



Wealth Defender Equities Limited

T +61 2 8274 2700

A Level 19, 56 Pitt Street
Sydney NSW 2000 Australia

W wealthdefenderequities.com.au

ACN 602 517 528 | ABN 15 602 517 528

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ASX Company Announcements
20 Bridge St
Sydney NSW 2000

Wealth Defender Equities Limited – Chairman’s presentation to Annual General Meeting

In accordance with ASX Listing Rule 3.13, the Company provides a copy of the presentation that Mr Alan Schoenheimer, the Chairman of the Company, will give at the Company’s Annual General Meeting this morning.

A copy of the presentation is attached overleaf.

Yours faithfully

A handwritten signature in cursive script that reads "S. Prince".

Sarah Prince
Company Secretary
Wealth Defender Equities Limited

Good morning and I will take it as a given that you have all read the Annual Report, and recognising that the Company was only listed for 6 weeks prior to the end of the financial year I do not intend to go through our results in detail .

However I am pleased to report that after a successful listing in May and inclusive of the costs associated with listing, the company did report a maiden after tax profit of \$724,994.

Our NTA pre tax was \$0.947, earnings per share were 3.59 cents per share and the Company's net assets at year end were \$121.1m.

If shareholders have any questions on the financial results, we have provided time to address these later in the meeting.

Performance of Wealth Defender Equities Limited in the short period post listing to June 30 was negative although was ahead of the Company's benchmark. Importantly however in line with the investment strategy we outlined in the Prospectus, our manager Perennial Value Management did not look to market time in the establishment of the Company's investment portfolio. As a result, the Company's investment portfolio was effectively fully invested within the first few weeks of trading.

Since listing we have seen significant volatility in the market. Given that the investment strategy within Wealth Defender Equities is designed to apply throughout the investment cycle, I would like therefore to make a few personal comments about the concepts on which Wealth Defender Equities was designed and has been managed to date.

Wealth Defender Equities Limited was conceived as an easy to access investment vehicle that would aim to provide three major benefits to investors

1. diversified exposure to the Australian Share Market;
2. an "air bag" to cushion the negative effect of a dramatic decline in that market; and
3. sufficient added value through stock selection to at least pay for the cost of the air bag.

With the current low interest rate environment, investors desirous of a higher yield than available with Term Deposits and the like are forced to assume greater risk and specifically equity market risk. The Australian Share Market typically provides an attractive yield, especially on an after-tax basis but this yield is typically only available by accepting full equity market risk.

To purchase full insurance for an equity market investment is normally quite expensive, driving down the returns from a fully protected portfolio. But like other insurance situations, most investors do not require insurance for small losses, but rather require protection in the event of a calamitous loss – one that they cannot afford to bear. Many insurance policies feature the concept of an excess, where the insured covers the first part of a loss and the insurance kicks in only when the losses mount substantially.

By carrying an excess, the cost of insurance goes down and negative outcomes which are manageable are allowed to occur with the insurance kicking in only in the case of an unmanageable outcome. This was the concept behind Wealth Defender Equities.

In the short period since listing, I have found it useful to review performance in terms of the overarching objectives of the Company as mentioned previously. Also because this is a very short period, we must not fall into the trap of reaching definitive conclusions. We should also remember that the strategy behind Wealth Defender Equities is designed to apply throughout the investment cycle, not just over 4 months. . But for me, the indications were positive.

My overall report card is as follows:

1. The Company did indeed provided diversified exposure to the Australian Share Market.
2. The air bag does work, especially when there were large negative movements over a short period of time.
3. Because of the short time since listing an evaluation of the manager as a Value manager with a 15 year track record of investing in quality companies and generating excess returns through full market cycles, any short term assessment at an equity portfolio level is not yet appropriate.

For more detail about the investment performance of the Company, we have brought senior representatives of the Manager – John Murray and Dan Bosscher -to today's meeting who will present their update and also to answer your questions. This segment will come after the formal aspects of the meeting.

I would also like to remind shareholders that their loyalty options will vest on 23 November and those eligible options holders (that meet the vesting conditions) will be issued a holding statement confirming their holding within 3 business days of the vesting date. We anticipate that vested Options will be quoted on the ASX within seven business days of the Vesting Date. i.e. by 1 December 2015.

Mr Alan Schoenheimer
Chairman

WEALTH DEFENDER EQUITIES LIMITED – 30 JUNE RESULTS

Profit after tax

\$724,994

Total Portfolio
Return**

-1.6%

Benchmark

-2.55%

Earnings Per Share*

3.59 cents Basic

WDE Performance

+0.95%

Dividend Paid

N/A

NTA (before tax) **\$0.947**

NTA (after tax) **\$0.963**

Net Assets

\$121,082,759

All data as 30 June 2015

*Calculated from date of incorporation of WDE

** Returns are gross measured since listing on 21 May 2015

***S&P/ASX300 Accumulation Index