

QV EQUITIES (ASX: QVE)

MONTHLY REPORT



30 NOVEMBER 2023

QV Equities (QVE) delivers a consistent quarterly income stream for shareholders, while also aiming to grow their capital over time. QVE is a Listed Investment Company (LIC) managed by Australian equities asset manager IML. It invests in high-quality, good value companies listed on the ASX outside the top 20, aiming to provide a rate of return which exceeds the return of its benchmark on a rolling 5+ year basis.

COMPANY NEWS

- QVE Portfolio Update webinar | [View recording](#)
- An interim quarterly dividend of 1.3 cents per share was paid on 1 December for the September 23 quarter. The Board intends to maintain quarterly dividends of 1.3 cents per share for the remainder of FY 2024*
[Key dividend dates and more](#)

**Subject to the Company maintaining sufficient profit reserves and there being no material impacts, changes or unforeseen events*

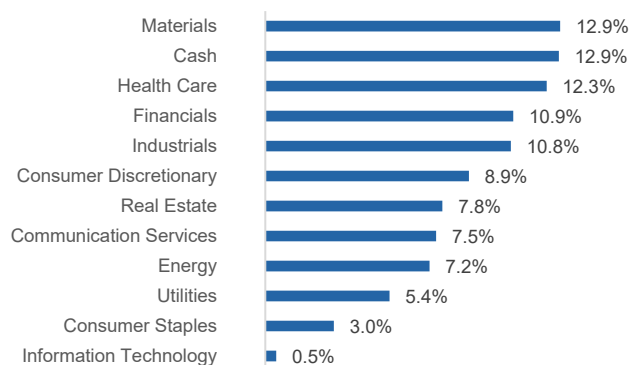
PORTFOLIO COMMENTARY

- The QVE Portfolio gained +2.7% in November, recovering most of October's losses, although lagging the benchmark's +5.5%.
- Following three months of losses, sharemarkets rebounded strongly in November thanks to a sizeable decline in global bond yields over the month as signs emerged that inflation is falling. While the RBA did increase interest rates by a further 0.25% in November, most investors believe we are close to the end of this interest rate rising cycle.
- For the month the Portfolio benefitted from strong performances from several stocks including Mayne Pharma, Ampol and Orica. On the other hand, TPG Telecom fell after announcing it had ceased discussions to sell its infrastructure business while Integral Diagnostics fell after announcing its Q1 operating margins had been impacted by higher-than-expected labour costs, despite strong revenue growth of 8.4%. We believe these are short-term issues and both stocks are well positioned long term.
- Trading conditions remain challenging for many companies, with margins pressured by high-costs and an uncertain economic environment. We remain focused on well-established companies likely to perform well in a range of economic conditions.

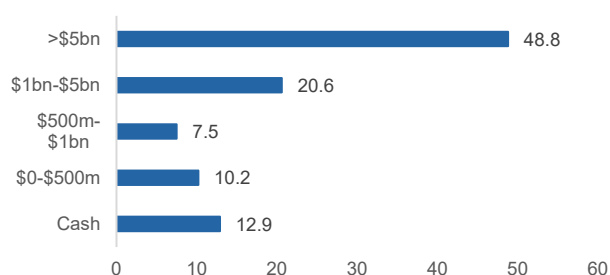
PERFORMANCE	1 MONTH	3 MONTHS	1 YEAR	3 YEARS^	5 YEARS^	SINCE LISTING^ 22 AUG 2014
QVE NTA (pre-tax)	+2.7%	-3.8%	+1.4%	+4.6%	+3.4%	+5.0%
Benchmark**	+5.5%	-4.6%	-0.6%	+3.5%	+7.2%	+7.8%

^ Performance per annum. ** The benchmark is the S&P/ASX 300 Ex20 Accumulation. The above returns are after fees, assume all declared dividends are reinvested, and exclude tax paid from pre-tax NTA. Past performance is not a reliable indicator of future performance.

SECTOR WEIGHTS*



MARKET CAP BANDS*



% of portfolio

(* Numbers may not add up to 100% due to rounding)

TOP 10 HOLDINGS

TOP 10 HOLDINGS	ASX CODE	WEIGHT
Orica	ORI	5.7%
Aurizon	AZJ	5.4%
APA	APA	4.3%
Sonic Healthcare	SHL	4.1%
Amcol	ALD	3.5%
Suncorp	SUN	3.4%
Amcor	AMC	3.3%
Brambles	BXB	3.1%
Skycity Entertainment	SKC	2.8%
The Lottery Corporation	TLC	2.7%

PORTFOLIO INFORMATION

Benchmark	S&P/ASX 300 Ex20 Accumulation
No. of stocks	49
Cash weight	12.9%

COMPANY SNAPSHOT

ASX code	QVE
NTA ¹ before tax	0.9640
NTA ¹ after tax	1.0196
Dividend frequency	Quarterly
Yield ²	6.01%
Grossed up yield ³	8.59%
FY23 dividends ⁴	5.2 cps
Management fee	0.90% p.a. of the NAV up to \$150m 0.75% p.a. over \$150m
Performance fee	Nil
Shares on issue	227M
Portfolio Managers	Simon Conn Marc Whittaker
Listing date	22 August 2014

1. The before and after tax NTA numbers relate to the provision for tax on net profit in addition to deferred tax on the unrealised 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. 2. Trailing 12 month yield on month end share price 3. Trailing 12 month yield on month end share price, includes franking credits 4. Dividends paid for the financial year 2023 reporting period. Past performance is not a reliable indicator of future performance.

SHAREHOLDER BENEFITS

What should you expect when you invest with QVE?

Consistent income, growing over time* – QVE aims to pay a quarterly, fully franked dividends, which gives Australian investors additional income through tax offsets or refunds.

Portfolio diversification – as QVE invests outside the ASX Top 20, it provides diversification benefits for investors who already invest in the largest Australian companies.

Experienced Board and Investment Manager with a 25-year track record.

Past performance is not a reliable indicator of future performance as a result past dividends are not indicative of future dividends.

**Refers to dividend income. See QVE historical dividends chart on [QVE's website](#).*

RATINGS

Zenith: Recommended

Independent Investment Research: Recommended +

Important note: Shares of a Listed Investment Company (including QVE) can trade at a discount or a premium to the Net Tangible Assets (NTA) per share of the Company. The share price of any company is based on demand for the shares, compared to the supply of the shares.

Release authorised by Company Secretary, Zac Azzi.



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