

The logo for NAOS, consisting of the letters N, A, O, and S stacked vertically in a yellow, sans-serif font. The 'A' is stylized with a triangular shape.

NAOS

CTN SHAREHOLDERS
NATIONAL INVESTOR ROADSHOW

INTRODUCTION TO
NAOS ASSET MANAGEMENT
LIMITED

NOVEMBER 2017

IMPORTANT INFORMATION

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INTRODUCTION TO NAO S | CTN ROADSHOW

EVENT DETAILS

BRISBANE

11.00am–12.00pm
Monday 6th November

Customs House
399 Queen Street
Brisbane QLD 4000

SYDNEY

11.00am–12.00pm
Wednesday 8th November

Museum of Sydney
Cnr Phillip and Bridge Streets
Sydney NSW 2000

ADELAIDE

2.30pm–4.00pm
Thursday 9th November

Pullman Adelaide
16 Hindmarsh Square
Adelaide SA 5000

PERTH

11.00am–12.00pm
Monday 13th November

Hyatt Regency Perth
99 Adelaide Terrace
Perth WA 6000

MELBOURNE

11.00am–12.00pm
Wednesday 15th November

Grand Hyatt Melbourne
123 Collins Street
Melbourne VIC 3000

OUR LISTED INVESTMENT COMPANIES

NAOS EMERGING OPPORTUNITIES

COMPANY LIMITED

(ASX: NCC)



Industrial Companies with
Market Cap \$10M - \$250M



Target 8 -12 Long Positions



Strategy Capacity \$150m

EMERGING / MICROCAP
COMPANIES

Performance +18.96% P.A.
& Gross Yield 7.00%*

CONTANGO MICROCAP

LIMITED

(ASX: CTN)

OUR PLANNED APPROACH



Industrial Companies with
Market Cap \$100M - \$1B



Target 10 -15 Long Positions



Strategy Capacity \$300m

SMALL CAP
COMPANIES

NAOS ABSOLUTE OPPORTUNITIES

COMPANY LIMITED

(ASX: NAC)



Industrial Companies with
Market Cap \$400M - \$1B+



Target 10-15 Long & 0-3 Short
Positions



Strategy Capacity \$500m

SMALL / MID CAP
COMPANIES

Performance +16.11% P.A.
& Gross Yield 7.11%*

* Figures at 30 Sep 2017. Performance is since inception p.a. and post all operating expenses, before fees, taxes and initial IPO and placement commissions. Performance has not been grossed up for franking credits received by shareholders and includes part performance for NCC for the month of March 2013 and NAC the month of November 2014. Returns compounded for periods greater than 12 months.

NAOS TEAM

THE BOARD



Sebastian Evans
Managing Director, NAOS Asset Management Limited & Director NCC, CTN and NAC



Mark Bennett
Director, NAOS Asset Management Limited



Warwick Evans
Chairman, NAOS Asset Management Limited & Director NCC, CTN and NAC



David O'Halloran
Director, NAOS Asset Management Limited



David Rickards
Chairman & Director, NCC and NAC

OUR TEAM



Sebastian Evans
Chief Investment Officer



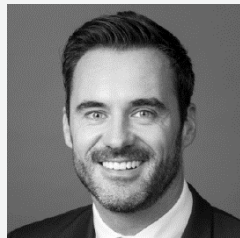
Ben Rundle
Portfolio Manager



Jeffrey Kim
Portfolio Manager



Robert Miller
Portfolio Manager



Richard Preedy
Chief Financial and Operating Officer



Julia Stanistreet
Business Development Manager



Megan Walker
Marketing and Communications Manager



Rajiv Sharma
Senior Legal Counsel and Company Secretary NCC, CTN and NAC



Chadd Knights
Associate Analyst

An aerial photograph of a dense forest. The majority of the trees are dark green, but there are numerous yellow and orange trees scattered throughout, indicating autumn. The perspective is from directly above, looking down on the canopy.

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"It is impossible to
produce a superior return
unless you do something
different to the majority"

Sir John Templeton

NAOS STRATEGY FOR CTN

1.  PERFORMANCE FOCUSED
2.  SUSTAINABLE GROWING
DIVIDEND POLICY
3.  CLOSE THE
DISCOUNT TO NTA
4.  MANAGEMENT AND
SHAREHOLDER ALIGNMENT
5.  MARKET AWARENESS AND
EFFECTIVE COMMUNICATION

1.PERFORMANCE FOCUSED NAOS INVESTMENT BELIEFS

We believe success is achieving returns for our investors, over a three to five year period, better than and without correlation to the broader market with less risk of permanent capital loss.

We see value in the sharing of investment ideas with our investment community via open and transparent communication to ensure investors are able to make informed decisions.



VALUE
FOCUSED



QUALITY OVER
QUANTITY



INVEST FOR
THE LONG TERM



IGNORE
THE INDEX



PURE EXPOSURE
TO INDUSTRIALS



ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE (ESG)



MANAGEMENT
ALIGNMENT

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"Our policy is to concentrate holdings. We try to avoid buying a little of this or that when we are only lukewarm about the business or its price. When we are convinced as to attractiveness, we believe in buying worthwhile amounts."

Warren Buffett

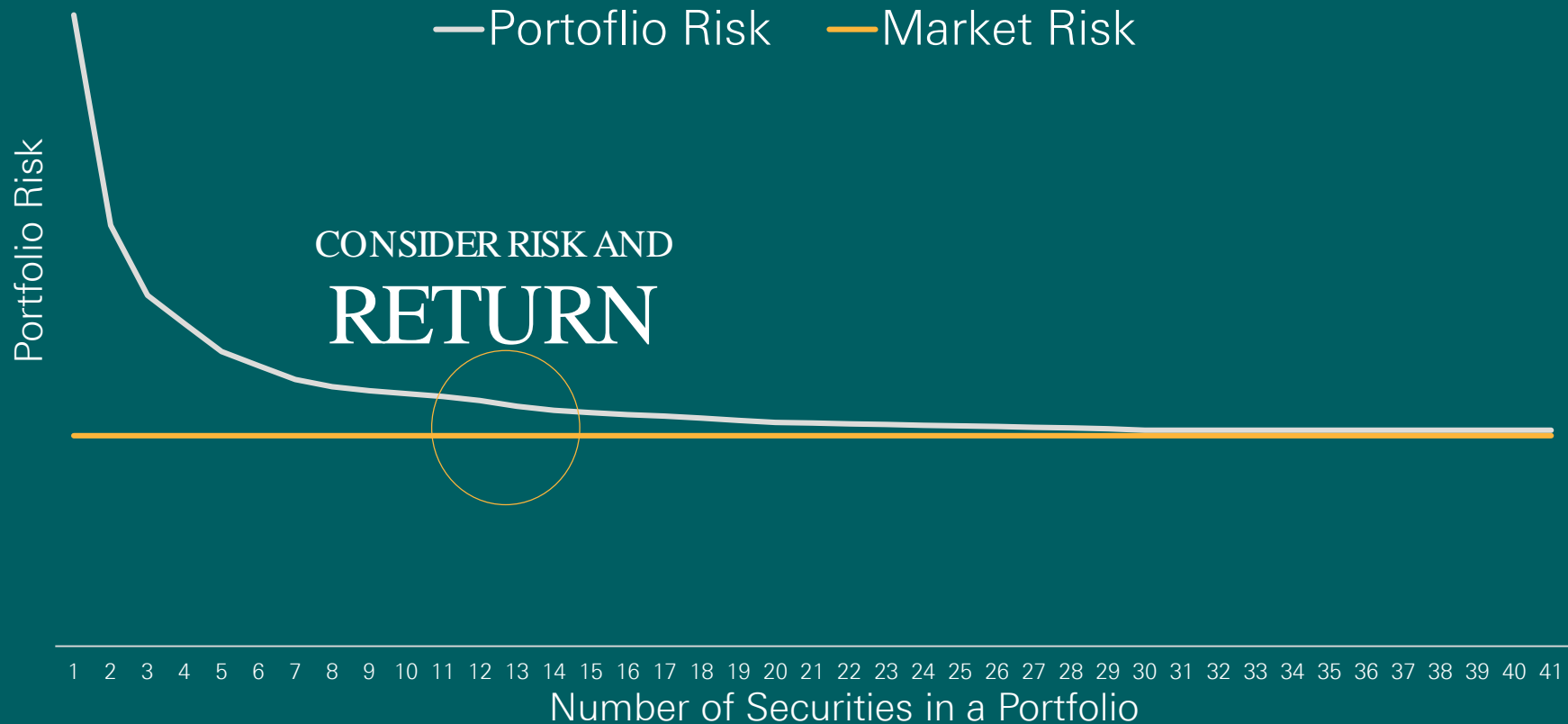
1. PERFORMANCE FOCUSED SHAREHOLDER RETURNS

LIC Shareholder Returns are driven by:

- NTA Performance;
- Sustainable Tax Effective Dividends; and
- Effective Shareholder Communications



1. PERFORMANCE FOCUSED QUALITY OVER QUANTITY



Source Dresdner Kleinwort Macro Research

1.PERFORMANCE FOCUSED

WHAT IS A SMALL CAP?

- How can large illiquid businesses be Small Caps?
- Is it time to sell a Small Cap when it becomes too big?

Company	Total Shareholder Return 3 yr p.a.% *	Market Cap	Management Ownership (% Shares on Issue)
ASX: REH	13.95%	\$4.4B	~60% (Wilson Family)
ASX: MNF	19.36%	\$416M	35% (CEO & Co-Founder: Rene Sugo Non-Executive Director & Co-Founder: Andy Fung)
ASX: MOE	88.00%^	\$850M	17% (CEO: Andrew Pridham)

*All figures as at 1 November 2017

^MOE part year TSR, IPO date 10 April 2017

1.PERFORMANCE FOCUSED PURE EXPOSURE TO INDUSTRIALS

1380

ASX LISTED COMPANIES WITH MARKET CAP >\$10M

AFTER WE REMOVE
ALL MINING OIL & GAS COMPANIES, COMPANIES WITH NO REVENUE
& COMPANIES >\$1B MARKET CAP

= 662
COMPANIES REMAIN

TARGET COMPANIES
\$100M AVERAGE MKT CAP

MICRO CAP
ASX: NCC

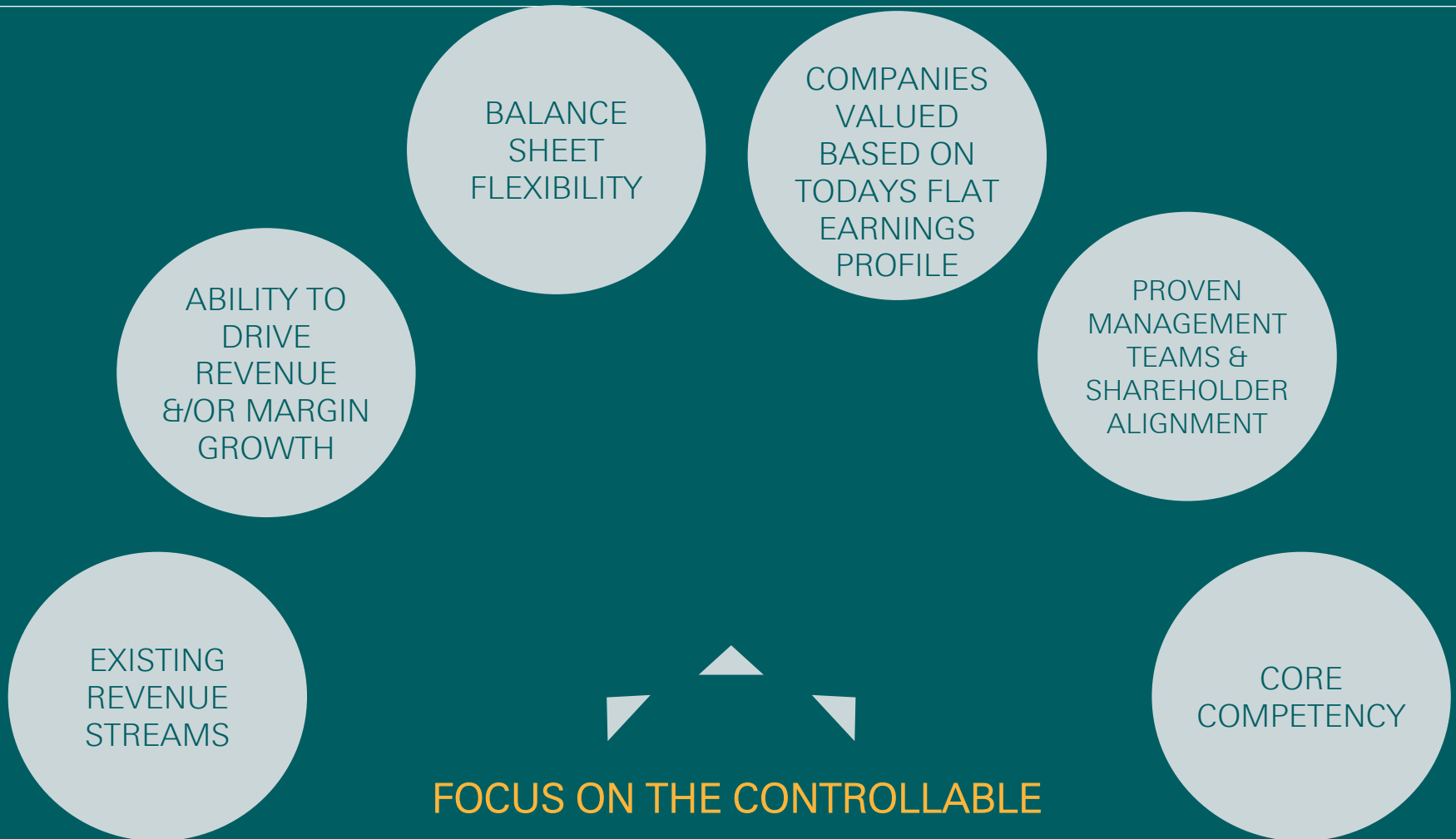
TARGET COMPANIES
\$250M AVERAGE MKT CAP

SMALL CAP
ASX: CTN

TARGET COMPANIES
\$500M+ AVERAGE MKT CAP

MID CAP
ASX: NAC

1.PERFORMANCE FOCUSED WHAT WE LOOK FOR IN A COMPANY



1. PERFORMANCE FOCUSED NCC TOP 5 COMPANY CONTRIBUTION

Company	Industry	Time Held in NCC	% Contribution to Performance Since NCC Inception
ASX: BSA	Contracting	3 years	27.87%
ASX: COG	Diversified Financials	4 years	16.68%
ASX: CIX	Insurance	1.5 years	16.45%
ASX: CAJ	Health Care Services	2.5 years	15.99%
ASX: LAU	Transportation	4 years	10.61%

1. PERFORMANCE FOCUSED ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

Factors we look for as part of our investment process, include:

- Environmental impact;
- Labour policies;
- Governance;
- Philanthropic activities;
- Social impact;
- Human rights; and
- Sustainable waste management.

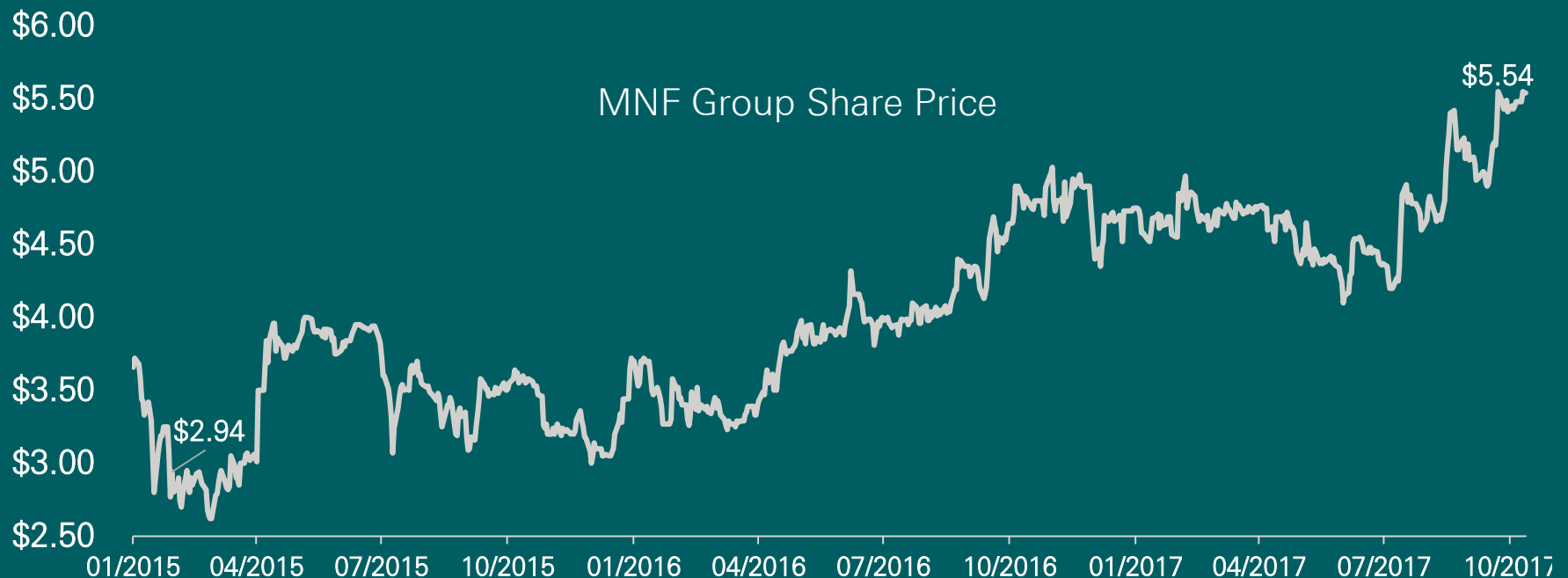


1. PERFORMANCE FOCUSED INVEST FOR THE LONG TERM

MNF Group (ASX: MNF)

Industry: Software & Services | Market Capitalisation: \$400m

NAOS Invested Since February 2015 | TSR since this date 106.49%



An aerial photograph of a dense forest. The majority of the trees are dark green, but there are numerous yellow and orange trees scattered throughout, indicating autumn. The perspective is from directly above, looking down on the canopy.

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“Investors should treat their equity holdings like real estate purchases, focusing on the potential for profits over time rather than short-term price fluctuations”

Warren Buffett

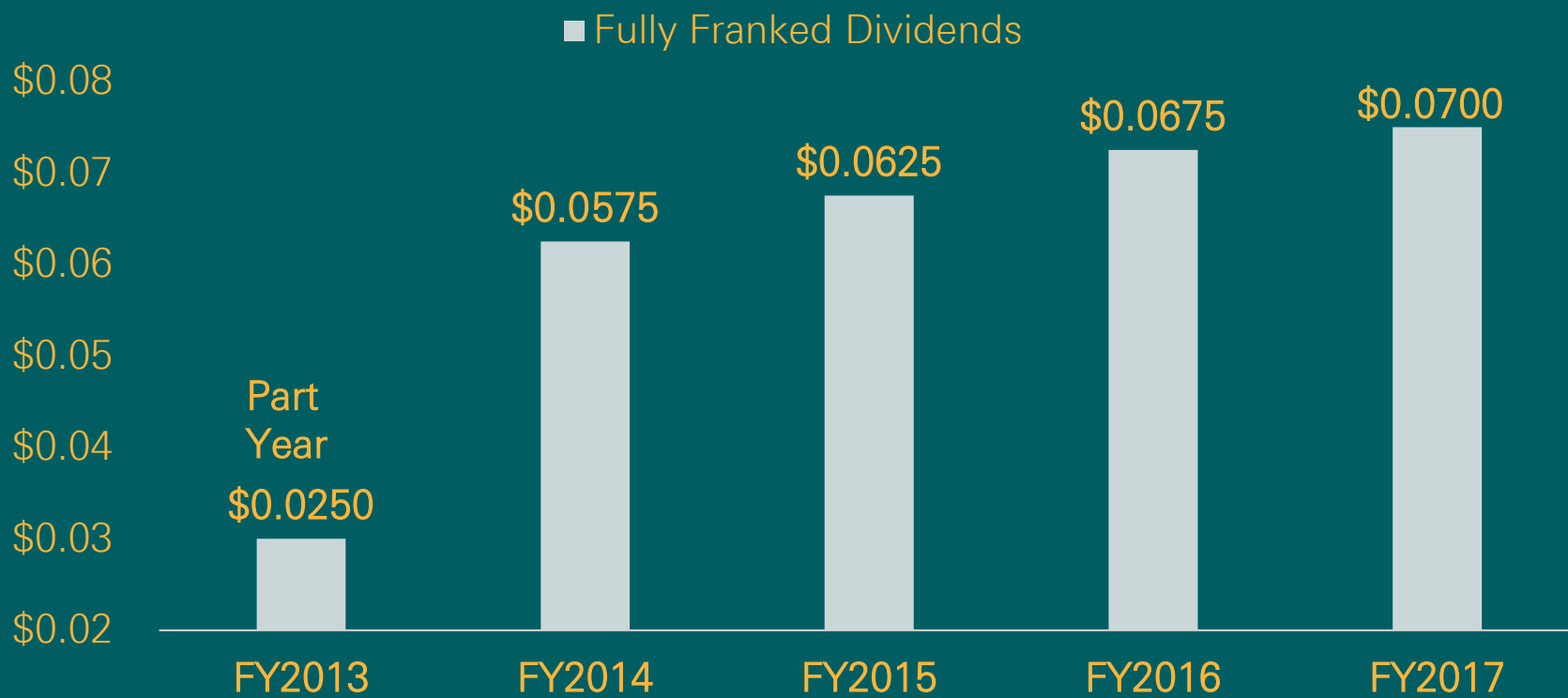
2. SUSTAINABLE GROWING DIVIDEND POLICY

- Industrial Exposure v Mining or Technology
- Maximising Franking for Shareholders
- Build Dividend Reserve Accounts for Sustainable Dividends



2. SUSTAINABLE GROWING DIVIDEND POLICY NCC DIVIDEND HISTORY

Net Yield **4.90%** | Franking **100%** | Gross Yield **7.00%**



All figures as at 30 September 2017



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“If investing is entertaining, if you’re having fun, you’re probably not making any money. Good investing is boring.”

George Soros

3.CLOSING THE NTA DISCOUNT

NAOS

- No Dilutive Dividend Reinvestment Plan
- No Dilutive Capital Raisings
- Increased Market Awareness and Transparency

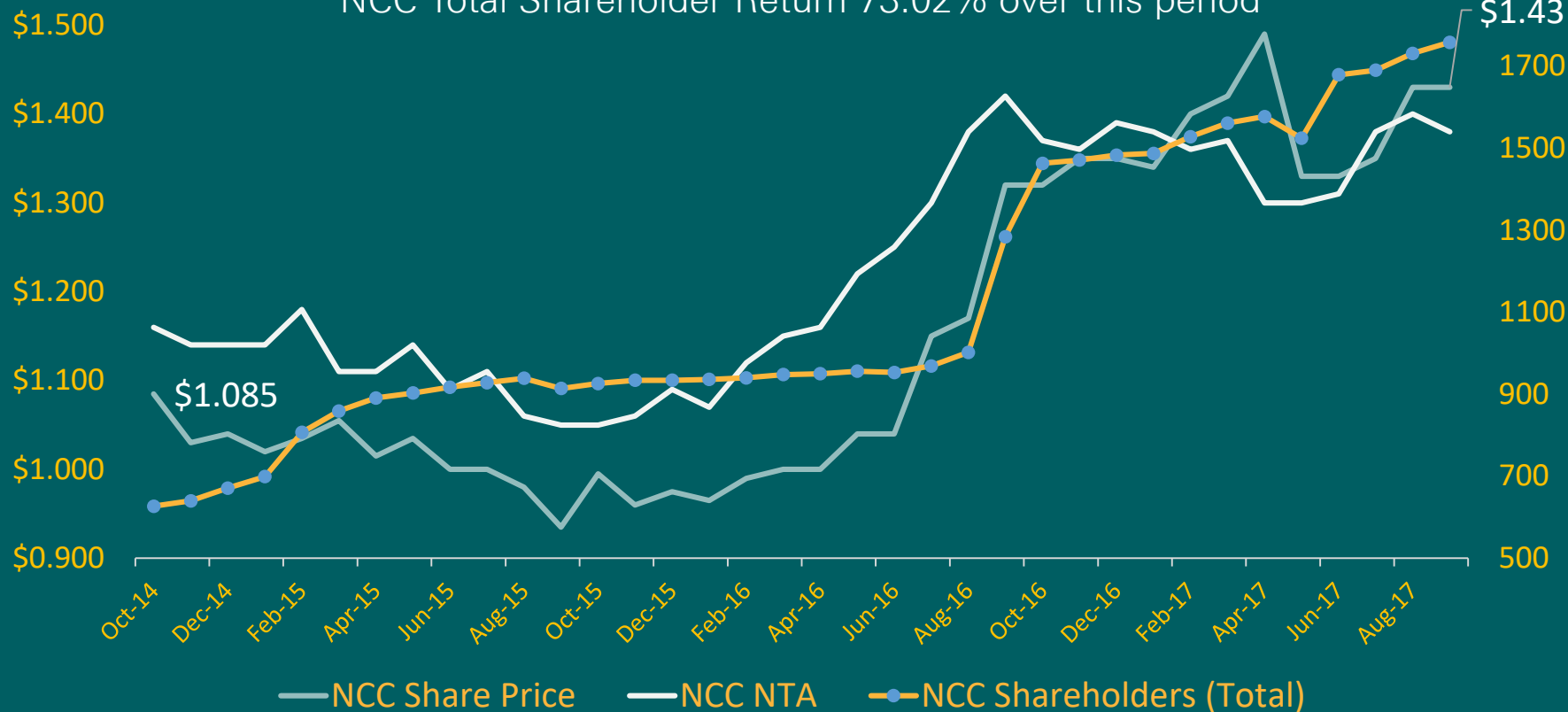


3.CLOSING THE NTA DISCOUNT

NCC SHAREHOLDER RETURN

Shareholder Growth and Discount to NTA

NCC Total Shareholder Return 73.02% over this period



An aerial photograph of a dense forest. The majority of the trees are dark green, but there are numerous bright yellow trees scattered throughout, indicating autumn. The perspective is from directly above, looking down on the canopy.

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“Show me the incentives
and I’ll show you the
outcome.”

Charlie Munger

4. MANAGEMENT & SHAREHOLDER ALIGNMENT

Funds Under Management Builders =
Rich and Lazy

Management Alignment =
Incentives for Long Term Outperformance

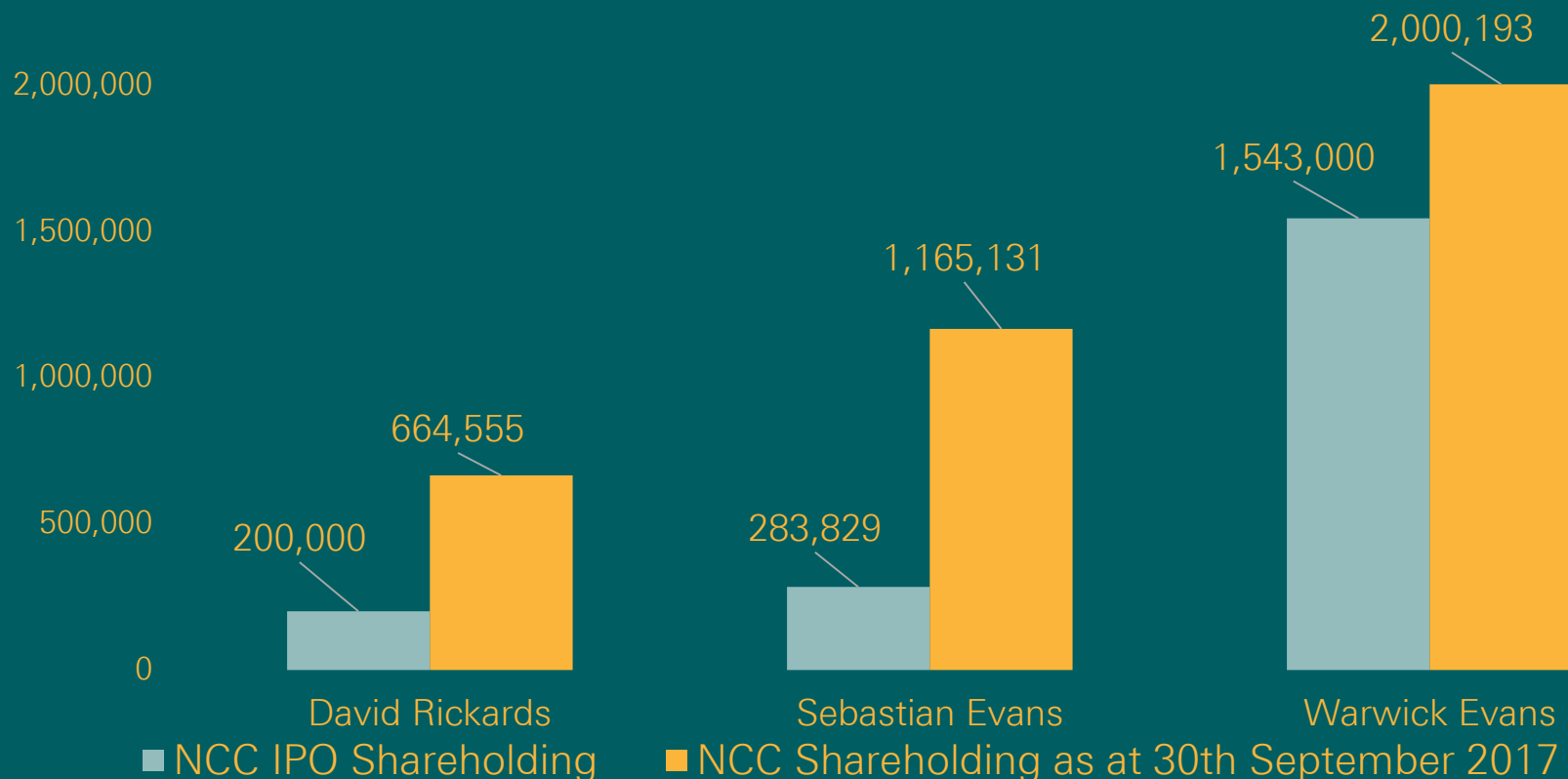
- Significant Directors & Employee Shareholdings
- Performance Fee Alignment



4. MANAGEMENT & SHAREHOLDER ALIGNMENT

NAOS MANAGEMENT ALIGNMENT

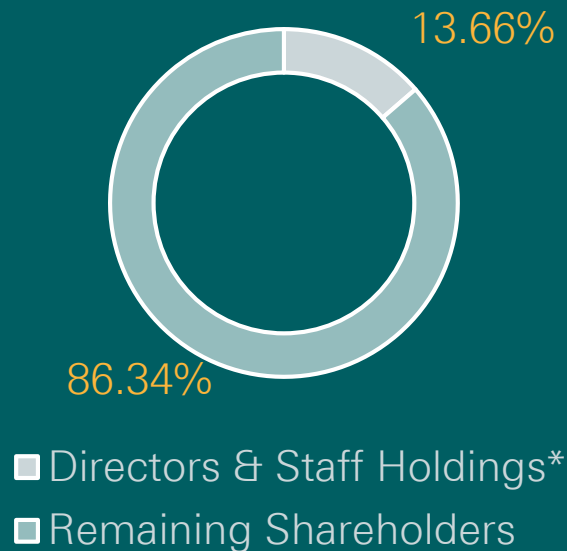
- Warwick Evans Initial CTN Shareholding Established 100,000
- Sebastian Evans Initial CTN Shareholding Established 55,400



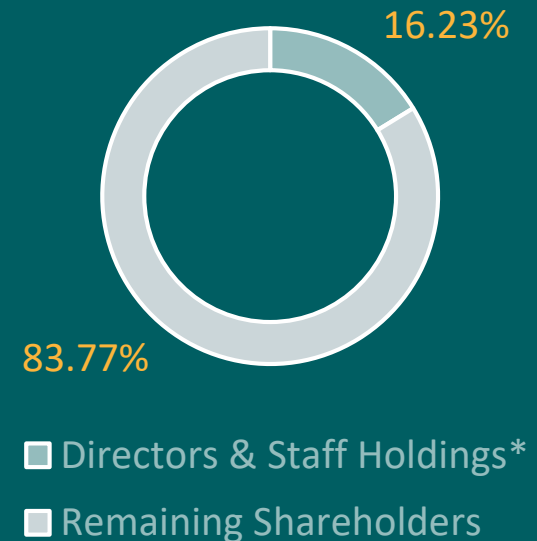
4. MANAGEMENT & SHAREHOLDER ALIGNMENT

NAOS MANAGEMENT ALIGNMENT

NCC Management and Staff Alignment



NAC Management and Staff Alignment



*Includes NAML Directors and Staff and LIC Directors Holdings as at 30 September 2017

An aerial photograph of a dense forest. The majority of the trees are dark green, but there are numerous trees with bright yellow foliage scattered throughout, particularly in the upper and right portions of the image. The perspective is from directly above, looking down on the canopy.

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“We know from experience that eventually the market catches up with value. It realises it in one way or another”

Benjamin Graham

5. MARKET AWARENESS & COMMUNICATIONS



CEO Insights,
Weekly NAOS
Newsletter,
subscribe via our
website
naos.com.au/#subscribeform



Quarterly
Shareholder
Conference Calls,
subscribe via our
website
naos.com.au/#subscribeform



Monthly
Investment Report
& NTA email
updates, subscribe
via our website
naos.com.au/#subscribeform



The news and
media section of
our website is
updated regularly
naos.com.au



Twice yearly
National
Roadshow



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Twitter
[@NaosAssetMgmt](https://twitter.com/NaosAssetMgmt)



Add us on LinkedIn
NAOS Asset
Management



Like us on
Facebook NAOS
Asset
Management



Subscribe to us on
YouTube NAOS
Asset
Management



For all enquires
contact
enquiries@naos.com.au or call
(02) 9002 1576

5.MARKET AWARENESS & COMMUNICATIONS

AGM PROPOSED RESOLUTIONS

KEY DATES

Latest time and date for lodgement of your completed proxy form

10.00am on Sunday, 26th November

Time and Date of Meeting (AGM)

10.00am on Tuesday, 28th November

KEY RESOLUTIONS TO APPROVE

The appointment of Sebastian Evans and Warwick Evans as Non-executive Directors of the Company

The Change of Name of the Company

The Termination of the Company's Existing Investment Management Agreement

The Terms of the New Investment Management Agreement

A misty forest scene with tall, slender trees. Sunlight filters through the dense canopy, creating a warm, golden glow in the center. The ground is covered in dark, damp earth and fallen leaves. The overall atmosphere is serene and ethereal.

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Q&A

THANK YOU FOR
YOUR SUPPORT