

NAOS SMALL CAP OPPORTUNITIES COMPANY LIMITED (ASX: NSC)

ABN 47 107 617 381

FY24 HALF-YEAR RESULTS & DIVIDEND DECLARATION

The Board of NAOS Small Cap Opportunities Company Limited (Company) is pleased to announce that it has declared a fully franked quarterly dividend of 1.25 cents per share for the 3 months to 31 December 2023. This represents a 8.06% fully franked dividend yield and a grossed up dividend yield of 11.52%[^]. This brings total dividends since inception to 31.0 cents per share, all of which have been fully franked. Total shareholder return for the half-year was +1.37%, which was reflective of a significant narrowing of the share price discount to NTA over the period. This measure does not take into account the benefit of franking credits received by shareholders. The Company also released its half-year results for the six-month period ended 31 December 2023, recording an after-tax loss of \$4.85 million.

Investment Portfolio Performance Monthly and FY Returns*

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FY Total Return
FY24	-2.23%	+0.79%	-2.99%	-2.37%	+0.63%	+1.35%							-4.82%
FY23	+3.46%	+4.41%	-6.07%	-4.66%	+2.77%	-2.21%	+5.97%	+4.92%	-3.35%	-1.12%	+1.80%	-2.42%	+2.62%
FY22	-0.68%	-0.18%	-0.77%	+4.15%	-2.17%	+3.89%	-6.51%	-2.96%	-1.21%	+9.32%	-9.24%	-7.91%	-14.72%
FY21	+1.53%	+3.17%	-0.09%	+2.38%	+6.19%	+4.25%	+1.05%	+11.30%	+4.51%	+6.33%	+6.52%	+0.32%	+58.40%
FY20	-0.18%	+12.91%	+8.10%	+0.17%	-1.80%	-0.57%	+2.50%	-10.15%	-18.50%	-1.65%	+8.22%	+7.77%	+2.59%
FY19	-0.60%	+4.07%	-1.34%	-7.61%	-3.04%	-3.21%	+4.16%	-3.88%	+1.14%	+0.69%	-5.17%	+1.33%	-13.29%
FY18						+1.11%	-0.93%	-0.57%	+0.25%	-3.35%	-1.16%	+1.24%	-3.44%

* Investment Portfolio Performance as at 31 December 2023, figures are post all operating expenses, before fees, interest, taxes and capital raising costs. Performance has not been grossed up for franking credits received by shareholders. Inception date is 1 December 2017.

[^] Annualised dividend yield based on 21 February 2024 closing share price.

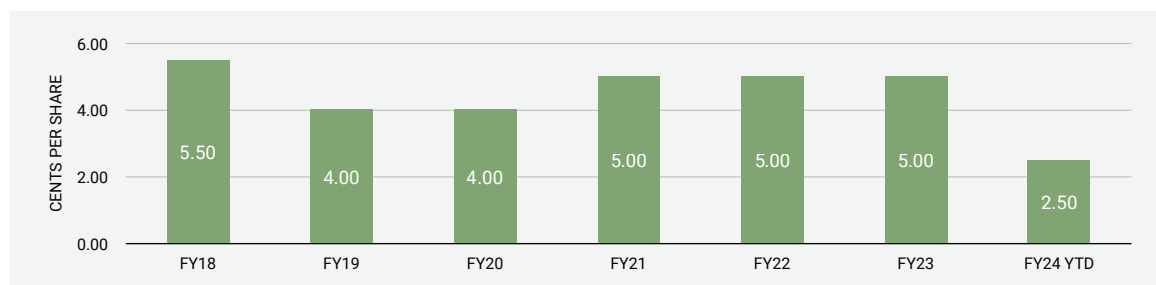
The NSC investment portfolio returned -4.82% for the 6 months ending 31 December 2023, and NAOS Chief Investment Officer and Managing Director Sebastian Evans stated: "1H FY24 was a frustrating period from a performance perspective, as in our view the core NSC investments continued to make significant progress and drive earnings per share (EPS) growth, but this has not been reflected in their respective share prices. We expect the majority of the core investments to announce EPS growth this reporting season, which is a key factor with regard to the long-term valuation of a business. Emerging companies are trading at historically large discounts to their larger peers which we believe has been largely driven by restrictive monetary policy. As the outlook for monetary policy becomes more accommodative, we expect the demand for emerging businesses to return, which could lead to significant share price gains".

Share Buyback

A further 2.3 million shares were bought back on-market in the six-month period to 31 December 2023, and since the commencement of the buyback in April 2019, over 34 million shares, or 20% of shares on issue, have been bought back, which has been significantly accretive for shareholders.

Fully Franked Dividends

The Company is pleased to announce a fully franked quarterly dividend of 1.25 cents per share, bringing total dividends declared since inception to 31.0 cents per share. It is the Board's aim to continue to be mindful of providing shareholders with a sustainable, growing stream of dividends over the long term, franked to the maximum extent possible. The Company's profit reserve as at 31 December 2023 is 14.9 cents per share.



Dividend Reinvestment Plan

Shareholders can elect to participate in the Company's Dividend Reinvestment Plan (DRP). To participate in the DRP investors will need to submit their DRP election by 5:00pm Wednesday, 13 March 2024 to Boardroom Pty Ltd, the share registry for NSC, either online at www.investorserve.com.au or by email to enquiries@boardroomlimited.com.au. When shares are trading at a discount to NTA, DRP shares are purchased on-market to ensure this capital management activity is completed without any dilution for existing shareholders.

Important Information: This material has been prepared by NAOS Asset Management Limited (ABN 23 107 624 126, AFSL 273529) (NAOS) as investment manager of the listed investment company referred to herein (Company). This material is provided for general information purposes only and must not be construed as investment advice. It does not take into account the investment objectives, financial situation or needs of any particular investor. Investors should consider obtaining professional investment advice that is tailored to their specific circumstances. Past performance is not necessarily indicative of future results and neither NAOS nor the Company guarantees the future performance of the Company, the amount or timing of any return from the Company, or that the investment objectives of the Company will be achieved. This announcement has been authorised for release to the ASX by the Board of the Company.

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Long Term Portfolio Performance

Inception (p.a.)
Investment Portfolio Performance*

+2.08%

Fully Franked
Dividend Yield*

8.06%

Franking

100%

Cumulative Gross
Fully Franked
Dividends

44.29 CPS

Dividend Dates

Ex-Dividend Date

11 March 2024

Record Date

12 March 2024

Last Date for
DRP Election

13 March 2024

Payment Date

5 April 2024

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