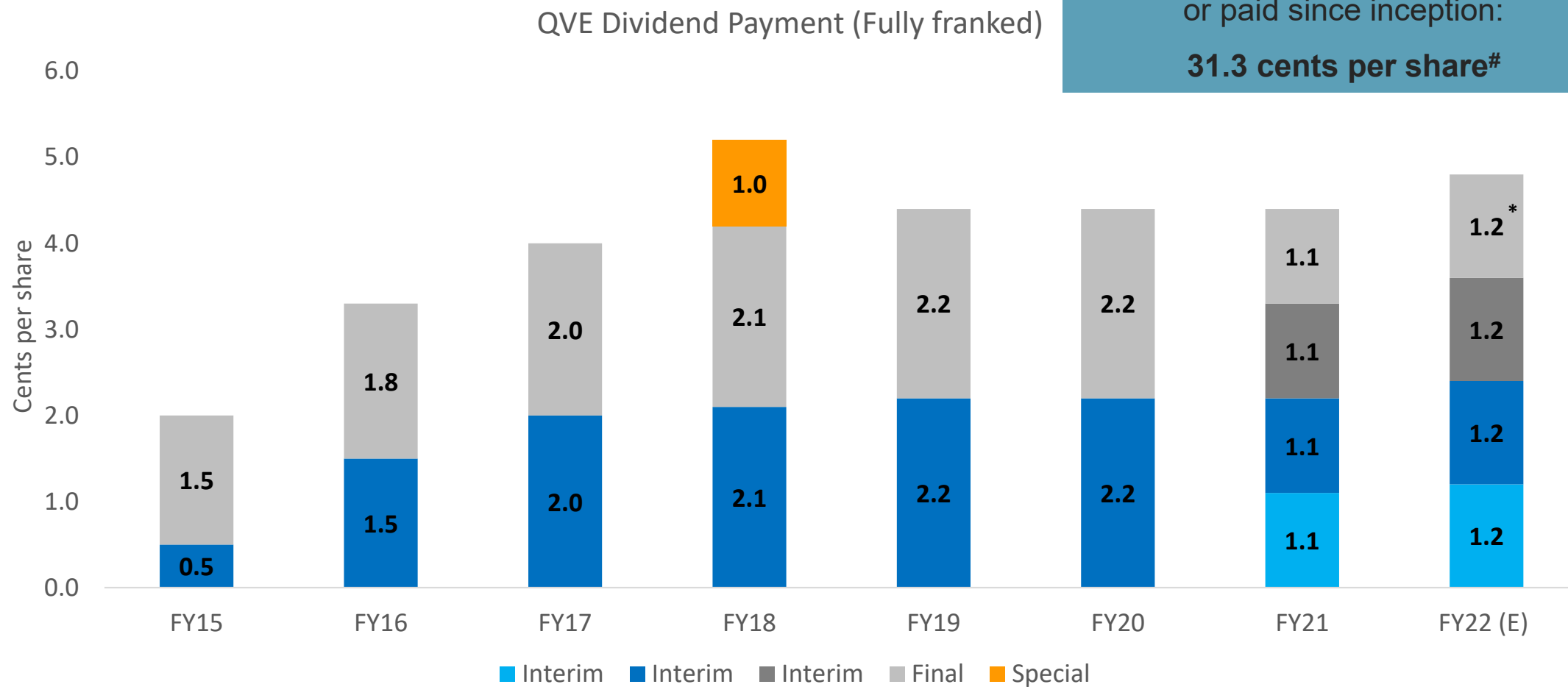
*The before and after tax NTA numbers relate to the provision for tax on net profit in addition to deferred tax on the un-realised gains/losses in the Company's investment portfolio. The Company is a long term investor and does not intend disposing of its total portfolio. Under current Accounting standards, the Company is required to provide for tax on any gains/losses that might arise on such a theoretical disposal, after utilisation of brought forward losses. All figures are unaudited and approximate.

PERFORMANCE*	QVE's NTA (pre tax)	QVE's NTA (after tax)	BENCHMARK
1 Month	+3.1%	+2.1%	-0.4%
3 Months	+7.2%	+5.4%	+6.2%
1 Year	+13.3%	+10.4%	+9.7%
3 Years	+5.3%	+4.7%	+9.0%
Since Inception Total Return p.a	+6.9%	+5.9%	+10.0%

The above returns are after fees and assumes all declared dividends are reinvested and excludes tax paid for pre-tax NTA. Past performance is not indicative of future performance.

Historical Dividends to QVE Shareholders

Total fully franked dividends declared or paid since inception:
31.3 cents per share[#]



**ASX Announcements; 21 October Dividend Outlook*

[#] Amount paid up till Q3 FY 2022, including the March quarter dividend being paid on 3 June 2022

Past performance is not a reliable indicator of future performance

Source: QVE Annual reports & QVE Announcements

QVE's strategy

- ❑ Always on the look out for well-established, good quality stocks at the right price
- ❑ Topping up on favoured stocks in weakness
- ❑ Writing call options opportunistically to generate extra income
- ❑ Cash being used to buy back shares at the current discount to NTA

Q & A

qvequities.com Contact us

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