

15 December 2023

ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

1 for 5 Bonus Options Issue NAOS Emerging Opportunities Company Limited (ASX: NCC)

The Board of NAOS Emerging Opportunities Company Limited (**Company**) is pleased to announce a pro-rata one-for-five issue of bonus options to Eligible Shareholders (**Issue**). Eligible Shareholders will receive, at no cost, 1 bonus option for every 5 shares that they hold in the Company at 5:00pm (Sydney time) on the record date, being 21 December 2023.

The Board believes that the Issue is a measured way to allow the Company to grow over the next 36 months; whilst not placing undue pressure on the short-term performance and dividend reserves of the Company. The Board believes that it would allow NAOS Asset Management Limited (the Investment Manager) to take advantage of undervalued investment opportunities that may arise due to the current sentiment within equity markets which has resulted in depressed share prices for many emerging businesses, that may not truly reflect their underlying value or long-term potential.

The key highlights of the Issue include:

- **Exercise Price**

The exercise price of the Options is \$0.67. This is equivalent to the most recent pre-tax Net Tangible Assets (NTA) per share of the Company as at 30 November 2023.

- **Expiry Date**

The Options will expire on 31 December 2026 and give Eligible Shareholders an appropriate period of time to determine how they deal with their Options (by either exercising their options; or otherwise trading them on-market).

- **Issued at no cost and listed on the ASX**

The Options will be issued at no cost to Eligible Shareholders and will be listed on the ASX under the code (ASX: NCCO). Depending on demand, liquidity and prevailing market prices at the time, the Options may be bought or sold on-market.

- **Growing and limiting the size of the Company to a strategically optimal level**

The Board remains committed to managing the capital base of the Company in a manner that provides the most suitable framework for maximising potential shareholder return. The Board believes that growing the size of the Company to between \$125 million and \$150 million is optimal as it not only allows the Investment Manager to maximise performance by still being able to access meaningful positions in quality companies; but also scales the Company to an appropriate size that lowers the total expenses and costs for all shareholders.

- **No brokerage or commissions payable upon exercise**

Eligible Shareholders are able to purchase (without paying any brokerage or commission) additional shares in the Company at the exercise price at any time from their date of issue until 5:00pm (Sydney time) on the Expiry Date.

Key dates

Set out below is an indicative timetable of the Issue:

Lodgement of the Prospectus with ASIC and ASX	Friday, 15 December 2023
Shares trade ex-bonus Option entitlements	Wednesday, 20 December 2023
Record Date	Thursday, 21 December 2023
Prospectus sent to Eligible Shareholders	Friday, 22 December 2023
Intended date for issue and entry of Options on the option register	Friday, 22 December 2023
Normal trading in Options commences on ASX	Wednesday, 27 December 2023
Dispatch of new holding statements	Friday, 29 December 2023
Options expire	Thursday, 31 December 2026

Prospectus

A Prospectus for the Issue has been lodged with ASIC and ASX today. It contains detailed information about the Issue and the Company and a description of the key risks associated with an investment in the Company. Eligible Shareholders should read the Prospectus carefully and in its entirety before dealing in or exercising Options offered under the Issue.

If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser. Unless otherwise defined herein, capitalised terms used in this announcement have the same meanings as those defined in the Prospectus.

Further information

For further information, or if you have any questions relating to the Issue, please contact the Company by telephone on (02) 9002 1576 or by email at enquiries@naos.com.au.