



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

27 October 2015

ASX Company Announcements
20 Bridge St
Sydney NSW 2000

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

In accordance with ASX Listing Rule 3.13, the Company provides a copy of the presentation that Mr John Murray and Mr Dan Bosscher 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



**Wealth
Defender
Equities**

Wealth Defender Equities Manager Update

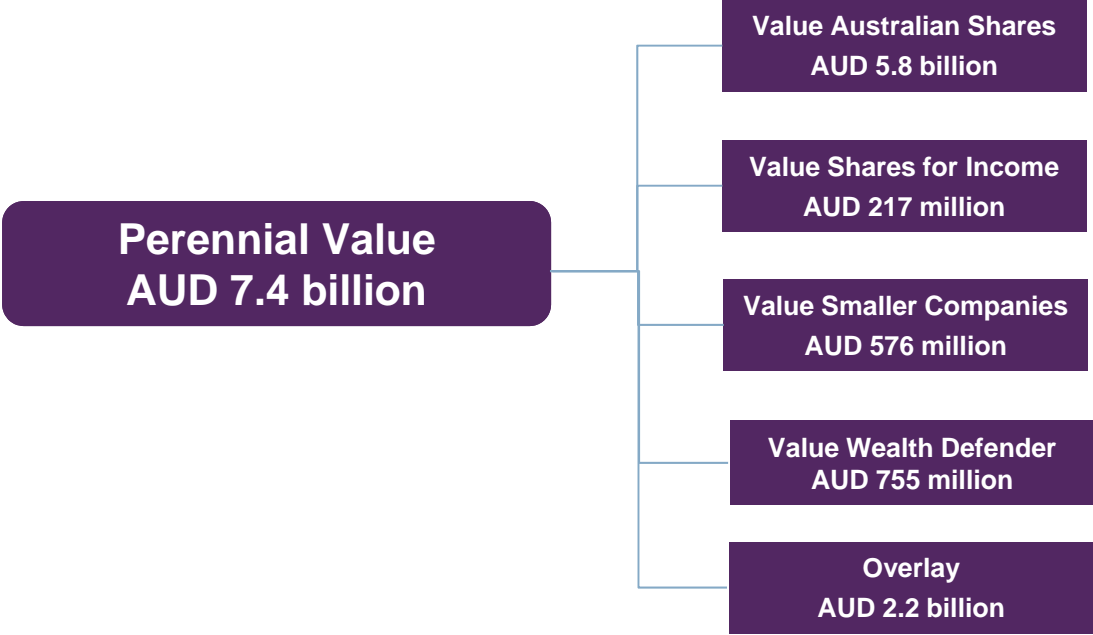
AGM October 2015

Manager Update

- Highly rated, experienced value style manager with track record of outperformance
- Commenced March 2000 with \$40m FUM, grown to \$7.4 billion
 - **Includes \$2.2 billion in institutional Wealth Defender mandates**
- Financially strong (no debt)
- Diversified client base
- Powerful staff alignment with our investors
 - Investment staff have majority ownership
 - Staff have significant investment in our funds
- Very stable, focused team of 13 investment professionals

Strong business, stable team

Manager Update



Strong business, stable team

Company Performance

PERFORMANCE TO 30 SEPTEMBER 2015	SINCE INCEPTION [^] % P.A.
WDE	-7.70%*
S&P/ASX 300 Accumulation Index	-8.85%

[^] Inception date 21 May 2015

* Performance before fees and tax

NET TANGIBLE ASSETS (NTA)	AMOUNT
NTA before tax	\$0.8842
NTA after tax	\$0.9203*

The NTA does not include or adjust for Loyalty Options

Loyalty Options will vest on the vesting date of 23 November 2015 if and only if, the applicant holds the same or a greater number of Shares as applied for in the IPO

The NTA per share is at 30 September 2015. The before and after tax numbers relate to the provision for deferred tax on the unrealised gains in the Company's investment portfolio

Investment Update & Market outlook



John Murray – Managing Director
CA, FFin, B.A (Acc)

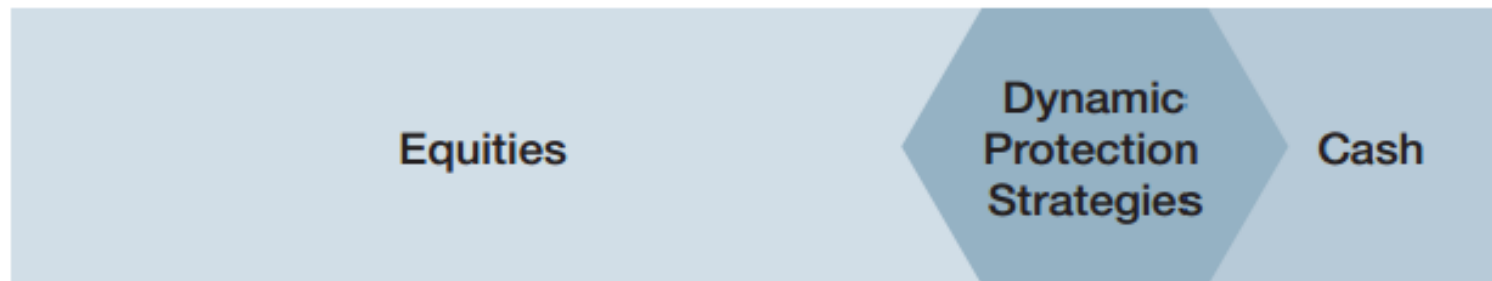


Dan Bosscher – Portfolio Manager
B. Com/LLB (Hons)

Wealth Defender Equities - Objective

The Company aims to outperform the S&P/ASX 300 Accumulation Index by investing in a diversified portfolio of Australian shares (with an ex-ASX top 20 bias) and using protection strategies to dynamically protect the portfolio through market cycles, thereby seeking to reduce the magnitude of significant negative returns in falling equity markets.

Actively managed allocation between equities, cash and derivative protection throughout market cycles



Top contributors, inception to 30 Sept '15 – Strong mid cap bias

Asciano	ex-Top 20
AGL Energy	ex-Top 20
BlueScope Steel	ex-Top 20
CIMIC Group	ex-Top 20
Amalgamated Holdings	ex-Top 20
Orora	ex-Top 20
Brickworks	ex-Top 20
Aristocrat Leisure	ex-Top 20
HFA Holdings	ex-Top 20

Asciano – Patience rewarded



Valuation – FY15*:	P/E	Gross dividend yield
Market	12.0x	7.1%
Asciano	10.4x	7.7%
(Discount)/Premium	(13%)	8%

What they do – Major port and rail haulage operator

Where they operate – Australia and NZ

Reason for investing:

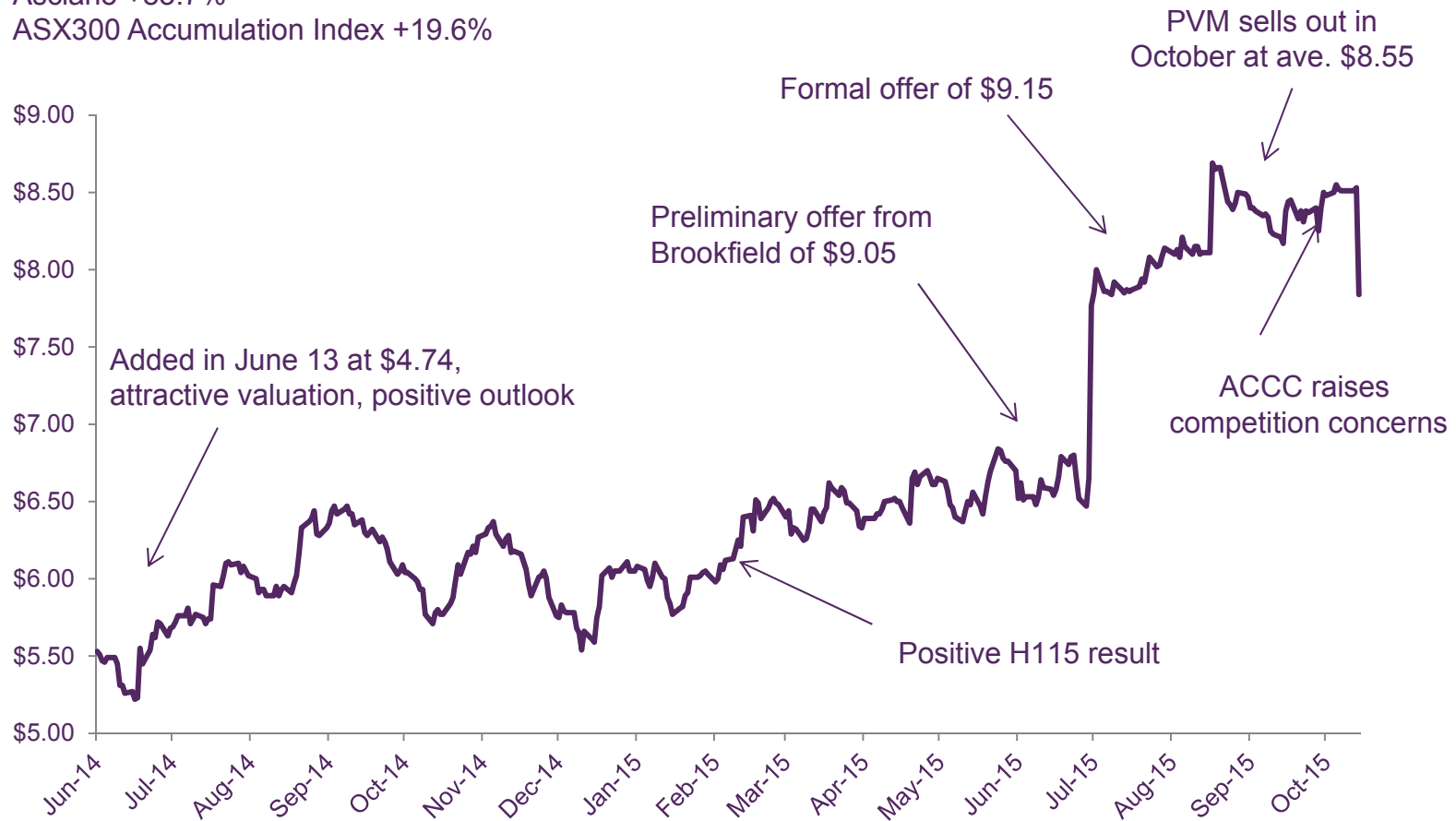
- Strong asset positions
- Significant cash flow improvement following a period of heavy capex
- Aggressive cost reduction program to drive earning growth

Asciano – Patience rewarded

Total return: Jun-13 to Oct-15

Asciano +83.7%

ASX300 Accumulation Index +19.6%



Current outlook and strategy

▶ **Market sold off on China concerns:**

- Direct impact on resource stocks; plus
- Indirect impacts on broader economy

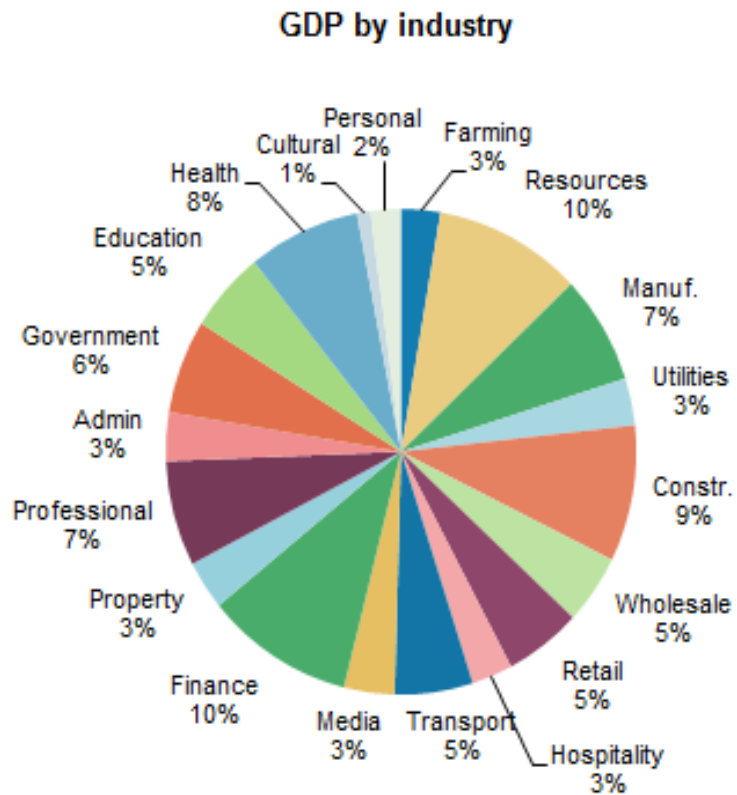
▶ **Perennial Value more positive as:**

- AUD 30% lower last three years – positive: tourism, education, exporters
- Interest rates at all time lows – supportive of property and spending
- Residential construction cycle to be extended
- Significant infrastructure pipeline
- Change of PM positive – reform agenda, confidence uplift coming?
- Reporting season reasonable

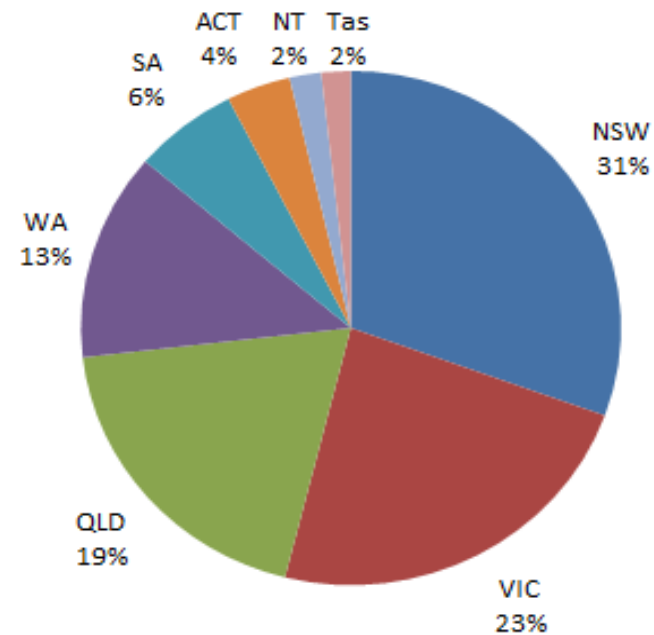
August 2015 reporting season snapshot

Stocks reporting:	% of Portfolio	Examples
Increased profits	63	Boral, Sims, Harvey Norman, Stockland
Decreased profits	37	BHP, Rio Tinto, Crown
Total	100	
Increased dividends	77	AMP, BHP, CBA, FAN, HFA, QBE
Flat dividends	15	Crown, Fairfax, Origin Energy
Decreased dividends	8	Lend Lease, Woodside
Total	100	

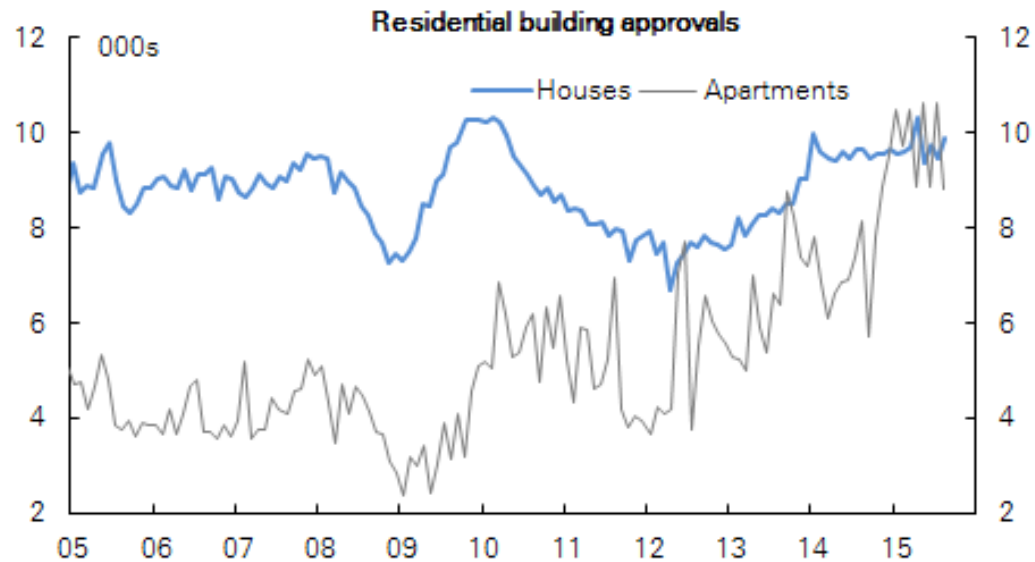
Domestic Market Themes



State share of national demand



Domestic Market Themes - Housing



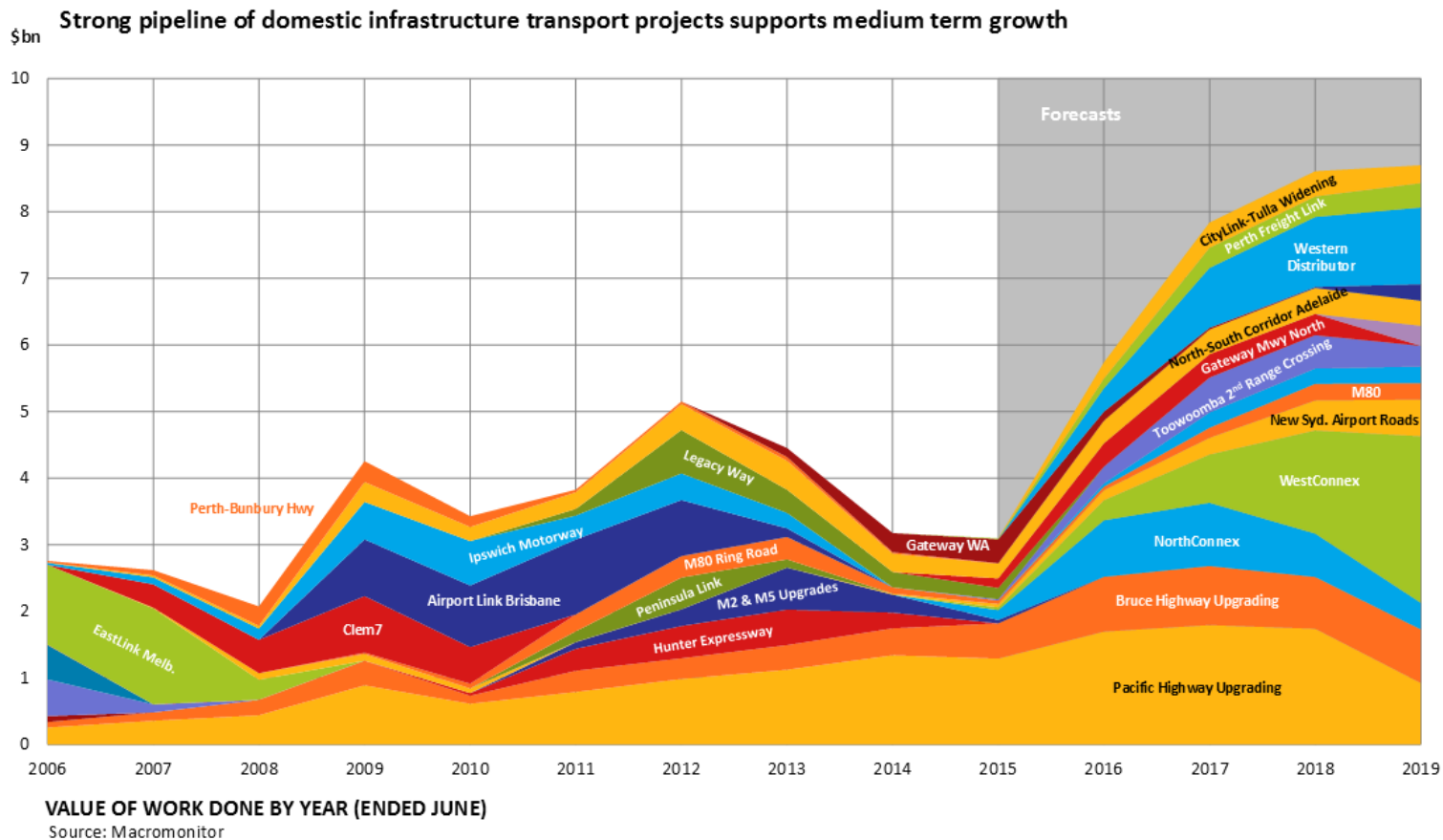
Brickworks CEO – September 2015:

“In Austral Bricks, the east coast order bank is extremely strong with home builders in Sydney and Melbourne reporting strong demand and work in hand extending up to one year.”

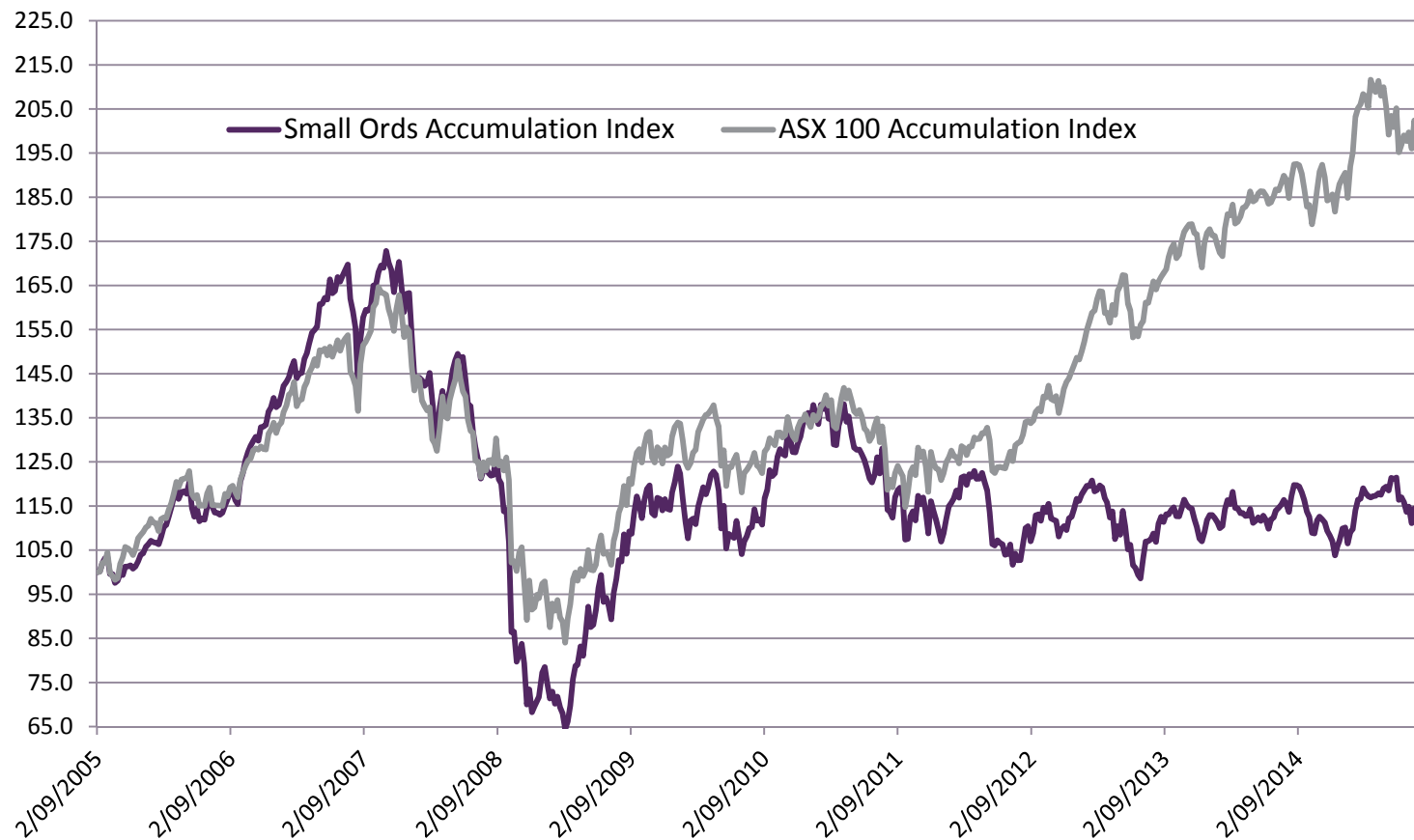
“Demand in other divisions is also strong, with Qld pre-cast capacity sold out for almost the entire year and NSW orders are increasing rapidly.”

Domestic Market Themes - Infrastructure

Major Australian road construction projects



Large Caps outperforming Small Caps



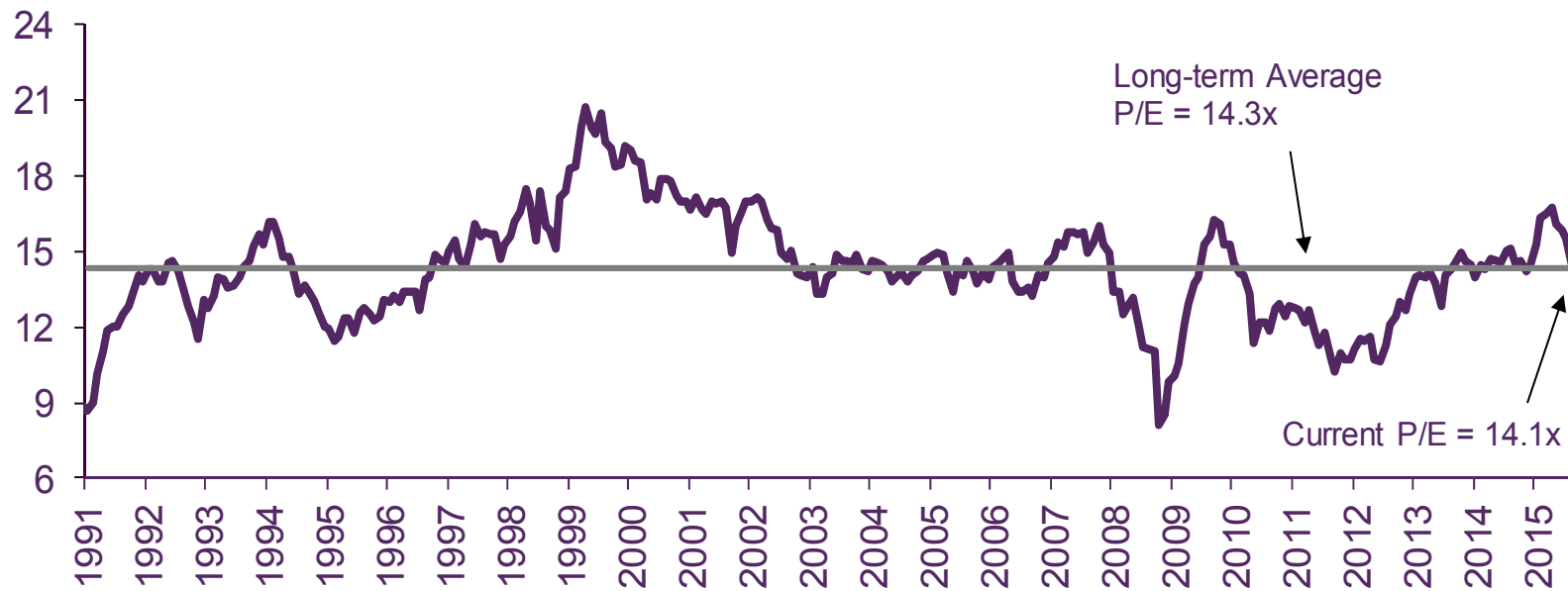
- Small Ords still 37% below its all-time highs (Small Ords needs to increase 59% to reach its all-time highs)

Portfolio positioning

Time Horizon	Themes
Near Term	<p>East coast recovery – SGP, BKW, BLD, HVN, FLT</p> <p>Diversified financials – AMP, HGG, MQG</p> <p>Weaker AUD – ALL, AHD, HGG, NWS, ORA</p> <p>Operational improvement – AGL, AMP, NCM, QBE, SGM</p>
Medium term	<p>Supply response commodity prices improve – BHP, RIO, WPL, AWE</p> <p>Demand response commodity prices improve – ILU, SFR</p> <p>Infrastructure Investment – BLD, CIM, DOW, LLC</p> <p>Operational improvement – AGL, FXJ, NAB, ORI, QBE, SGM</p> <p>Stock specific event – FXJ, GNC, NWS</p>

Market outlook

Australian stockmarket valuations reasonable



Conclusion – Wealth Defender Equities Limited

- **An LIC for the current times**
- Enhancing long term investor outcomes by **cushioning losses during significant market falls, compounding off a higher base**
- Proven **long-term track record** delivered by Perennial Value Management's investment process
- Proven risk management team providing **dynamic downside protection in a cost-effective manner**
- **Ex-ASX top 20 bias**
- **Increased peace of mind** for sharemarket investors

Disclaimer

This presentation has been prepared by Perennial Value Management Limited ACN 090 879 904, AFSL No. 247293 (**Perennial Value**) with respect to Wealth Defender Equities Limited ACN 602 517 528, The information contained in this presentation is for information purposes only and has been prepared for use in conjunction with a verbal presentation and should be read in that context.

This presentation is intended only for persons in Australia and/or New Zealand and it is provided to you on the basis that you are a person to whom an offer of securities may be made without disclosure under the securities laws of these jurisdictions.

The contents of this presentation were prepared for information purposes only. The information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. Please note that, in providing this presentation, Perennial Value has not considered the objectives, financial position or needs of any particular recipient. Perennial Value strongly suggests that investors consult a financial advisor prior to making an investment decision.

This presentation is strictly confidential and is intended for the exclusive benefit of the institution to which it is presented. It may not be reproduced, disseminated, quoted or referred to, in whole or in part, without the express consent of Perennial Value.

No representation or warranty, express or implied, is made as to the fairness, accuracy, reliability, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Perennial Value, its related bodies corporate, shareholders or respective directors, officers, employees, agents or advisors, nor any other person, accepts any liability, including, without limitation, for any loss or damage which may be suffered by any person relying upon such information or any opinion, analysis, recommendation or conclusion contained in this presentation or otherwise arising in connection with the content of, or any omission from, this presentation.

The fact that particular securities may have been mentioned should not be interpreted as a recommendation to either buy, sell or hold those securities.

This presentation may include “forward looking statements” within the meaning of securities laws of applicable jurisdictions. Forward looking statements can generally be identified by the use of the words “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend” and other similar expressions. Indications of, and guidance on, future earning or dividends and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Perennial Value and its officers, employees, agents or associates, that may cause actual results to differ materially from those expressed or implied in such statement. Actual results, performance or achievements may vary materially from any projections and forward looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward looking statements and Perennial Value assumes no obligation to update such information.

This presentation is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to purchase any securities and neither this presentation nor anything contained in it forms the basis of any contract or commitment.

Detail in respect to the company Wealth Defender Equities Limited is available on the website www.wealthdefenderequities.com.au.

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

NOT FOR DISTRIBUTION IN THE UNITED STATES

Copyright © *| 2015 |* Wealth Defender Equities Limited *, All rights reserved