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ANNUAL GENERAL MEETING FY16

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NAOS ABSOLUTE OPPORTUNITIES COMPANY  
LIMITED (ASX: NAC)  
18<sup>TH</sup> NOVEMBER 2016

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### NAC FY16 Year End Review

- Performance & Portfolio Characteristics
- Stock Contribution
- Capital Analysis & Risk Profile
- Director/Shareholder Alignment
- FY17 Update
- Shareholder Communication & Market Awareness
- NAOS Team

# NAC: PERFORMANCE & PORTFOLIO CHARACTERISTICS SUMMARY

AS AT 30TH JUNE 2016

NAOS

	1 Month	3 Month	6 Month	1 Year	Inception (p.a.)	Inception (Nom.)
<b>NAC Investment Portfolio Performance*</b>	-0.53%	+8.95%	+11.54%	+30.14%	+24.04%	+42.12%
<b>Benchmark (RBA Cash Rate + 250bps)</b>	+0.37%	+1.19%	+2.40%	+4.83%	+4.95%	+8.20%
<b>Relative Performance</b>	<b>-0.90%</b>	<b>+7.76%</b>	<b>+9.14%</b>	<b>+25.31%</b>	<b>+19.09%</b>	<b>+33.92%</b>

\* Investment Portfolio Performance is **pre fees and franking credits, tax and post all operating expenses**. inception is 12<sup>th</sup> November 2014

Total Number of Equity Holdings (Long & Short)	17
Total Number of Income/Debt Instruments*	2
Total Number of Holdings	19
Portfolio Weighted Market Capitalisation (AUD)	\$1.17bn
Percentage of Positive Months (NAC)	70%
Percentage of Positive Months (XAOAI)	50%
Standard Deviation of Returns (NAC)	9.77%
Standard Deviation of Returns (XAOAI)	13.04%
Correlation of Returns to XAOAI	0.58
Sortino Ratio	12.13
Downside Deviation (NAC)	1.98%
Downside Deviation (XAOAI)	7.71%
Current Estimated Portfolio Beta	0.059

# **NAC: POSITIVE STOCK ATTRIBUTION SUMMARY SINCE INCEPTION**

AS AT 30<sup>TH</sup> JUNE 2016

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## **Positive Stock Attribution Analysis**

**(Attribution is what has contributed to NAC's performance since Inception of 12th November 2014)**

Below is a table listing the top positive contributors to NAC's total return since inception. The purpose of the table is to illustrate that the performance the investment team derive over time is not simply from one or two positions, but from a variety of positions, even with a concentrated portfolio of investments that is generally limited to 0-40 securities at any one time. Positions in the table below may have been held either as a long position or short position at any given point in time.

<b>Investment</b>	<b>Contribution to Return (% NAV)</b>	<b>Investment</b>	<b>Contribution to Return (% NAV)</b>
US Dollar	+8.72%	Sirtex Medical	+3.40%
Event Hospitality	+4.35%	SmartGroup Ltd	+3.14%
Enero Group	+4.23%	Bellamy's Australia	+2.82%
1-Page Ltd	+3.51%	Macquarie Atlas Roads	+2.45%

# **NAC: CAPITAL ANALYSIS & DIVIDEND**

AS AT 30<sup>TH</sup> JUNE 2016

## **NTA ANALYSIS**

Pre Tax - \$1.19

Post Tax Pre Unrealised Gains – \$1.18

Post Tax - \$1.14

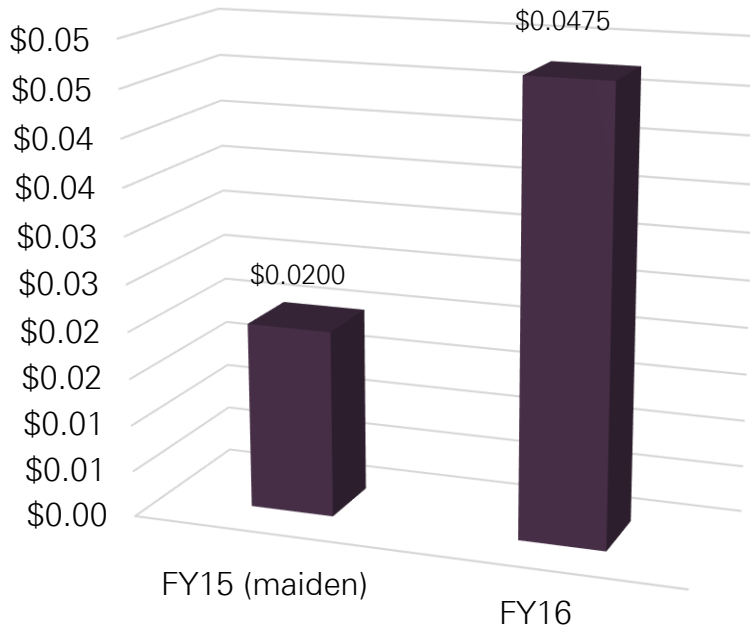
## **OPTIONS ON ISSUE**

### **NACO**

Expiry: 30<sup>th</sup> November 2016

Price Exercisable: \$1.00

**NAC Dividend Profile**

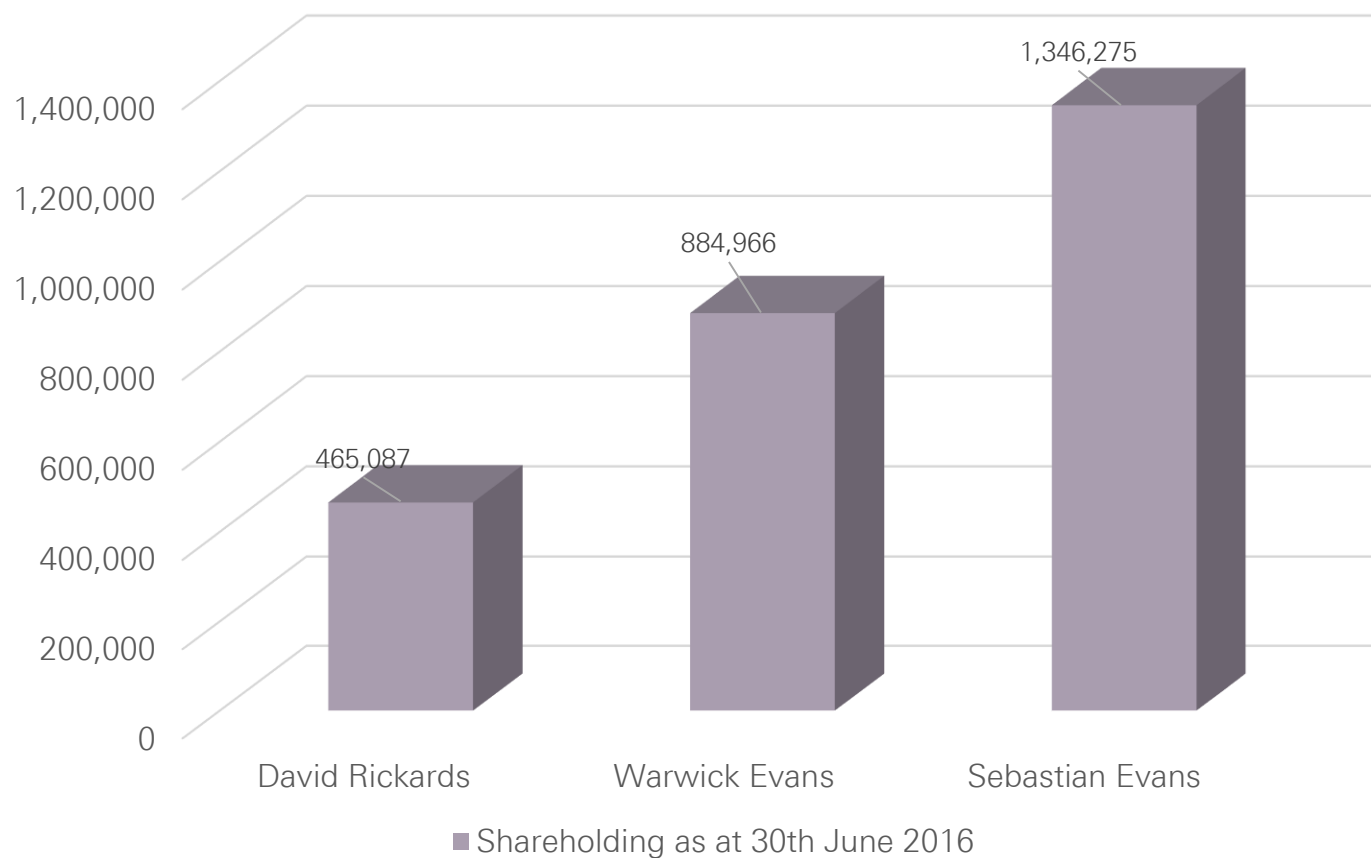


Share Price	\$1.00
Share Price Discount to NTA (undiluted, pre tax)	16%
Fully Franked Dividend Yield	4.54%
Gross Dividend Yield	6.49%
Shares on Issues	28,038,750
Options on Issue	14,961,250
Directors Shareholding	2,480,203

# **NAC: DIRECTORS ALIGNMENT WITH SHAREHOLDERS**

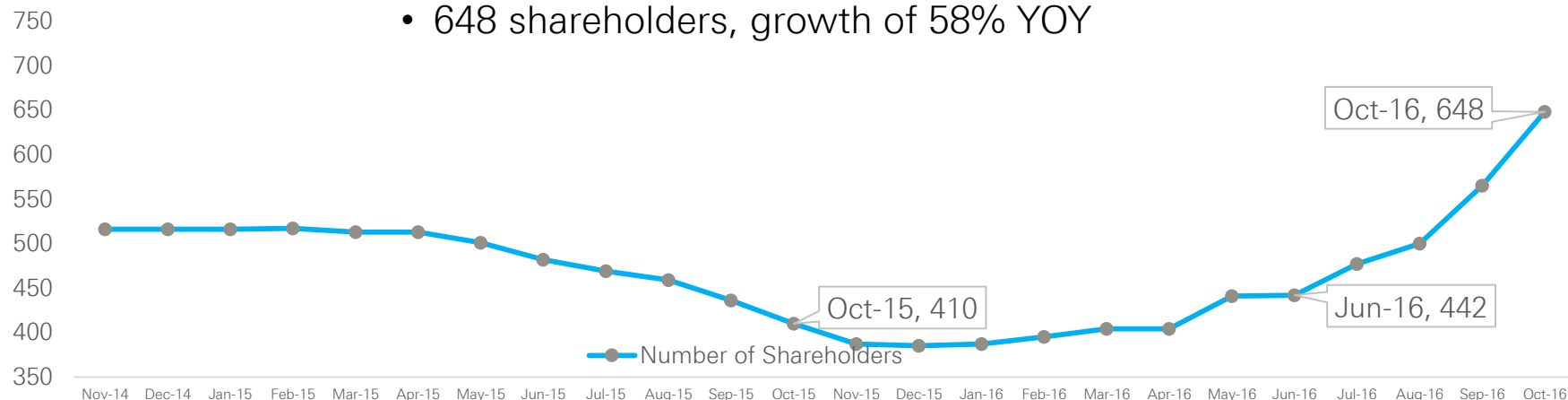
AS AT 30<sup>TH</sup> JUNE 2016

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## NAC Update 31<sup>st</sup> October 2016

- NAC share price discount to NTA has closed to 4% of pre tax NTA (full exercise of NACO)
- FY to date return +12.94% v +3.00% XAOAI
- Downside deviation less than 75% of the market (XAOAI)
- Assets Under Management \$45,000,000 with 70% NACO exercised
- 648 shareholders, growth of 58% YOY





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THE NAOS TEAM AND NAC BOARD OF DIRECTORS



Sebastian Evans  
Chief Investment Officer/  
Managing Director



Richard Preedy  
Chief Financial and  
Operating Officer



Ben Rundle  
Portfolio Manager



Julie Coventry  
Compliance Officer



Jeffrey Kim  
Portfolio Manager



Julia Stanistreet  
Business Development Manager



Robert Miller  
Portfolio Manager



Chadd Knights  
Associate Analyst



Sebastian Evans  
Director



David Rickards  
Independent Chairman



Warwick Evans  
Director

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