

NAOS Ex-50 Opportunities Company Limited

ASX Code NAC
ACN 169 448 837

Appendix 4E

Results Announcement for the year ended 30 June 2025

All comparisons are to the year ended 30 June 2024

	\$	up/down	% change
Revenue from ordinary activities	12,001,931	up	176%
Profit from ordinary activities before tax attributable to shareholders	9,688,928	up	153%
Profit from ordinary activities after tax attributable to shareholders	7,545,588	up	157%
The percentage changes presented above have been derived by reference to the absolute values of the Financial Year 2024 (FY24) results. Given that FY24 reflected a loss position, the percentage movements are not meaningful in a conventional sense.			
Dividend Information	Cents per share	Level of franking	Tax rate for franking
2025 Final quarterly dividend	1.50	50%	25%
2025 Third quarterly dividend	1.50	50%	25%
2025 Second quarterly dividend	1.50	100%	25%
2025 First quarterly dividend	1.50	100%	25%
2025 Final Quarterly Dividend Dates			
Ex-dividend date		10 September 2025	
Record date		11 September 2025	
Last date for DRP election		12 September 2025	
Payment date		30 September 2025	
Dividend Reinvestment Plan			
The Dividend Reinvestment Plan is in operation and the recommended 2025 final quarterly dividend, 50% franked, of 1.50 cents per share qualifies. The plan will be in effect per the latest dividend reinvestment rules.			
	30 June 2025	30 June 2024	
	\$	\$	
(Post Tax) Net tangible asset backing		0.75	0.67
This report is based on the annual report which has been subject to an independent audit by the auditors, Deloitte Touche Tohmatsu Australia. The audit report is included with the Company's Annual Report, which accompanies this Appendix 4E. All the documents comprise the information required by Listing Rule 4.3A.			

For personal use only

NAOS

For personal use only

NAAC

NAOS EX-50 OPPORTUNITIES
COMPANY LIMITED

ANNUAL REPORT 2025

ACN 169 448 837

Contents

3	Key Dates
6	Board of Directors
8	Letter from the Chair
10	Investment Manager's Report
20	NAC Core Investments
22	Investing With NAOS Asset Management
23	Our Values
24	Our Investment Beliefs
26	Our Investment Process
27	NAOS Qualitative Information Sources
28	Considering ESG Factors in the NAOS Investment Process
30	Investee Company in Focus
32	Our Team
34	Shareholder Communications
35	NAOS Giving Back
36	Corporate Governance Statement
38	Directors' Report
45	Auditor's Independence Declaration
46	Independent Auditor's Report
50	Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2025
51	Statement of Financial Position as at 30 June 2025
52	Statement of Changes in Equity for the Year Ended 30 June 2025
53	Statement of Cash Flows for the Year Ended 30 June 2025
54	Notes to the Financial Statements
72	Directors' Declaration
73	Additional Information
78	Corporate Information

Acknowledgement of Country

We acknowledge the Traditional Owners of Country throughout Australia and recognise their continuing connection to lands, waters and communities. We pay our respects to Aboriginal and Torres Strait Islander cultures; and to Elders past and present.

Key Dates

2025 Annual General Meeting

Tuesday 11 November 2025

NAOS Ex-50 Opportunities Company Limited advises that its Annual General Meeting (AGM) will be held at 9.00 am (AEDT) on Tuesday 11 November 2025 at Castlereagh Room 1, Sheraton Grand Sydney Hyde Park, 161 Elizabeth Street, Sydney NSW 2000.

Further details relating to the AGM will be advised in the Notice of Meeting to be sent to all shareholders and released to the ASX immediately after dispatch.

In accordance with the ASX Listing Rules, valid nominations for the position of Director are required to be lodged at the registered office of the Company no later than 5.00 pm (AEST) on 16 September 2025.



FY25 Final Quarterly Dividend Dates

Ex-Dividend Date

Wednesday 10 September 2025

Record Date

Thursday 11 September 2025

Last Date for DRP Election

Friday 12 September 2025

Payment Date

Tuesday 30 September 2025



NAOS Investor Roadshow

The NAOS Investor Roadshow will be coming to a city near you this October. Join us as the investment team discusses its investment philosophy and process and provides an outlook on the market. We will also highlight a selection of stocks that are held within our Listed Investment Companies (LICs).

We invite you to come along with a guest, meet us in person, and understand more about NAOS Asset Management (NAOS) and our LICs. Register today to secure your seat.

Adelaide

The Playford Adelaide
120 North Terrace, Adelaide SA 5000

Thursday 9 October

10.30 am–12.00 pm

Perth

InterContinental Perth City Centre
815 Hay Street, Perth WA 6000

Thursday 16 October

10.30 am–12.00 pm

Brisbane

Sofitel Brisbane Central
249 Turbot Street, Brisbane QLD 4000

Tuesday 21 October

10.30 am–12.00 pm

Melbourne

Hilton Melbourne Little Queen Street
18 Little Queen Street Melbourne VIC 3000

Tuesday 28 October

10.30 am–12.00 pm

Sydney

Australian Museum
1 William Street, Sydney NSW 2010

Thursday 30 October

10.30 am–12.00 pm

Visit naos.com.au/events for more information.

NAOS Ex-50 Opportunities Company Limited

NAOS Ex-50 Opportunities Company Limited (ASX: NAC) seeks to provide long-term, concentrated exposure to Australian and New Zealand emerging companies while providing a sustainable stream of dividends franked to the maximum extent possible, and long-term investment performance above the Benchmark Index, being the S&P/ASX 300 Industrials Accumulation Index (XKIAI).

For personal use only



Key Metrics as at 30 June 2025

Pre-Tax Net Tangible Assets per Share

\$0.67

Post-Tax Net Tangible Assets per Share

\$0.75

FY25 Dividend (cents per share)

6.0 cents

Dividend Yield

12.77%

Share Price

\$0.47

Shares on Issue

46,774,816

Convertible Note Price (ASX: NACGA)

\$91.50

Convertible Notes on Issue

175,000

Directors' Shareholding (number of shares)

9,294,622

Profits Reserve (cents per share)

47.95 cents

Investment Portfolio Performance as at 30 June 2025

	NAC Investment Portfolio Performance*	S&P/ASX 300 Industrials Accumulation Index	Performance Relative to Benchmark
1 Year	+28.92%	+18.90%	+10.02%
3 Years (p.a.)	+3.13%	+16.04%	-12.91%
5 Years (p.a.)	+5.13%	+12.58%	-7.45%
10 Years (p.a.)	+7.82%	+8.73%	-0.91%
Inception (p.a.)	+8.23%	+8.72%	-0.49%
Inception (Total Return)	+131.81%	+143.26%	-11.45%

*Investment Portfolio Performance is post all operating expenses before fees, taxes, interest, initial IPO commissions and all subsequent capital- raising costs. Performance has not been grossed up for franking credits received by shareholders. Since inception (p.a. and Total Return) includes part performance for the month of November 2014. Returns compounded for periods greater than 12 months.

Board Of Directors



Sarah Williams

Independent Chair

Sarah Williams was appointed as an Independent Director in January 2019 and was elected Independent Chair on 1 December 2022. Sarah is also the Independent Chair of NAOS Emerging Opportunities Company Limited (ASX: NCC) and an Independent Director of NAOS Small Cap Opportunities Company Limited (ASX: NSC).

Sarah has over 25 years' experience in executive management, leadership, IT and risk management in the financial services and IT industries. Most recently, Sarah was an executive director at Macquarie Group and head of IT for the group's asset management, investment banking and leasing businesses. During her 18-year tenure at Macquarie Group, she also led the Risk and Regulatory Change team and the Equities IT team and developed the IT M&A capability. Sarah has also held senior roles with JP Morgan and PricewaterhouseCoopers in London.

Sarah has also been a director of charitable organisations including Cure Cancer Australia Foundation and Make a Mark Australia. Sarah holds a Honours Degree in Engineering Physics from Loughborough University.



Sebastian Evans

Director

Sebastian Evans has been a Director of the Company since its inception. Sebastian is also a Director of NAOS Emerging Opportunities Company Limited (ASX: NCC), NAOS Small Cap Opportunities Company Limited (ASX: NSC), and has held the positions of Chief Investment Officer (CIO) and Managing Director of NAOS Asset Management Limited, the Investment Manager, since 2010.

Sebastian is the CIO across all investment strategies. He holds a Master of Applied Finance (MAppFin) majoring in investment management, as well as a Bachelor of Commerce majoring in finance and international business, a Graduate Diploma in Management from the Australian Graduate School of Management (AGSM) and a Diploma in Financial Services.



David Rickards OAM

Independent Director

David Rickards OAM has been an Independent Director of the Company since its inception. David is also the Independent Chair of NAOS Small Cap Opportunities Company Limited (ASX: NSC). He is also Co-Founder of Social Enterprise Finance Australia Limited (Sefa) and was a director and treasurer of Bush Heritage Australia for nine years.

David has over 25 years of equity market experience, most recently as an executive director at Macquarie Group, where he was head of equities research globally, as well as equity strategy from 1989 until he retired in mid-2013. David was also a consultant for the financial analysis firm Barra International.

David holds a Master of Business Administration majoring in accounting and finance from the University of Queensland. He also has a Bachelor of Engineering (Civil Engineering) and a Bachelor of Engineering (Structural Engineering) from the University of Sydney, and a Bachelor of Science (Pure Mathematics and Geology).



Warwick Evans

Director

Warwick Evans has been a Director of the Company since its inception. Warwick is also a Director of NAOS Emerging Opportunities Company Limited (ASX: NCC), NAOS Small Cap Opportunities Company Limited (ASX: NSC) and Chair of NAOS Asset Management Limited, the Investment Manager.

Warwick has over 35 years of equity market experience, most notably as Managing Director of Macquarie Equities (globally) from 1991 to 2001, and as an executive director for Macquarie Group. He was founding Chairman and CEO of the Newcastle Stock Exchange (NSX) and was also Chairman of the Australian Stockbrokers Association. Prior to these positions, Warwick was an executive director at County NatWest.

Warwick holds a Bachelor of Commerce majoring in economics from the University of New South Wales.



Letter from the Chair

Dear fellow shareholders,

On behalf of the Board, welcome to the Annual Report of NAOS Ex-50 Opportunities Company Limited (Company) for the financial year ended 30 June 2025. We extend our appreciation to all shareholders for your continued support and warmly welcome new shareholders who joined us in FY25.

The past 12 months have been defined by a shifting economic environment, with the RBA cutting interest rates in late 2024 and early 2025 to bolster economic activity, offset by volatile commodity prices, lagging inflationary pressures and a volatile macro backdrop. What did remain constant was the continued demand for large and liquid listed businesses, which saw the continued outperformance of the largest listed businesses in Australia.

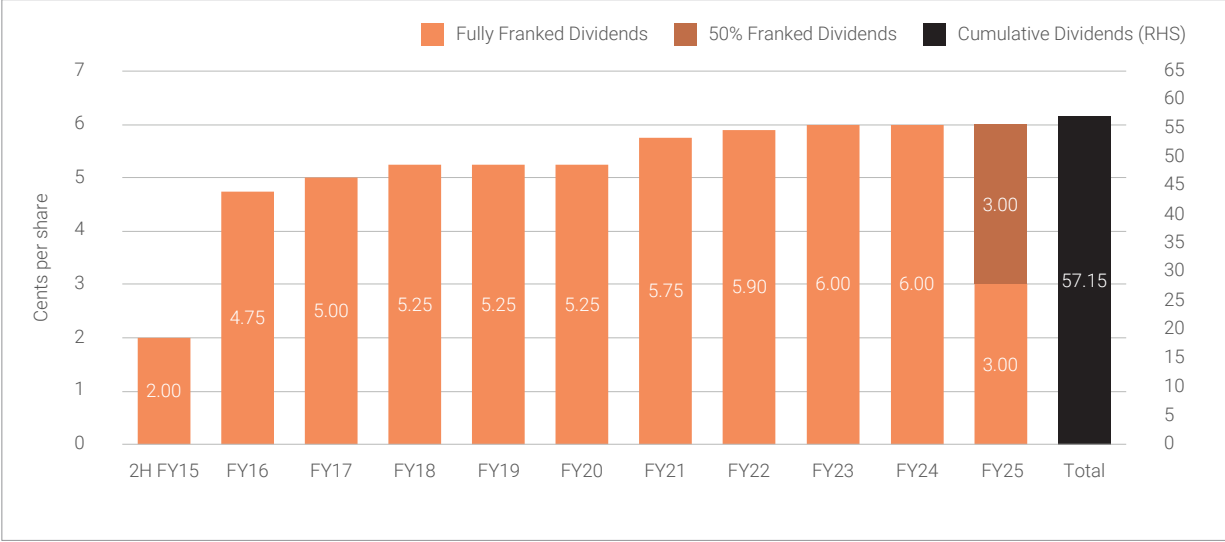
Despite this backdrop, NAC delivered a +28.92% investment return for FY25, significantly outperforming the S&P/ASX 300 Industrials Accumulation Index return of +18.90%.

The Company reported a \$7.55 million after-tax profit, a marked turnaround from the \$13.31 million loss in FY24. The Board has declared a final quarterly dividend of 1.50 cents per share (50% franked), bringing the total FY25 dividend to 6.0 cents per share, comprising two fully franked and two 50% franked dividends.

This dividend marks the 11th consecutive year NAC has maintained or increased its annual dividend and represents a 12.77% yield, based on the 30 June 2025 closing share price of \$0.47. Since inception, NAC has declared 57.15 cents per share in dividends, or 80.43 cents on a grossed-up basis, with the majority fully franked.

NAC's strong profits reserve of 47.95 cents per share provides a strong foundation to deliver sustainable, tax-effective income to shareholders in future periods.

NAC Dividend History

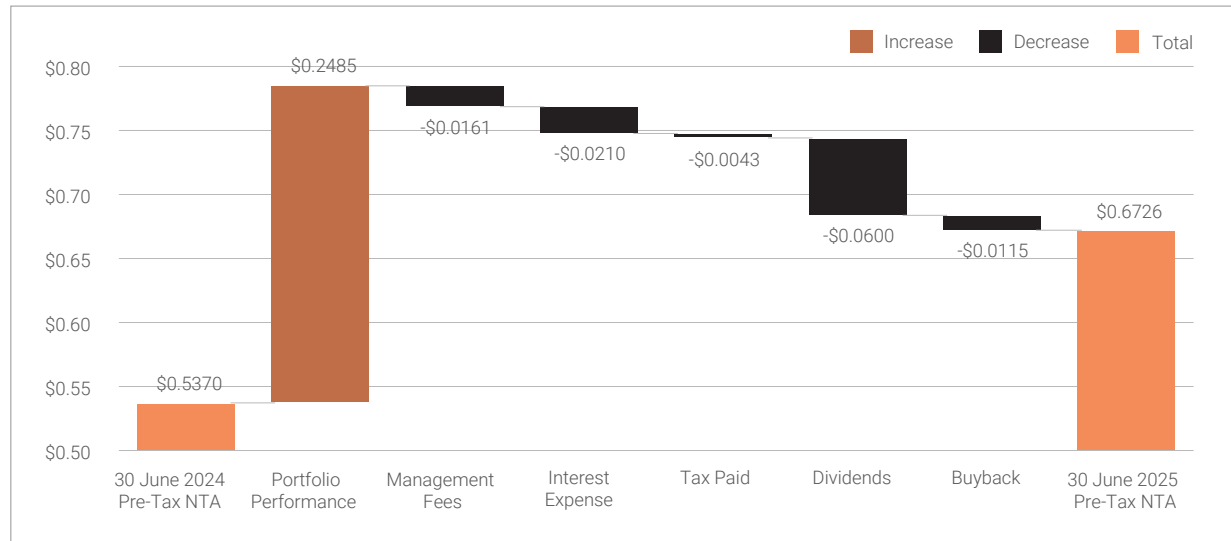


For personal use only

NAC delivered a +28.92% investment return for FY25, significantly outperforming the S&P/ASX 300 Industrials Accumulation Index

In FY25, the pre-tax Net Tangible Asset backing (NTA) per share of the Company increased from \$0.54 to \$0.67 over the financial year, as shown in the following chart.

NAC Pre-Tax NTA Performance



Throughout the year, the Board maintained its implementation of a disciplined capital management strategy focused on maximising long-term shareholder value:

- **On-Market Buyback** – 1.67 million shares were acquired and cancelled, enhancing shareholder value by buying significantly below pre-tax NTA.
- **No Dilutionary Share Issues** – DRP shares are acquired on-market, eliminating dilution and preserving NTA integrity.
- **Dividends** – We remain committed to paying a consistent stream of dividends, franked to the maximum extent possible, while ensuring prudent management of the profits reserve and reinvestment capacity.

Each of these measures is part of a clear, disciplined capital allocation framework designed to support sustainable shareholder outcomes.

Importantly, alignment between shareholders, Directors, and the Investment Manager continues to strengthen. Directors and staff of the Investment Manager now hold 9.3 million NAC shares, and the Manager's Fee Reinvestment Commitment, introduced in FY24, remains in place.

Despite broader market preferences leaning towards large-cap exposures, NAC's differentiated strategy focusing on underappreciated businesses outside the ASX 50 positions us to continue delivering attractive long-term outcomes for shareholders.

On behalf of the Board, thank you once again for your ongoing trust and support.

Kind regards,

Sarah Williams
Independent Chair

21 August 2025



Investment Manager's Report

Dear fellow shareholders,

For the financial year ending 30 June 2025 (FY25), the NAC Investment Portfolio increased by +28.92% compared to the Benchmark S&P/ASX 300 Industrials Accumulation Index (XKIAI), which increased by +18.90%. After a tumultuous FY24, it was pleasing to produce a strong positive return, which more than offset the losses generated in FY24. It is equally rewarding to have achieved the majority of this performance from our core investments, which we steadfastly held throughout FY23 to FY25.

The NAOS team firmly believed that the core fundamentals of our investments would continue to strengthen over time, and we were confident that share prices would eventually reflect this strength, despite some delay. As noted below and in my closing outlook, despite significant share price appreciation, the valuations of most, if not all, of our core investments remain below their full potential. In fact, we believe these investments are derisking, thereby enhancing their long-term valuation potential.

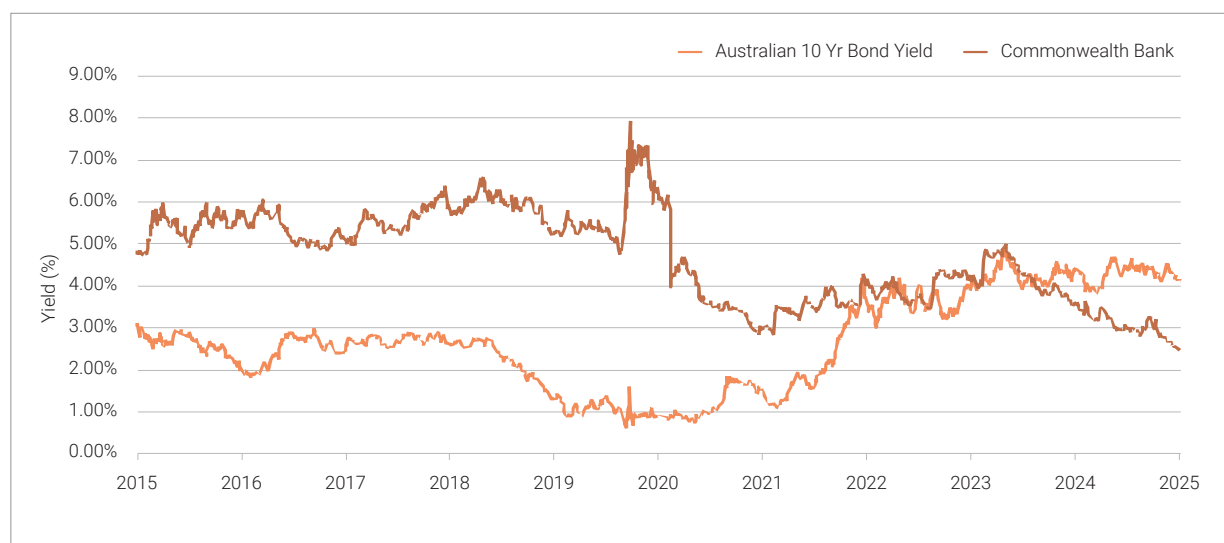
Relevance, Momentum and Index Inclusion

Reflecting on my FY24 Investment Manager's Report, I dedicated significant discussion to the distinctive market dynamics that emerged, where valuations were often overshadowed by the influence of passive capital flows and index inclusion. A prime example was the share price of Commonwealth Bank of Australia Ltd (ASX: CBA), which soared to a record valuation despite maintaining a flat earnings per share (EPS) profile for several years.

Fast forward to the end of FY25, and this market dynamic, if anything, has only strengthened, and generally equity investors of all types are being forced to 'play the game' and therefore focus on companies that form part of the index or are a good chance of index inclusion in the short term.

Turning to CBA, its share price, excluding dividends, has increased by +46% in FY25, following a 37% increase in FY24, marking the seventh consecutive year of share price growth. For further context, the chart below compares the grossed-up yield of CBA shares to Australian Government 10-year bond yields over a 10-year period. As the chart illustrates, despite CBA's flat profit growth outlook, its shares are arguably being priced similarly to a government bond. This suggests investors perceive CBA's risk profile as being closely correlated with the Australian government's balance sheet.

Commonwealth Bank vs Australian 10 Year Bond - Yield



Source –Koyfin

CBA has several qualitative attributes that continue to drive its rising valuation. In our view, these include:

- **Relevance** – CBA is now the 9th largest listed bank by market capitalisation. This makes CBA relevant not only to Australian investors but also to some of the world's largest investors. As CBA's relevance grows, the pool of passive buyers expands against a relatively fixed supply of CBA shares, fuelling demand.
- **Momentum** – As CBA continues to become a larger part of numerous indices, alongside its growing relevance, a self-reinforcing cycle emerges. Investors who are underweight in CBA, and thus lagging in relative performance, may feel compelled to purchase shares to align their portfolios with index exposure, further amplifying price momentum.
- **Index Inclusion** – With a market capitalisation exceeding A\$300 billion, CBA is not only the largest company on the ASX but also a significant constituent in numerous global indices, including those tracking Asian financials and developed market banks. As CBA's size grows, it attracts greater attention from prominent global indices, reinforcing its appeal to investors.

From a NAOS standpoint, we will continue to focus on what we can control. Our investment philosophy centres on investing in emerging companies that deliver high returns on invested capital and are led by experienced, aligned management teams. These companies operate in industries poised for sustained revenue growth, where they hold clear competitive advantages, and their business models are transparent to investors. Notably, 100% of NAC's portfolio is outside the ASX indices, ensuring our investments diverge significantly from the benchmark, the S&P/ASX 300 Industrials Accumulation Index.

Below, I have expanded upon several core investments within the NAC investment portfolio, outlining why we believe these companies have the potential to generate significant long-term value for shareholders irrespective of their share price movements in FY25.

Urbanise.com (ASX: UBN) – Strategic Partnership with National Australia Bank (ASX: NAB)

UBN has been an investment within the NAC Investment Portfolio for over four years. Our investment thesis centres on the strength of UBN's strata management software, which it successfully developed and brought to market.

Prior to our involvement, UBN underwent several iterations, and, like many ASX-listed companies, suffered from misguided strategic decisions by former board members and management. These missteps, in our view, led to a loss of focus and significant capital waste, resulting in accumulated losses exceeding \$100 million on the balance sheet.

Since our involvement as investors, UBN has shown notable progress. A pivotal catalyst for this turnaround was the appointment of Darc Rasmussen as Director and subsequently Chairman, coupled with the replacement of most prior Directors and the addition of another Independent Director. We believe these changes were critical in sharpening UBN's strategic focus, reinforcing its commitment to its strata management software, and addressing both industry needs and deficiencies in its own platform.

This strategic shift culminated in May 2025, with the signing of a strategic partnership with Australia's largest business bank, National Australia Bank Ltd (ASX: NAB). Key highlights of this partnership include:

- NAB acquired an initial 15% stake in UBN with the option to purchase an additional 4.99% within 12 months of the product launch through a share placement at \$1.255 per share.
- UBN and NAB will collaborate to develop and launch a data and payments integration service tailored for strata managers and their clients.
- UBN will receive recurring payments from NAB for the development, implementation, and ongoing maintenance of the service outlined above.

UBN and NAB will seek to deliver a best-in-class service for strata managers and their clients by integrating UBN's fully cloud-based strata management software with NAB's tailored banking solutions designed to address the specific needs of the strata industry. For context, there are approximately 2.3 million strata-titled properties (also known as lots) in Australia, underscoring the significant market potential for this offering.

Body corporates, also known as the Owners Corporations, are a mandatory component of a strata scheme, which comprises multiple strata-titled properties. These entities must maintain bank accounts to collect strata levies from lot owners and facilitate payments for various expenses, including cleaning, maintenance, and capital works programs. Typically, these accounts are divided into an Admin Fund and a Capital Works (or Sinking) Fund. A strata manager, appointed by the body corporate, oversees the management and accounting of these accounts.

Based on publicly available information, we estimate the average funds held in body corporate bank accounts are approximately \$3,500 per lot. Applied to Australia's ~2.3 million strata-titled properties, this suggests around \$8 billion in deposits within strata-related accounts. We believe this estimated quantum of funds within strata bank accounts may even be conservative.

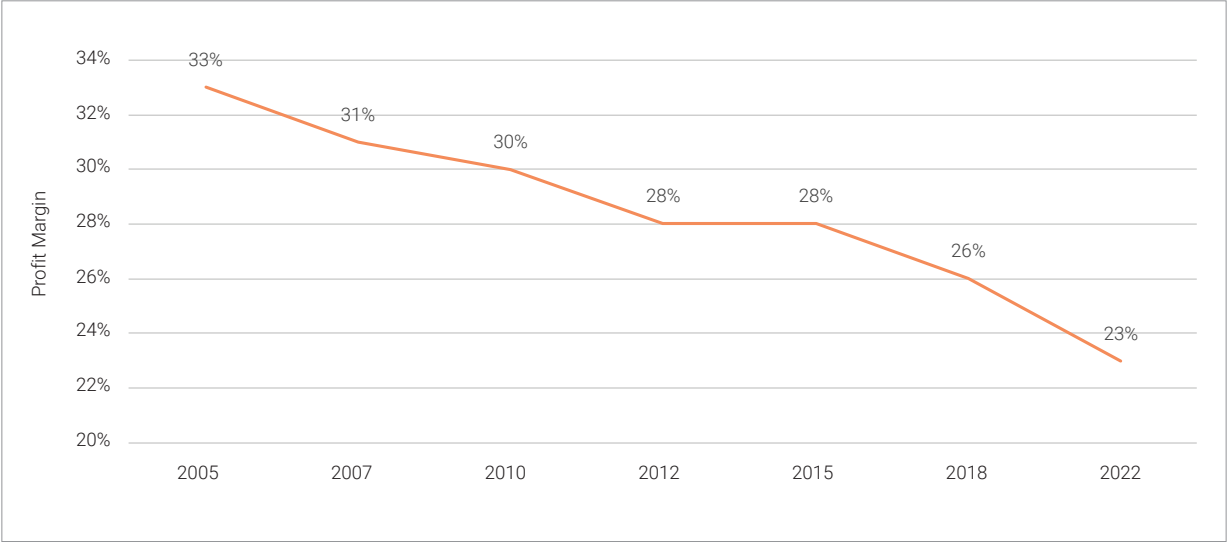
Public data suggests that over 70% of the strata-related bank deposit market is held by one major Australian bank, which also processes a significant portion of the associated payments. We also believe there is a high level of fees associated with said payments.

Banks use customer deposits to fund a portion of the loans they provide (e.g., mortgages, car loans), generating a net interest margin (NIM) by lending at higher rates than those paid on deposits. Strata-related bank accounts, which typically earn low deposit rates, allow banks to achieve a higher-than-average NIM on these funds. Consequently, a bank with a significant share of the strata deposit market benefits from a substantial cost advantage and a stable, low-cost funding base, particularly when compared to term deposits, which may cost banks approximately 4-5% annually.

The 2024 Macquarie Strata Management Benchmarking Report indicates that only ~22% of Australian strata managers qualify as 'higher-performing businesses'. According to the report, a key aspect of a higher-performing business is its investment in technology to create operational efficiencies and generate materially higher profit margins than the industry average.

It is no surprise that the strata industry is generally characterised by legacy technology systems, both from a strata banking perspective and a strata management perspective. We estimate that ~60% of strata managers rely on outdated DOS/Windows or on-premises software systems, which limit scalability and efficiency, forcing firms to hire more staff to manage growth. Consequently, as shown in the chart below, average profit margins in strata management have declined steadily over the past two decades.

Strata Managers - Average Profit Margin

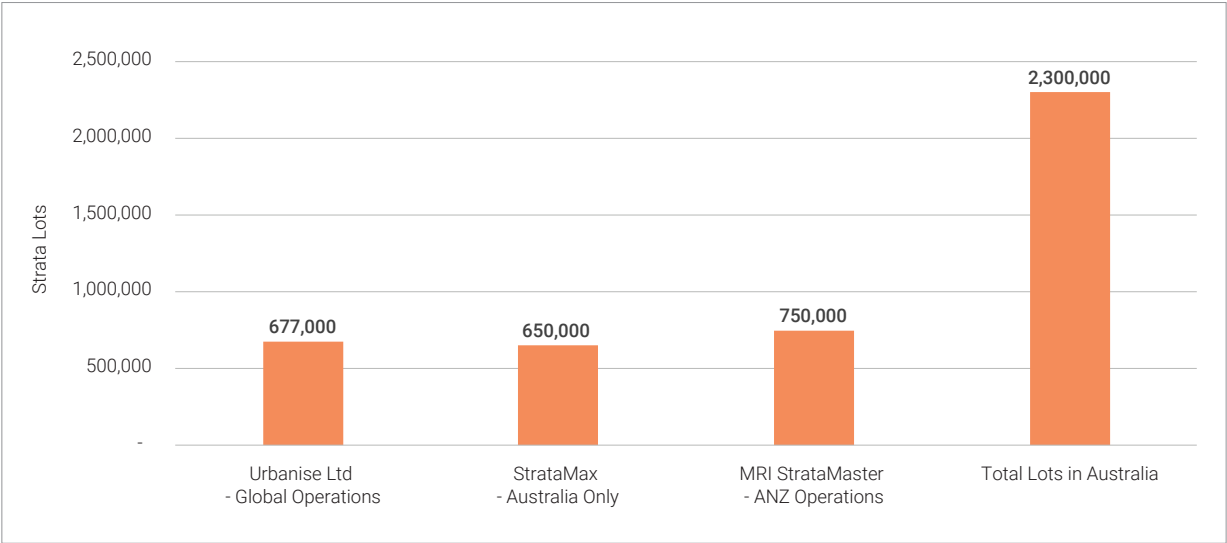


Source – Macquarie

The opportunity for UBN’s strata division lies in addressing these challenges, with revenue potential driven by three key factors:

- 1. **Software Revenue Growth** – At the close of FY25, UBN generated over \$7 million in recurring revenue, purely from its strata management software, holding an estimated ~15% market share in Australia with a historical growth rate of ~3% per annum. Should the NAB payments portal gain traction within the strata management industry, we anticipate accelerated growth as managers adopt UBN’s software alongside NAB’s potentially best-in-class payment platform to maximise efficiencies. The chart below shows the potential based on the total lots in Australia.

Number of Strata Lots Using Software



Source – NAOS, Urbanise, PropTech Pro, StrataMax

2. **Recurring Revenue from the NAB Payments Platform** – Starting in FY26, UBN will receive a fixed recurring fee of \$1.3 million from NAB for maintaining the payments platform. Additionally, UBN may receive variable recurring fees tied to the volume of strata-related bank accounts held with NAB. With an estimated \$8 billion in strata deposits, UBN's recurring revenue is expected to be tied to a portion of the net interest margin (NIM) generated from these deposits. UBN has publicly projected this opportunity at approximately \$50 million annually, equivalent to an interest cost of ~0.625%.
3. **Market Consolidation** – Over the longer term, consolidation among strata software providers presents a compelling opportunity. With 3-4 providers each holding 15-20% market share, UBN stands out as the only major player with a fully cloud-based platform. Providers with legacy systems face a critical choice: invest heavily in cloud migration or merge with a provider like UBN that already offers a scalable, modern solution.

Looking forward, we believe UBN has the potential to generate more than \$20 million p.a. in recurring revenue from its strata-related products over the next 3-5 years, with incremental revenue expected to deliver progressively higher margins. Importantly, this recurring revenue in theory will be very sticky, potentially commanding a premium valuation multiple in the market.

The next 12-18 months will be critical in determining the success of the UBN-NAB partnership and whether the strata industry truly understands the real benefits to them and their clients.

COG Financial Services (ASX: COG) – Board Overhaul and Strategic Reset

In last year's letter, I outlined the critical changes we felt were necessary for COG to restore shareholder value and establish a sustainable path to growing earnings per share (EPS). Through early FY25, COG persisted with its prior strategy, resulting in a share price decline from \$1.10 to a low of \$0.86 in March 2025.

COG Financial - Share Price & Key Events



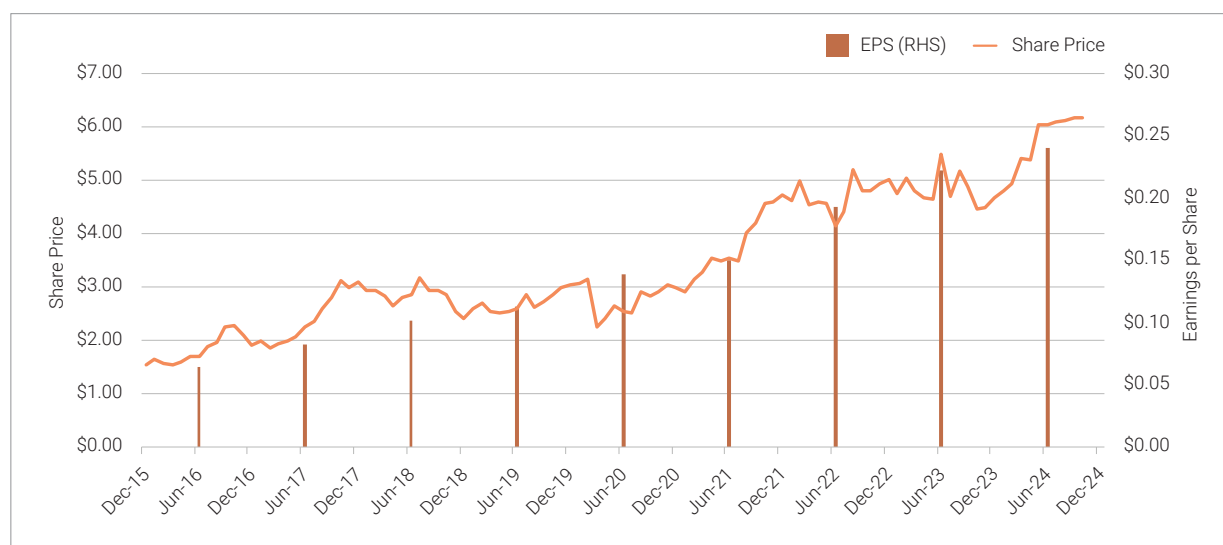
Source - Iress

This trajectory shifted dramatically following a significant board overhaul: three directors, including the Chair, resigned, one transitioned to a non-executive role, and two new non-executive directors were appointed, with one assuming the Chair position. To support this transition, NAOS and other major shareholders sold a significant portion of their holdings, which enhanced liquidity in COG shares and enabled new directors and institutional investors to acquire meaningful stakes. We believe owning a smaller share of a revitalised, high-potential business is preferable to a larger stake in an underperforming company with limited prospects for improvement.

The most notable outcome of all the changes mentioned above was the appointment of Tony Robertson as Chair and John Dwyer as a Non-Executive Director. These appointments are significant for several reasons:

- **Proven Insurance Broking Expertise** – Tony Robertson and John Dwyer co-founded PSC Insurance (ASX: PSI), a listed insurance broking business that debuted in late 2014 at \$1.50 per share and was acquired in mid-2024 by the UK-based Ardonagh Group for \$6.20 per share, valuing the company at \$2.26 billion. Over the ~9-year listing, a \$1 investment in PSI grew to ~\$7 (including dividends), delivering a ~25% IRR. Importantly, in our opinion, an insurance broking business shares many of the attributes of a finance broking business and, to a lesser extent, a novated leasing business. PSC's success in driving organic growth, executing accretive acquisitions, and maintaining aligned management offers a proven playbook for COG's transformation.

PSC Insurance - Share Price



Source - Iress

- Track Record in Leading ASX-Listed Companies**– Robertson and Dwyer have an exemplary track record of running a listed business and maintaining a strong business valuation. Many management teams find it challenging to lead a public company, often due to difficulties in managing expectations, communicating a clear strategy, and consistently focusing on key financial metrics, such as EPS growth, to demonstrate strategic execution. COG has historically lacked this discipline, resulting in an incoherent strategy and insufficient focus on EPS growth and return on invested capital (ROIC). Their expertise addresses this critical gap.
- Significant Alignment with COG Ordinary Shareholders** – Once appointed, both Robertson and Dwyer were quick to acquire ordinary shares in COG. At the time of writing, Dwyer owns ~4.5m shares with a further ~2.5m options exercisable at \$1.30, and Robinson owns ~2.5m ordinary shares with the same number of options. For us, this highlights their commitment to restoring COG's value and driving consistent earnings growth over the medium term.

With the new Board in place, COG has swiftly advanced its simplification strategy. The sale of minority stakes in Earlypay Ltd (ASX: EPY) and Centrepoint Alliance Ltd (ASX: CAF) has generated ~\$25 million in cash proceeds. The remaining step in this simplification effort, in our view, is addressing the Westlawn Group, COG's asset management business. We believe this business contributes less than \$2 million to group profitability but adds significant complexity to the balance sheet and cash flow statement due to Westlawn's debenture program. If this business were to be sold, it would enable current and prospective shareholders to clearly see the capital-light nature and strong free cash flow generated by COG's core operations.

Ultimately, for COG to achieve long-term success, it must deliver consistent organic earnings growth, even if that growth rate is ~5-10% p.a. While the full strategy is yet to be disclosed, we anticipate that Robertson and Dwyer's insurance broking expertise will drive improvements in COG's underdeveloped insurance broking division. Given the thousands of finance broking transactions that occur through a COG-owned or aligned broker, the potential for cross-selling insurance products is substantial.

At the very least, we believe COG now has a credible opportunity to unlock its full potential as Australia's largest finance, broking & aggregation business. While its ultimate scale and valuation remain uncertain, comparable businesses with steady organic growth and strategic acquisitions have historically commanded premium earnings multiples. Accordingly, COG's future valuation could be significant, provided it executes effectively under its revitalised leadership.

Insurance Broking Addressable Market in COG Asset Finance Network

FY25 NAOS Estimates

COG Net Amount Financed	\$9,000,000,000
Average Size of Asset Finance Loan	\$73,000
Total # of Asset Finance Loans Completed	123,288
Insurance Cost % of Asset Finance Loan	5.0%
Average Insurance Cost per Loan	\$3,650
Est. % of COG Asset Finance Loans Requiring Insurance	100.0%
Number of COG Asset Finance Loans Requiring Insurance	123,288
Total Insurance Premiums on COG Asset Finance Loans	\$450,000,000
Est. Average Insurance Commission	15.0%
Total Insurance Broker Commissions on COG Asset Finance Loans	\$67,500,000
Est. Insurance Broker EBITDA margins	30.0%
Total EBITDA on Insurance Premiums Written on COG Asset Finance Loans*	\$20,250,000

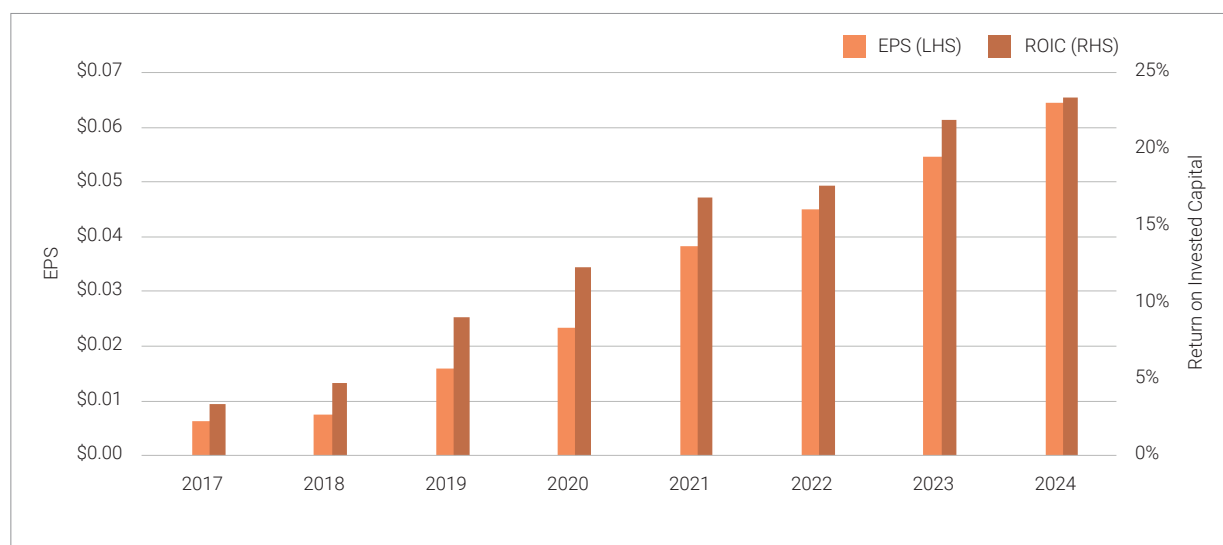
*In FY22 COG reported ~\$1.5m of NPATA from Insurance Broking

Source – Company, NAOS

XRF Scientific (ASX: XRF) – New Core Investment

XRF Scientific stands out as an emerging company that has sustained consistent growth over the past five to ten years without significant equity issuance. Over the last decade, XRF has achieved compound annual revenue growth of ~10.6% and EPS growth of ~12.9%.

XRF Scientific - EPS & Return on Invested Capital (ROIC)

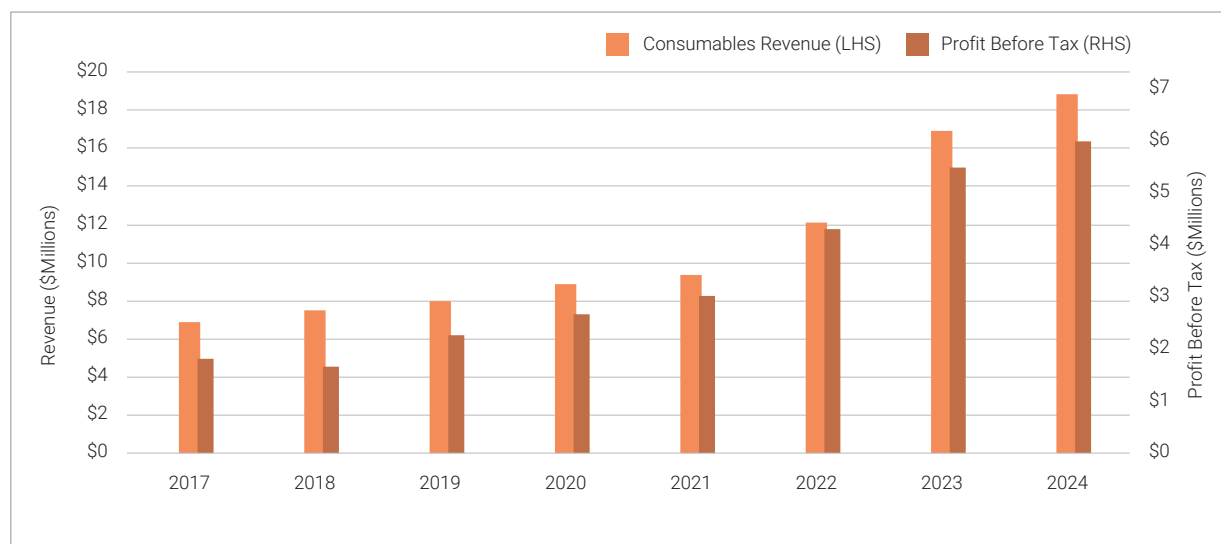


Source – Company, NAOS

Founded in 1972 and listed on the ASX in 2007, XRF manufactures equipment and chemicals for sample preparation and analysis, serving production mines, construction companies and commercial analytical laboratories around Australia and globally. Its revenue model comprises upfront equipment sales and recurring consumable sales, the latter critical for maintaining machine performance in high-stress environments (e.g., extreme heat). In our view, XRF's competitive edge lies in its unique ability to supply both equipment and consumables across the entire sample preparation workflow, unlike peers who typically offer only partial solutions.

In FY25, XRF is projected to deliver ~\$60 million in revenue and ~\$9.4 million in NPATA, with operating margins expanding from 5-8% five years ago to over 23% today. We attribute this margin growth to a new manufacturing facility in Melbourne, operational since circa 2019, as well as the increasing proportion of high-margin consumable sales, driven by the growing number of XRF machines in the market.

XRF Consumables Revenue & Profit Before Tax



Source – Company, NAOS

Given XRF's premium valuation, driven by its high-quality attributes, our focus is on how XRF can sustain revenue growth greater than 8% annually for the foreseeable future. We believe the following strategies will drive this growth:

- **Expanding Market Share in Underpenetrated Regions (e.g., USA and Europe)** – In Australia, XRF has gained significant market share in crushing and testing equipment in laboratories. Outside of Australia, XRF is still in its infancy, particularly in North America's robust mining sector. By strengthening its direct sales network and distributor partnerships, XRF is poised to accelerate growth in these regions.
- **Diversifying into Adjacent Industries (e.g., Cement and Water Testing)** – XRF's equipment is versatile, applicable beyond mining to industries like cement production, water processing, and food quality testing, where consistent analysis is critical. While these markets individually are smaller than mining, they collectively represent a substantial opportunity, currently accounting for less than 10% of XRF's revenue.
- **Leveraging Acquisitions for Technology Growth** – The global sample preparation and testing market is surprisingly fragmented, with hundreds of small private businesses offering innovative but under-scaled technologies. XRF's growing scale enables it to acquire highly complementary products, bypassing lengthy or costly in-house development. By integrating these technologies, enhancing them as needed, and leveraging its global sales and distribution network, XRF can unlock significant value. Recent acquisitions, though modest in immediate earnings impact, bring valuable intellectual property and product diversity. With minimal share dilution and cash outlay, these deals position XRF for substantial long-term growth.

Acquired Company	Date	Product	Cost	Revenue
Labfit Pty Ltd	Nov-24	Laboratory analysers/weighing equipment	\$1.46m	\$1.5m
Orbis Pty Ltd	Sep-21	Laboratory Jaw Crushers	\$4m	\$2.3m
Socachim SPRL	Nov-15	European Distributor	\$0.75m	\$0.8m

Source – Company, NAOS

Outlook for FY26

At our October 2024 national roadshows, we emphasised the goal of delivering a +10-20% return for the NAC portfolio in FY25, supported by the low valuations of our core holdings and modest earnings growth projections.

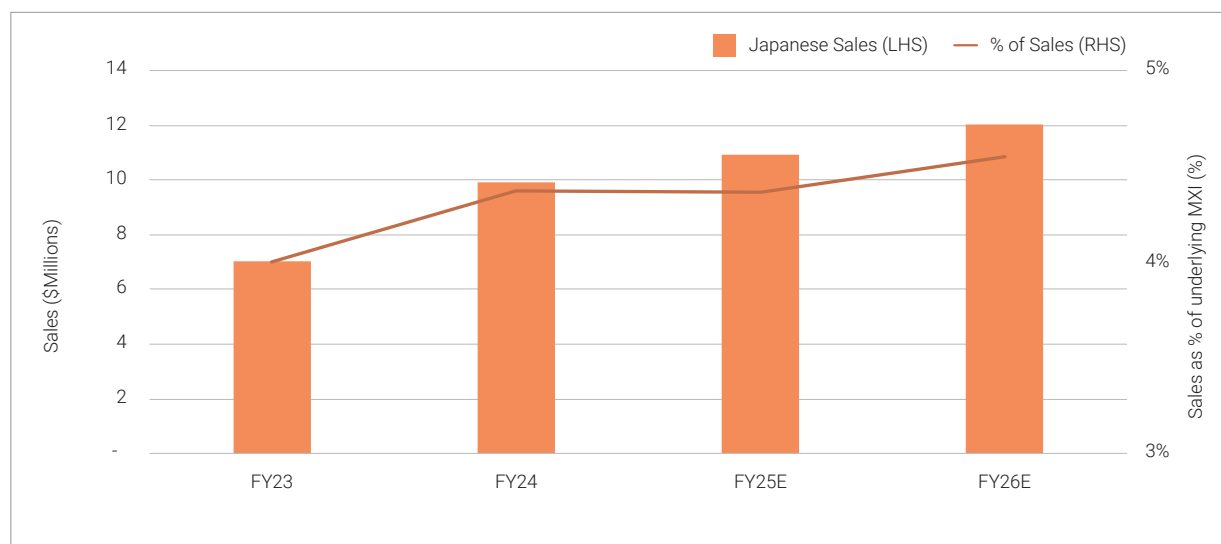
We are pleased to deliver a return of ~30% in FY25. This is further underscored by the promising outlook for our core holdings, particularly given their current valuations.

Below, I outline the key value-creating catalysts for select portfolio companies, underscoring their medium-term potential despite significant FY25 share price gains:

MaxiPARTS (ASX: MXI)

- **First 'Clean' Full-Year Result** – Over the circa three years since NAOS became a shareholder, MXI's half-year and full-year results have been consistently impacted by one-off events, complicating the assessment of its true earnings potential. While these events have generally supported long-term value creation, they have introduced short-term complexity. Our investment thesis for MXI centres on it being a capital-light scaled distribution business, which generates strong cash flows, has solid (and growing) barriers to entry and enjoys a high degree of repeat business, bolstered by a structurally increasing demand for its products and services. For MXI, the FY25 result is expected to provide a clear financial picture, highlighting robust cash flow, rising margins, and revenue growth.
- **Enhanced Capital Management Flexibility** – MXI has deployed significant capital over the past 2-3 years to fuel its growth strategy and achieve scale. As the business transitions to organic growth, we anticipate substantial cash flow generation post-capex and lease obligations, further supported by income tax loss credits for the next ~12-18 months. This should shift MXI's net debt position to a net cash position, granting the Board greater flexibility in capital management. With a current dividend payout ratio of just 30% of post-tax profits—despite no tax liability—an obvious option is to significantly increase this ratio or conduct a buyback should the share price continue to sit materially below intrinsic value.
- **Entry into European Truck Parts Market** – Supply Network Limited (ASX: SNL), trading as Multispares, competes with MXI in a similar, albeit slightly different space. SNL enjoys EBITDA margins roughly double what MXI currently generates. We believe this is largely due to its well-established catalogue of European as well as Japanese truck parts. We believe their dominance in European parts is so substantial that they are essentially the only aftermarket provider of scale, meaning the only alternative to the Original Equipment Manufacturers (OEMs) for European parts. Recently, Sampa, a European truck parts manufacturer, entered the Australian market with a major distribution centre in Truganina. Over time, this could provide MXI with access to a large-scale European parts catalogue. Recent history shows that MXI has a solid track record of growing its Japanese truck parts catalogue (see graph below), so hopefully, the opportunity with Sampa could potentially transform MXI's European sales into a key driver of growth for the business.

MXI's Japanese Sales



Source – Company, NAOS

Bravura Solutions (ASX: BVS)

- **Expert Leadership and Aligned Shareholders** – BVS's turnaround has been bolstered by new major shareholders, prompting significant board changes and a new CEO appointment in late FY25. Importantly, these new shareholders and directors with proven expertise from Constellation Software Inc. (TSX: CSU) have driven progress but have yet to fully shape BVS's strategy and operations. We expect their influence to materialise in FY26, focusing on:
 - A strong focus on value-based pricing and deeper engagement with existing clients to drive revenue growth.
 - Maximising the efficiency and effectiveness of the current cost base.
 - Disciplined capital allocation and proactive capital management to optimise returns.

Urbanise.com (ASX: UBN)

- **Payments Portal Launch** – UBN and NAB are prioritising an industry-leading payments portal, emphasising usability and functionality. Scheduled for launch in mid-FY26, the portal's success will hinge on customer feedback, a critical factor in the UBN-NAB partnership's long-term impact.
- **Initial Product Uptake** – Success for UBN going forward will depend on how many of Australia's ~2.3 million strata lots transition to its integrated software and NAB banking platform. Following the launch, the speed and scale of adoption will be key to capturing a significant share of this market.
- **Capital Management Initiatives** – Based on the potential revenue opportunities available for UBN in their ANZ strata operations, we anticipate that the company will focus on high-return, low-risk opportunities. This could involve capital management initiatives to prioritise the strata business.
- **NAB's Option Exercise** – As part of the original agreement, NAB can acquire an additional 4.99% of UBN at \$1.255 per share within 12 months of the payments portal launch, increasing its stake to 19.99%. This option could signal confidence in the partnership's progress.

COG Financial Services (ASX: COG)

- **New Board and Strategic Overhaul** – Following the March 2025 board renewal, new Chair Tony Robertson and Director John Dwyer, former PSC Insurance founders, have yet to fully implement their vision for COG. Their expertise suggests a simple and repeatable strategy with an emphasis on driving consistent organic growth, which we expect to take shape in FY26.
- **Business Simplification** – As previously stated, COG's CY23-24 share price decline stemmed from poor capital allocation and operational complexity. We have already seen steps to unwind this complexity via sales of COG's minority investments in Earlypay (ASX: EPY) and Centrepont Alliance (ASX: CAF). Divesting Westlawn Finance, which adds over \$100 million in assets and liabilities via its debenture program, would further simplify COG's balance sheet and clarify its cash flow profile.
- **Insurance Broking Opportunity** – COG facilitates ~\$10 billion in annual finance for assets and equipment. Insurance broking has always been considered a growth lever for COG, given the complementary nature of offering insurance alongside finance for the purchase of business-critical equipment. COG's insurance broking strategy has historically underperformed, falling short of expected growth. With the expertise of the new directors, we anticipate a renewed focus on revitalising this division. Given COG's scale in finance broking, facilitating thousands of significant transactions annually, enhancements to the insurance broking operations could drive substantial organic growth for years to come.

MOVE Logistics (NZX/ASX: MOV)

- **Stabilised Leadership** – MOV has faced significant challenges from adverse economic conditions and management missteps, marked by two CEO resignations over the past three years. FY25 marks the first full year under the leadership of CEO Paul Millward and a refreshed executive team. Given the team has only been together as a group for <6 months, we don't expect transformative results immediately, but a stronger 1H FY25 and optimistic FY25 guidance suggest a robust 2H and instil confidence in MOV's path to profitability in FY26.
- **New Zealand Economy Recovery** – Through late FY25, New Zealand's economy endured a two-year recession, marked by budget constraints, high interest rates, and reduced post-COVID immigration, performing worse than many developed nations. With a new government and declining interest rates, expected to continue, early signs suggest rising economic activity. For MOV, a logistics provider, this could drive significant tailwinds: (1) increased volumes from existing customers, (2) improved pricing power, and (3) less aggressive tendering as competitors prioritise efficiency over volume. While the timing, FY26 or FY27, remains uncertain, any economic upturn could substantially boost MOV's profitability.
- **Market Consolidation** – New Zealand's logistics sector remains fragmented, with numerous small private operators and a single dominant player. Due to the recent downturn, as well as ageing ownership (e.g. baby boomers), a significant number of these private operators have ceased trading or, in our view, will exit the logistics industry in the near term. We expect this trend to continue or even accelerate, as operators must have the network, systems, and assets to run an efficient and productive business that can offer clients a clear value proposition, as opposed to a pure trucking-only operation.

While the catalysts outlined above may seem granular, we believe their realisation in FY26 could drive significant shareholder value, particularly if accompanied by a valuation re-rating and sustained earnings growth. This underpins our conviction that the intrinsic value of our investments far exceeds their current share prices, even after NAC's impressive +28.92% portfolio return in FY25.

I look forward to updating you over the next 12 months on the progress of these investee companies concerning these catalysts, and we remain confident that many should materialise as anticipated. The NAOS team and I remain steadfastly committed to delivering sustainable, positive returns for all NAC shareholders through a concentrated portfolio of Australian and New Zealand emerging companies.

I would also like to acknowledge our long-standing NAC shareholders for their unwavering support, particularly during periods of performance volatility. As a sign of my confidence in NAC's long-term value creation, I have continued to acquire shares and will do so as long as this potential remains.

Kind regards,



Sebastian Evans

Managing Director and Chief Investment Officer
NAOS Asset Management Limited

For personal use only

NAC Core Investments

move



MOVE Logistics

ASX/NZX: MOV

MOVE Logistics (MOV) is one of the largest freight and logistics providers in New Zealand, with its origins dating back to 1869. With a team of more than 1,100 experts, the business provides end-to-end supply chain services and has the capability to serve more than 3,500 customers across its large network, which includes 40 branches spread across the two main islands of New Zealand.

MXI MAXIPARTS LIMITED



MaxiPARTS

ASX: MXI

MaxiPARTS (MXI) is a supplier of commercial truck and trailer aftermarket parts to the road transportation industry. In operation for over 30 years, MXI is one of the largest operators in Australia, with a unified support and distribution network providing over 162,000 different parts across 29 sites nationwide.



XRF Scientific

ASX: XRF

XRF Scientific Limited (XRF), based in Perth, Australia, manufactures equipment and chemicals which is used in the preparation of samples for analytical testing and quality control. With facilities in Australia, Europe, and Canada, plus global distributors, their products are distributed globally and used by miners, construction companies and commercial analytical laboratories.

Urbanise.com

ASX: UBN

Urbanise.com (UBN) is an Australia-headquartered cloud-based software business, providing solutions for both the strata management industry as well as the facilities management industry in the Asia-Pacific and Middle East regions. The Urbanise Strata Platform is a market-leading accounting and administration software system used by strata managers across ~650,000 individual strata lots. The Urbanise Facilities Management Platform is used to aid the maintenance of property assets and supervision of contractors across various sectors, including aged care, retail, commercial and essential infrastructure.

COG Financial Services

ASX: COG

COG Financial Services (COG) is Australia's leading aggregator of finance brokers and equipment leasing services to small and medium-sized enterprises (SMEs). COG's operations are spread across three complementary business divisions: Finance Broking & Aggregation (FB&A), Lending & Funds Management, and Novated Leasing, all of which service the financial needs of SMEs nationwide. As at the end of FY24, COG had a ~21% market share of the Australian Asset Finance Broking market, with the COG network financing \$8.9bn in assets for SMEs in FY24. COG has been highly acquisitive in recent years, acquiring finance brokers, insurance brokers, as well as funds management and novated leasing businesses.

Investing With NAOS Asset Management

NAOS Asset Management is a specialist fund manager that provides concentrated exposure to quality Australian and New Zealand emerging companies.

NAOS takes a concentrated and long-term approach to investing and aims to work collaboratively with businesses rather than be a passive shareholder. NAOS seeks to invest in businesses with established moats and significant exposure to structural industry tailwinds, which are run by proven, aligned and transparent management teams who have a clear understanding of how to compound capital.

We aim to make significant investments in businesses and, on occasion, seek board representation or appoint highly regarded independent directors. Importantly, NAOS, its Directors and staff are significant shareholders in the NAOS LICs, ensuring strong alignment with all shareholders.

NAOS is B Corp Certified. As a B Corp in the financial services industry, we are counted among businesses that are leading a global movement for an inclusive, equitable and regenerative economy.

NAOS launched its first LIC in 2013 with 400 shareholders. Today, NAOS manages three LIC vehicles and one private investment fund for approximately 6,000 shareholders.



Our Values



Encourage Independent Thinking

Rather than follow the crowd, we prefer to pave the way with innovation and provide a better outcome for our stakeholders. We have a disciplined investment process and avoid getting caught up in the hype and noise of the market.



Do One Thing and Do It Really, Really Well

At NAOS, we focus on providing concentrated exposure to quality Australian and New Zealand emerging companies, and we strive to be the best at this.



Tell It Like It Is

At NAOS, we are committed to honesty and transparency. We continue to exist due to the earned trust of our shareholders.



Have the Right People in the Right Environment

Each NAOS employee has been specifically chosen for their unique ability, proven experience and willingness to learn. At NAOS, we have created an inclusive work culture that supports all our employees.



Be Invested and Aligned

As NAOS Directors and employees, we have a significant interest in NAOS' investment strategies. This means we are invested alongside our shareholders, creating a strong alignment of interests.



Have a Long-term Perspective

We believe in investing in businesses where today's earnings do not accurately reflect what the same business may earn over the longer term. Prior to investing in a business, we ask ourselves: Do we want to own this business forever?



Act Responsibly

We are responsible for investing the funds of our fellow shareholders, and we take this responsibility seriously. At NAOS, we strive to act responsibly and diligently in all matters, from our investment choices to our shareholder communications.



Be an Owner

NAOS employees strive to make NAOS a success by taking ownership of their tasks and responsibilities. In addition, NAOS Asset Management Limited is majority-owned by its employees and Directors.



Give Back

As a company, we have committed to pledging 1% of our revenue, time and knowledge to movements and missions that matter. We aim to make a difference and contribute to economic, social, and environmental change.

Our Investment Beliefs



Value with Long-Term Growth

We believe in investing in businesses where the earnings today are not a fair reflection of what the same business will earn over the longer term. Ultimately, this earnings growth can be driven by many factors, including revenue growth, margin growth, cost cutting, acquisitions and even share buybacks. The result is earnings growth over a long-term investment horizon, even if the business was perceived to be a value-type business at the time of the initial investment.



Invest for the Long Term

As investors who are willing to maintain perspective by taking a patient and disciplined approach, we believe we will be rewarded over the long term. If our investment thesis holds true, we persist. Many of our core investments have been held for three or more years, where management execution has been consistent and the value proposition is still apparent.



Ignore the Index

This means we are not forced holders of stocks with large index weightings that we are not convinced are attractive investment propositions. We actively manage each investment to ensure the best outcome for our shareholders and only invest in companies that we believe will provide excellent, sustainable, long-term returns.



Quality Over Quantity

Excessive diversification, or holding too many investments, may be detrimental to overall portfolio performance. We believe it is better to approach each investment decision with conviction. In our view, to balance risk and performance most favourably, the ideal number of quality companies in each portfolio would generally be zero to 20.



Management Alignment

We believe in backing people who are proven and aligned with their shareholders. One of the most fundamental factors consistent across the majority of company success stories in our investment universe is a high-quality, proven management team with 'skin in the game'. NAOS Directors and employees are significant holders of shares on issue across our strategies, so the interests of our shareholders are well aligned with our own.



Investing Within Our Circle of Competence

As a specialist fund manager since 2004, NAOS has over the years developed a strong "circle of competence" (or mental models) in specific industries. We openly acknowledge that we avoid businesses that are either too complex to understand or heavily influenced by one or two variables, such as interest rates or commodity prices. Instead, we concentrate on businesses that fall within our circle of competence, aiming to minimise the risk of permanent capital loss. Unlike others, we are comfortable setting aside investments that we consider "too hard" while we compound our knowledge in specific industries where we believe we have a competitive edge.



Performance vs. Liquidity Focus

We believe in taking advantage of inefficient markets. The perceived risk associated with low liquidity (or difficulty buying or selling large positions) combined with investor short-termism, presents an opportunity to act based purely on the long-term value proposition where the majority may lose patience and move on. Illiquidity is often caused by aligned founders or management having significant holdings in a company. The NAOS LICs benefit from a closed-end structure, which means they do not suffer 'redemption risk', and we can focus on finding quality, undervalued businesses regardless of their liquidity profile.



Constructive Engagement

At NAOS, we seek to work collaboratively with businesses and their respective management teams. We are often the largest shareholder in the businesses we invest in, and from time to time, we will seek board representation either via an independent or a non-independent representative. This approach allows us to supportively engage with the boards and/or management teams of our portfolio holdings and maximise the potential for our invested capital to compound at a satisfactory rate over the long term.

Examples of constructive engagement where the NAOS investment team looks to add value include:

- growth capital if/when required;
- messaging and communications;
- capital management decisions;
- company strategy;
- board composition.



Environmental, Social, and Governance (ESG)

As an investment manager, NAOS recognises and accepts its duty to act responsibly and in the best interests of shareholders. We believe that a high standard of business conduct and a responsible approach to environmental, social and governance (ESG) factors is associated with a sustainable business model over the longer term. This benefits not only shareholders but also the broader economy. NAOS is a signatory to the United Nations-supported Principles for Responsible Investment (PRI) and is guided by these principles in incorporating ESG into its investment practices. NAOS is also B Corp certified.

Our Investment Process

Investment Criteria

Management & Culture

- What is the management team's industry experience and what is its track record on results, integrity and transparency?
- What ownership levels (shareholder alignment) does the management team have?
- What is the staff turnover level and what does this say about business loyalty among employees?
- What ethical standards do employees have?
- Does the culture promote long-term strategic thinking, even at the expense of short-term profits?
- Is there a company-wide desire to be an industry leader?

Valuation, Growth & Margin of Safety

- Does the company have a moat from competition (patents, assets, monopolies, uniqueness, pricing power)?
- Is this company moat increasing over time?
- Is the business scalable without incurring large increases in overheads?
- Is the industry growing (demographic, technological, cyclical and consumer trends)?
- Is there an obvious margin of safety (earnings quality, multiple, cash levels, growth runway)?
- What is its free cash-flow generation history and potential (capex levels, operating costs etc.)?
- What is its balance sheet flexibility (cash reserves, undrawn debt, hard assets, liability obligations)?
- Is the business growing organically (does it have avenues for internal growth)?
- What are the trends in the company's return on invested capital (ROIC) and future potential?
- Are there catalysts that can drive an increase in the share price?

Considering ESG Factors

- Identify ESG factors we think are relevant to each proposed investment.
- Consider our stance on these ESG factors, based on the principles and frameworks we believe can help to influence positive social return.
- Integrate our findings into our broader investment process which focuses on quantitative and qualitative analysis.

Total ASX-Listed Companies

2,407

Investment Universe Funnel

Company Size & Security Type

Remove: ASX Top 50, <\$20m market cap, ETFs

Revenue

Remove: No substantial revenue

Industry

Remove: Industries in structural long-term decline and not conducive to long-term growth

ESG Negative Screen: Tobacco, Gambling, Nuclear and Uranium, Controversial Weapons, Coal Mining Operations, Oil and Gas Production and Animal Cruelty

Balance Sheet

Remove: Unsustainable debt levels

Companies in the NAOS Universe

307

NAOS Active Investment Universe Watchlist

42-88

ASX: NAC

NAOS Ex-50 Opportunities Company Limited

NAC generally invests in 0-20 Australian and New Zealand emerging companies.

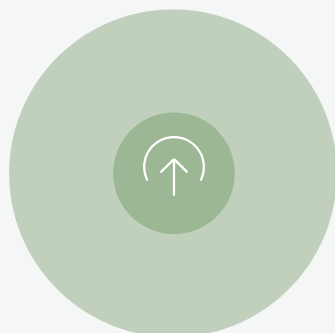
0-20

For personal use only

NAOS Qualitative Information Sources

The NAOS investment team undertakes fundamental analysis on potential and current investments.

Some examples of key focus areas include:



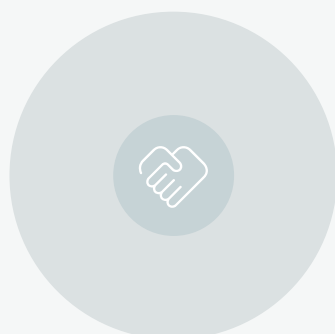
Internal Engagement

- Executive team, including CEO, CFO, COO and CTO
- Board of directors (independent and non-independent)
- Wider management team and staff, for example, general managers and sales executives to assistant/associates



External Engagement

- Former employees
- Listed and unlisted competitors
- Suppliers (current and former)
- Customers (current and former)
- Industry contacts and industry associations



Hands On

- Company announcements and reports
- Product/service sampling and testing
- Cold calling



Research

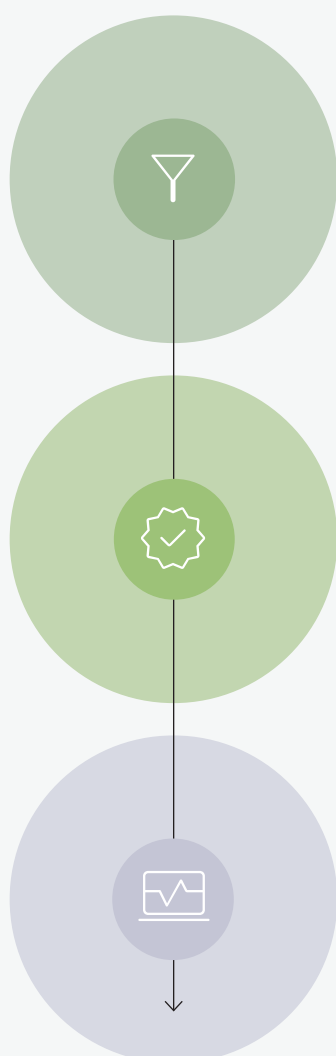
- Company announcements and reports
- Transcripts (company specific and other)
- Industry reports and journals
- Social media and industry forums
- Surveys, ratings and proprietary analytical tools
- ESG and positive impact analysis

For personal use only

Considering ESG Factors in the NAOS Investment Process

At NAOS, as an investment manager, we recognise and accept our duty to act responsibly and in the best interests of all stakeholders. We believe that a high standard of business conduct and a responsible approach to environmental, social and governance (ESG) factors are associated with a sustainable business model over the longer term, which also benefits the broader economy.

We recognise the material impacts that ESG factors can have on investment returns and risk, and also the wider implications for achieving a positive social return.



Screening

NAOS excludes investment in specific industries and companies whose products, services or ethics do not align with our responsible investment goals, such as:

- Tobacco
- Gambling
- Nuclear & uranium
- Controversial weapons
- Coal mining operations, oil & gas production
- Animal cruelty

Due Diligence and Investment Decision

- Identify ESG factors we think are relevant to each proposed investment
- Consider our stance on these ESG factors, based on the principles and frameworks we believe can help to influence positive social return
- Integrate our findings into our broader investment process, which focuses on quantitative and qualitative analysis

Ownership and Monitoring

- With our long-term, concentrated investment approach, we are often a substantial shareholder in our investee companies and can meaningfully influence them to address identified ESG issues
- Creating accountability through ongoing monitoring and engagement with our investee companies

Our Guidelines

Our approach to considering ESG factors in our investment process is guided by:

Signatory of:



The Principles for Responsible Investment (UNPRI)

A globally recognised framework consisting of six principles that guide the incorporation of ESG factors into investment analysis.



The United Nations Sustainable Development Goals (UNSDG)

A global framework that addresses sustainability challenges worldwide, offering 17 interconnected goals to achieve by 2030.

Accreditation

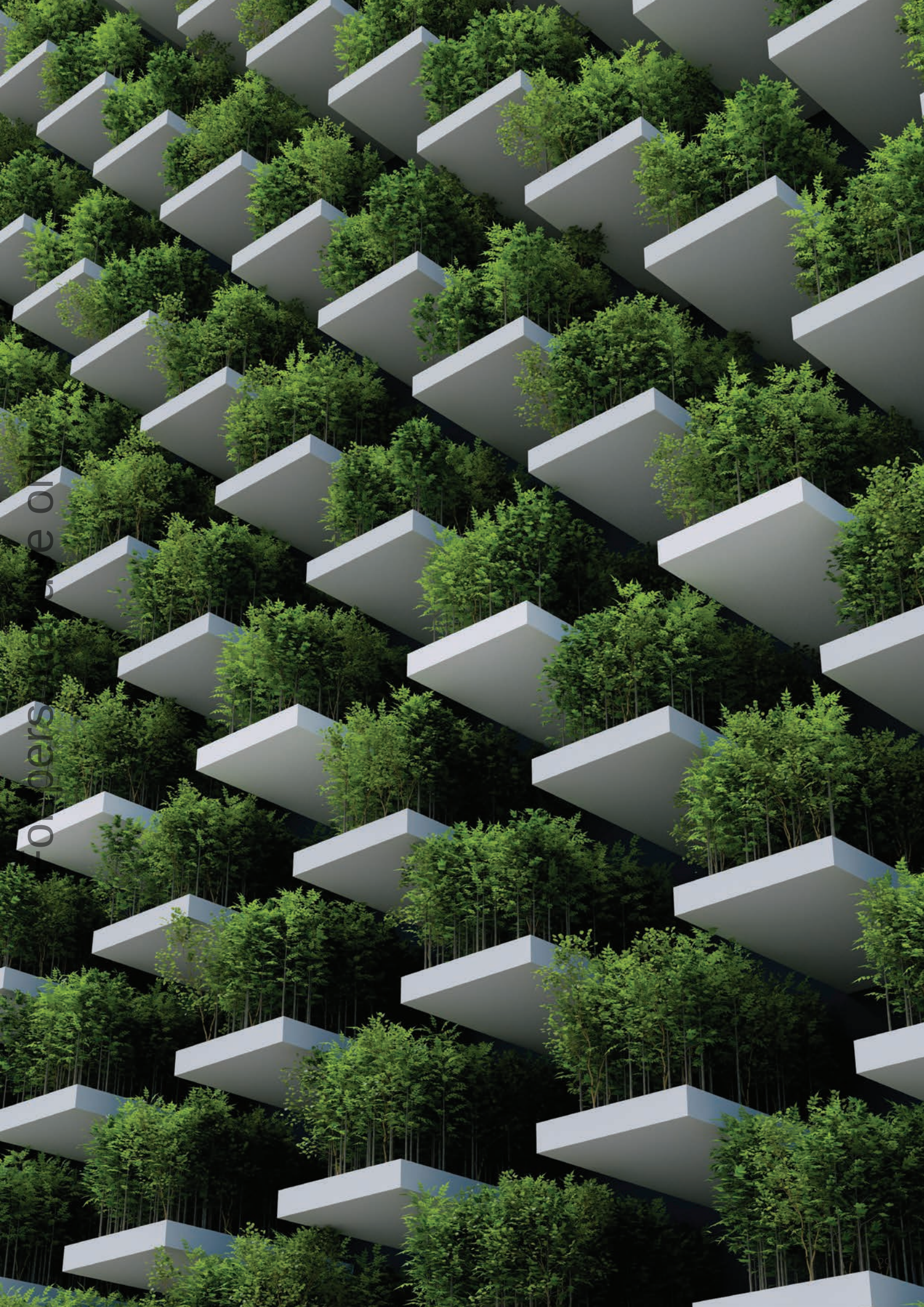
Certified



Corporation

Certified B Corporation

B Corporation certification is afforded to companies that demonstrate high standards of verified performance, accountability and transparency in the areas of social and environmental responsibility.



for personal use only

Investee Company in Focus



Peter Loimaranta
Chief Executive Officer
MaxiPARTS Ltd



MaxiPARTS Ltd

ASX: MXI

At NAOS Asset Management, we believe in providing shareholders with meaningful insights into the companies in which we invest. We recently spoke with Peter Loimaranta, Chief Executive Officer of MaxiPARTS Limited. The discussion covered industry trends, operational strengths, and how MaxiPARTS is positioned for sustainable growth.

How does Australia's ageing vehicle fleet affect demand?

Australia has one of the oldest commercial fleets in the developed world, with heavy vehicles now averaging 16 years. As trucks age, more maintenance is done outside dealer networks, driving demand from MaxiPARTS' core customers: independent repairers and operators. Structural trends, such as rising confidence in aftermarket products and the growing share of aftermarket spend, continue to support long-term growth.

How does MaxiPARTS build lasting customer relationships?

We focus on delivering value through the right people, strong stocking strategies, and competitive pricing. Our services—like just-in-time scheduling, embedded staff, inventory systems (MaxiSTOCK), and consignment stock—are tailored to meet the specific needs of fleet operators, workshops, and manufacturers.

What are the most significant operational challenges?

With thousands of vehicle types and parts, cataloguing and accessibility are major challenges. We work closely with suppliers to access product data and training, and we're now exploring the use of AI to enhance parts identification and internal systems.

What role do electrification and autonomy play in your outlook?

These trends are emerging but remain medium- to long-term. Our broad product range helps protect against near-term shifts while positioning us to adapt as demand for new technologies grows. We're already working with suppliers to understand evolving replacement needs.

How does MaxiPARTS' strategy support above-average, risk-adjusted returns over the medium to long term?

Through a combination of strategic acquisitions (e.g. Truckzone, Förch, Independant Parts) and organic growth, we've expanded our product range, increased scale, and diversified revenue. We focus on higher-margin growth areas like our Japanese parts and Förch businesses while maintaining strong cash flow, low gearing, and consistent dividend distribution. This disciplined approach supports sustainable, risk-adjusted returns.

Our Team



Sebastian Evans

Chief Investment Officer and Managing Director

Sebastian is a Director of NAOS Emerging Opportunities Company Limited (ASX: NCC), NAOS Small Cap Opportunities Company Limited (ASX: NSC), NAOS Ex- 50 Opportunities Company Limited (ASX: NAC), and has held the positions of Chief Investment Officer (CIO) and Managing Director of NAOS Asset Management Limited, the Investment Manager, since 2010. Sebastian is the CIO across all investment strategies.

Sebastian holds a Master of Applied Finance (MAppFin) majoring in investment management as well as a Bachelor of Commerce majoring in finance and international business, a Graduate Diploma in Management from the Australian Graduate School of Management (AGSM) and a Diploma in Financial Services.



Robert Miller

Portfolio Manager

Robert joined NAOS in September 2009 as an investment analyst. Robert has been a portfolio manager since November 2014 and is currently Portfolio Manager across all NAOS LICs: NAOS Emerging Opportunities Company Limited (ASX: NCC), NAOS Small Cap Opportunities Company Limited (ASX: NSC), NAOS Ex-50 Opportunities Company Limited (ASX: NAC), and the NAOS Private Opportunities Fund. Robert is also a Non-Executive Director of Ordermentum Pty Ltd.

Robert holds a Bachelor of Business from the University of Technology, Sydney, and a Master of Applied Finance (MAppFin) from the Financial Services Institute of Australasia/Kaplan.



Jared Tilley

Senior Investment Analyst

Jared joined NAOS in April 2021 as Senior Investment Analyst. Jared has over 18 years' financial services experience. Most recently, Jared was an investment analyst at Contact Asset Management, and prior to that, he spent nine years at Colonial First State.

Jared holds a Bachelor of Commerce majoring in accounting and finance from the University of Notre Dame, Sydney, and is a CFA Charterholder.



Tom Pearce

Investment Analyst Intern

Tom currently studying a Bachelor of Commerce (Finance) at The University of Sydney, where he has developed a strong interest in investing and portfolio management.



Rajiv Sharma

Head of Legal and Compliance

Rajiv is Head of Legal and Compliance at NAOS and holds a Bachelor of Laws (First Class Honours), a Bachelor of Business (accounting major) and a Graduate Diploma in Legal Practice from the University of Technology, Sydney.

Rajiv has over 15 years' experience, having most recently held senior legal roles at Custom Fleet, part of Element Fleet Management (TSX: EFN), and also at Magellan Financial Group (ASX: MFG). He has also previously worked at law firms Johnson Winter & Slattery, and Clayton Utz.

Rajiv is a member of the Law Society of New South Wales and is admitted to the Supreme Court of New South Wales and the High Court of Australia.



Mohit Kabra

Chief Financial and Operating Officer

Mohit Kabra is the Chief Financial Officer (CFO) and Chief Operating Officer (COO). Since joining NAOS in 2025, he has been responsible for NAOS' financial strategy and overseeing its operations. With a strong focus on governance, financial planning, and regulatory compliance, Mohit plays a key role in driving NAOS' strategic direction and long-term success.

With over 17 years at Deloitte Touche Tohmatsu across three continents, Mohit has developed deep expertise in investment management. His experience spans audit, accounting, advisory services, mergers and acquisitions, financial due diligence, business valuations, and capital market transactions.

Mohit is a Certified Public Accountant (CPA) with the Colorado Board of Accountancy and a member of the American Institute of Certified Public Accountants (AICPA). He is also an associate member of the Institute of Chartered Accountants of India and holds a Bachelor of Commerce (Hons.) from the University of Delhi, India.



Angela Zammit

Marketing and Communications Manager

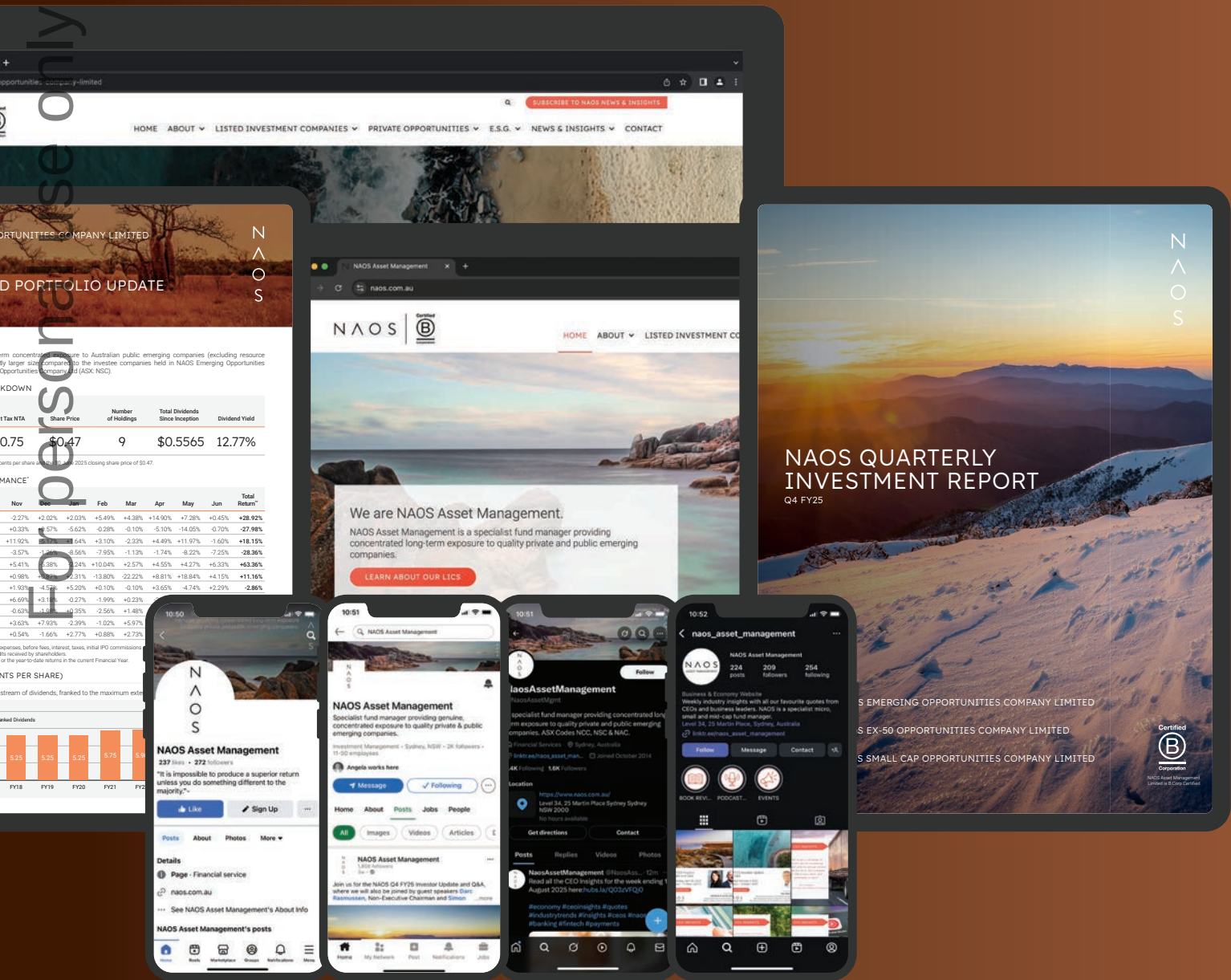
Angela joined NAOS in May 2020 in the capacity of Marketing and Communications Manager.

Prior to joining NAOS, Angela held marketing roles for companies in both Australia and the UK, including SAI Global, American Express, Citibank, and Arete Marketing.

Angela holds a Bachelor of Communications majoring in advertising and marketing from the University of Canberra.

Shareholder Communications

NAOS Asset Management is dedicated to keeping our shareholders informed and engaged. We strive to deliver timely and relevant updates throughout the financial year, including our monthly newsletter, weekly CEO insights, quarterly investment reports, and invitations to our quarterly webinars and annual roadshows. We value your input and welcome any feedback or suggestions—please feel free to email us at enquiries@naos.com.au.



NAOS Giving Back

To be caretakers of the next generation, we must actively support positive change. Supporting our commitment to ESG issues, NAOS Asset Management (the management company) donates 1% of recurring revenue to the community and the environment.

NAOS is proud to be supporting:



Empowering young people to thrive beyond the impacts of family mental illness



Healthy, productive landscapes where people and nature thrive.



Together, we're returning the bush to good health.

Corporate Governance Statement

The Board of NAOS Ex-50 Opportunities Company Limited is committed to achieving and demonstrating the highest standards of corporate governance. As such, the Company has adopted what it believes to be appropriate corporate governance policies and practices, having regard to its size and the nature of its activities.

The Board has adopted the ASX Corporate Governance Principles and Recommendations, which are complemented by the Company's core principles of honesty and integrity. The corporate governance policies and practices adopted by the Board are outlined in the Corporate Governance section of the Company's website naos.com.au/corporate-governance.

For personal use only



Contents

38	Directors' Report
45	Auditor's Independence Declaration
46	Independent Auditor's Report
50	Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2025
51	Statement of Financial Position as at 30 June 2025
52	Statement of Changes in Equity for the Year Ended 30 June 2025
53	Statement of Cash Flows for the Year Ended 30 June 2025
54	Notes to the Financial Statements
72	Directors' Declaration
73	Additional Information
78	Corporate Information

Directors' Report

The Directors present their report together with the financial report of NAOS Ex-50 Opportunities Company Limited (the "Company") for the year ended 30 June 2025.

Company Information

The Company is a listed investment company ("LIC") and its shares are listed on the Australian Securities Exchange (ASX). The Company has outsourced its investment management function to NAOS Asset Management Limited (ACN 107 624 126) (Australian Financial Services Licence Number 273529) (the "Investment Manager").

Principal Activities

The Company invests primarily in a concentrated portfolio of listed equities with the objective of providing investors with a long-term concentrated exposure to Australian public emerging companies (excluding resource companies).

Directors and Officers

Directors

The following persons held office as Directors of the Company during or since the end of the year.

Name	Appointment Date	Period of Office
Sarah Williams (Independent Chair)	31 January 2019	31 January 2019 - Present
David Rickards OAM (Independent Director)	8 May 2014	8 May 2014 - Present
Warwick Evans	8 May 2014	8 May 2014 - Present
Sebastian Evans	8 May 2014	8 May 2014 - Present

The qualifications and experience of each person who has been a Director of the Company at any time since 1 July 2024 are provided below.

Directors Information

Sarah Williams - Independent Chair

Sarah Williams has been an Independent Director of the Company since 31 January 2019, and was elected Independent Chair on 1 December 2022. Sarah is also a Director of NAOS Emerging Opportunities Company Limited (ASX: NCC) and NAOS Small Cap Opportunities Company Limited (ASX: NSC).

Sarah has over 25 years' experience in executive management, leadership, IT and risk management within the financial services and IT industries. Most recently, Sarah was an Executive Director at Macquarie Group holding the role of Head of IT for the Asset Management, Investment Banking and Leasing businesses. During her 18 year tenure at Macquarie Group she also led the Risk and Regulatory Change team, the Equities IT team and developed the IT M&A capability. Sarah has also held senior roles with JP Morgan and Pricewaterhouse Coopers in London.

Sarah has also been a director of charitable organisations including Cure Cancer Australia Foundation and Make a Mark Australia. Sarah holds a Honours Degree in Engineering Physics from Loughborough University.

David Rickards OAM - Independent Director

David Rickards has been an Independent Director of the Company since its inception. David is also an Independent Director of NAOS Emerging Opportunities Company Limited (ASX: NCC) and NAOS Small Cap Opportunities Company Limited (ASX: NSC). He is also Co-Founder of Social Enterprise Finance Australia (SEFA) and was a Director and Treasurer of Bush Heritage Australia for nine years.

David has over 25 years' of equity market experience, most recently as an Executive Director at Macquarie Group where he was head of equities research globally as well as equity strategy since 1989 until he retired in mid-2013. David was also a Consultant for the financial analysis firm Barra International.

David holds a Masters of Business Administration majoring in Accounting and Finance from the University of Queensland as well as two Bachelor degrees, one in Engineering (Civil and Structural) from the University of Sydney, and a Bachelor's degree in Science (Pure Mathematics and Geology).

Directors' Report (continued)

Directors' Information (continued)

Warwick Evans - Non-Independent Director

Warwick Evans has been a Director of the Company since inception (2014). Warwick is also a Director of NAOS Emerging Opportunities Company Limited (ASX: NCC), NAOS Small Cap Opportunities Company Limited (ASX: NSC), and NAOS Asset Management Limited, the Investment Manager.

Warwick has over 35 years of equity market experience, most notably as Managing Director for Macquarie Equities (globally) from 1991 to 2001 as well as being an Executive Director for Macquarie Group. He was the founding Chairman and CEO of the Newcastle Stock Exchange (NSX), and was also Chairman of the Australian Stockbrokers Association. Prior to these positions he was an Executive Director at County NatWest.

Warwick holds a Bachelor's degree in Commerce majoring in Economics from the University of New South Wales.

Sebastian Evans - Non-Independent Director

Sebastian Evans has been a Director of the Company since inception (2014) and also joint company secretary since 10 July 2019. Sebastian is also a Director of NAOS Emerging Opportunities Company Limited (ASX: NCC) and NAOS Small Cap Opportunities Company Limited (ASX: NSC); and has held the positions of Chief Investment Officer (CIO) and Managing Director of NAOS Asset Management Limited, the Investment Manager, since 2010. Sebastian is the CIO across all investment strategies.

Sebastian holds a Masters of Applied Finance majoring in Investment Management (MAppFin) as well as a Bachelor's Degree in Commerce, majoring in Finance and International Business, a Graduate Diploma in Management from the Australian Graduate School of Management (AGSM) and a Diploma in Financial Services.

Company Secretary

The following persons held office as company secretary during or since the end of the year.

Name	Appointment Date	Period of Office
Rajiv Sharma	12 March 2021	12 March 2021 - Present
Sebastian Evans	10 July 2019	10 July 2019 - Present

Company Secretary Information

Rajiv Sharma, Company Secretary

Rajiv is Head of Legal & Compliance at NAOS Asset Management and holds a Bachelor of Laws (First Class Honours), a Bachelor of Business (Accounting major) and a Graduate Diploma in Legal Practice from the University of Technology, Sydney. Rajiv has over 15 years' experience, having most recently held senior legal roles at Custom Fleet, part of Element Fleet Management Group (TSX: EFN) and Magellan Financial Group (ASX: MFG). He has also previously worked at law firms Johnson Winter & Slattery and Clayton Utz.

Rajiv is a member of the Law Society of New South Wales and is admitted to the Supreme Court of New South Wales and the High Court of Australia.

Meetings of Directors

The following table shows the number of board meetings for the year ended 30 June 2025.

Year ended 30 June 2025	Eligible to attend	Attended
Sarah Williams (Chair)	11	11
David Rickards (Independent Director)	11	9
Warwick Evans (Director)	11	10
Sebastian Evans (Director)	11	11

Directors' Report (continued)

Review of Operations

The Company recorded operating profit before tax for the year ended 30 June 2025 was \$9,688,928 (30 June 2024: operating loss before tax of \$18,400,225), and an operating profit after tax for the year of \$7,545,588 (30 June 2024: operating loss after tax of \$13,312,952). This significant improvement in profitability was underpinned by strong performance from core holdings, with the Investment Portfolio delivering a return of +28.92% for FY25, outperforming the S&P/ASX 300 Industrials Accumulation Index (XKIAI) return of +18.90%.

The post-tax Net Tangible Asset (NTA) value per share of the Company increased from \$0.67 to \$0.75 during the course of the financial year. The Company paid 6.00 cents per share in dividends during the year, comprising 4.50 cents per share fully franked and 1.50 cents per share franked at 50%.

The on-market buyback acquired and cancelled 1,670,015 shares were bought back for a total consideration of \$758,231, executed at a discount to NTA and accretive to NTA per share.

Please refer to the Investment Manager's Report on page 10 for further information regarding the performance of the Company.

Financial Position

The net tangible asset value of the Company as at 30 June 2025 was \$35,245,301 (2024: \$28,777,808). Further information on the financial position of the Company is included in the Chair's Letter on page 8.

Dividends Paid

Year ended 30 June 2025	Dividend (cents per share)	Total \$ amount	% Franked	Date of payment
2024 Final quarterly dividend (declared 22 August 2024)	1.50	642,181	100%	30 September 2024
2025 First quarterly interim dividend (declared 16 October 2024)	1.50	724,053	100%	29 November 2024
2025 Second quarterly interim dividend (declared 20 February 2025)	1.50	725,043	100%	4 April 2025
2025 Third quarterly interim dividend (declared 16 April 2025)	1.50	721,357	50%	4 June 2025
		2,812,634		

Year ended 30 June 2025	Dividend (cents per share)	Total \$ amount	% Franked	Date of payment
2023 Final quarterly dividend (declared 22 August 2023)	1.65	710,739	100%	27 September 2023
2024 First quarterly interim dividend (declared 19 October 2023)	1.50	645,037	100%	30 November 2023
2024 Second quarterly interim dividend (declared 22 February 2024)	1.50	645,644	100%	5 April 2024
2024 Third quarterly interim dividend (declared 17 April 2024)	1.50	643,813	100%	5 June 2024
		2,645,233		

Since 30 June 2025, the Company has declared a final quarterly dividend of 1.50 cents per share, 50% franked, to be paid on 30 September 2025.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company.

Subsequent Events

On 21 August 2025, the Company declared a 50% franked quarterly dividend of 1.50 cents per share, to be paid on 30 September 2025.

Other than the matter described above, there has been no matter or circumstance occurring subsequent to the end of the year that has materially affected, or may materially affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Likely Developments

The Company will continue to be managed in accordance with the Constitution and its investment objectives.

Environmental Regulation and Performance

The operations of the Company are not subject to any particular or material environmental regulation under a law of the Commonwealth or of a State or Territory. There have been no known material breaches of any other environmental requirements applicable to the Company.

Indemnification of Directors, Officers and Auditors

During the financial year, the Company paid premiums in respect of contracts insuring the directors' against a liability incurred as a director or executive officer to the extent permitted by the *Corporations Act 2001* (Cth). The contracts of insurance prohibit disclosure of the nature of the liability and the amount of the premiums.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability as such an officer or auditor.

Non-audit Services

During the year Deloitte Touche Tohmatsu, the Company's auditor, performed other services in addition to their statutory duties for the Company as disclosed in Note 12 to the financial statements.

The Board is satisfied that the provision of other services during the year is compatible with the general standard of independence of auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed in Note 12 did not compromise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided do not compromise the general principles relating to the auditor independence in accordance with the APES 110 Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 45.

Remuneration Report - Audited

The Directors of the Company present the Remuneration report to shareholders. The report is a requirement under section 300A(1) of the *Corporations Act 2001* and covers the following information:

- the Board's policy for determining the nature and amount of remuneration of Directors and other key management personnel (if any) of the Company;
- a discussion of the relationship between such policy and the Company's performance; and
- the details of the remuneration of the Directors and other management personnel (if any).

Directors' Report (continued)**Remuneration Report - Audited (continued)****Remuneration of Directors**

The Board from time to time determines remuneration of Directors within the maximum amount approved by shareholders. This is the only remuneration that Directors are entitled to.

Payments to Directors reflect the demands and responsibilities of their roles and are reviewed annually by the Board. The Company determines remuneration levels and ensures they are competitively set to attract and retain appropriately qualified and experienced Directors.

Directors' base fees are set at a maximum of \$100,000 per annum. Directors do not receive bonuses. The maximum fees paid to Directors may not be increased without approval from the Company at a general meeting.

Director's remuneration received for the year ended 30 June 2025 and 30 June 2024 are disclosed below:

	Short-term employee benefits	Post- employment benefit	
	Directors fees	Superannuation	Total
30 June 2025	\$	\$	\$
Sarah Williams (Chair)	26,906	3,094	30,000
David Rickards (Independent Director)	13,453	1,547	15,000
Warwick Evans (Director)	8,969	1,031	10,000
	49,328	5,672	55,000

	Short-term employee benefits	Post- employment benefit	
	Directors fees	Superannuation	Total
30 June 2024	\$	\$	\$
Sarah Williams (Chair)	27,027	2,973	30,000
David Rickards (Independent Director)	13,514	1,486	15,000
Warwick Evans (Director)	9,009	991	10,000
	49,550	5,450	55,000

Mr Sebastian Evans is remunerated by the Investment Manager and is currently not entitled to Director's remuneration from the Company.

Interests in Shares and Options of the Company

During the year ended 30 June 2025 and the year ended 30 June 2024, the relevant interests of the Directors and their related parties in the shares and bonus options of the Company were:

Ordinary shares	Opening balance	Acquired	Sold	Closing balance
Year Ended 30 June 2025	No of shares	No of shares	No of shares	No of shares
Sarah Williams (Chair)	19,160	73,041	-	92,201
David Rickards (Independent Director)	1,004,446	219,481	-	1,223,927
Warwick Evans (Director)	2,079,240	135,411	-	2,214,651
Sebastian Evans (Director)	5,918,752	145,091	-	6,063,843

Ordinary shares	Opening balance	Acquired	Sold	Closing balance
Year ended 30 June 2024	No of shares	No of shares	No of shares	No of shares
Sarah Williams (Chair)	17,717	1,443	-	19,160
David Rickards (Independent Director)	943,469	60,977	-	1,004,446
Warwick Evans (Director)	2,039,697	39,543	-	2,079,240
Sebastian Evans (Director)	5,894,530	24,222	-	5,918,752

Bonus options	Opening balance	Issued	Exercised	Closing balance
Year Ended 30 June 2025	No of bonus options	No of bonus options	No of bonus options	No of bonus options
Sarah Williams (Chair)	4,574	-	-	4,574
David Rickards (Independent Director)	239,836	-	-	239,836
Warwick Evans (Director)	513,999	-	-	513,999
Sebastian Evans (Director)	1,475,004	-	-	1,475,004

Bonus options	Opening balance	Issued	Expired	Closing balance
Year Ended 30 June 2024	No of bonus options	No of bonus options	No of bonus options	No of bonus options
Sarah Williams (Chair)	-	4,574	-	4,574
David Rickards (Independent Director)	-	239,836	-	239,836
Warwick Evans (Director)	-	513,999	-	513,999
Sebastian Evans (Director)	-	1,475,004	-	1,475,004

Directors' Report (continued)

Remuneration Report - Audited (continued)

The following table summarises Company performance and Directors' Remuneration. Directors' fees are not linked to the Company's performance.

	2025	2024	2023	2022	2021
Operating profit/(loss) after tax (\$)	7,545,588	(13,312,952)	5,823,397	(18,287,297)	19,365,236
Dividends (cents per share)	6.00	6.00	6.00	5.90	5.75
Level of franking (%)	75%	100%	100%	100%	100%
NTA after tax (\$ per share)	0.75	0.67	1.04	0.96	1.44
Total Director's remuneration (\$)	55,000	55,000	55,000	55,000	55,000
Shareholder's equity (\$)	35,245,301	28,777,808	45,534,671	43,106,483	63,710,353
Share Price (\$)	0.47	0.50	0.88	0.875	1.18

End of Remuneration Report (Audited)

Signed in accordance with a resolution of the directors of the Company made pursuant to Section 298(2) of the *Corporations Act 2001*.



Sarah Williams

Independent Chair

21 August 2025

Auditor's Independence Declaration



Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

Quay Quarter Tower
Level 46, 50 Bridge Street
Sydney NSW 2000 Australia

Tel: +61 (0) 2 6263 7000
Fax: +61 (0) 2 6263 7001
www.deloitte.com.au

21 August 2025

The Board of Directors
NAOS Ex-50 Opportunities Company Limited
Level 34, 25 Martin Place
Sydney NSW 2000

Dear Directors,

Auditor's Independence Declaration to NAOS Ex-50 Opportunities Company Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the those charged with governance of NAOS Ex-50 Opportunities Company Limited.

As lead audit partner for the audit of the financial report of NAOS Ex-50 Opportunities Company Limited for the financial year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

A handwritten signature in black ink that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink that reads "Jonathon Corbett".

Jonathon Corbett
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

For personal use only

Independent Auditor's Report



Deloitte Touche Tohmatsu
A.C.N. 74 490 121 060

Quay Quarter Tower
Level 46, 50 Bridge Street
Sydney NSW 2000 Australia

Tel: +61 (0) 2 6263 7000
Fax: +61 (0) 2 6263 7001
www.deloitte.com.au

Independent Auditor's Report to the Members of NAOS Ex-50 Opportunities Company Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of NAOS Ex-50 Opportunities Company Limited (the "Company") which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration and the Consolidated Entity Disclosure Statement.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
<u>Valuation and existence of Level 1 financial assets held at fair value through profit or loss</u> The Company's listed equity securities are the most significant driver of the Company's net tangible assets and the profit or loss attributable to shareholders. As at 30 June 2025, the Company's listed equity securities held at fair value through profit or loss totaled circa \$49.0 million as disclosed in Notes 7 and 17. Listed equity securities are fair valued using the unadjusted last sale price quoted on the Australian Securities Exchange and New Zealand's Exchange. Changes in the fair value of the listed securities are recognised through profit or loss. Given the significance of the listed equity securities, the key audit matter is whether the Company has ownership of the listed equity securities and has accurately recorded the fair value movements for the reporting period.	Our procedures included, but were not limited to: • Evaluating key controls in place at the outsourced service providers (i.e. administrator and custodian) in relation to the valuation and existence of financial assets at fair value through profit or loss, including any exceptions noted; • Obtaining confirmation of the investment holdings directly from the custodian; • On a sample basis, agreeing the valuation of listed equity securities to an independent pricing source; • On a sample basis, agreeing the investment holdings to the external custodian's holdings statement; and • Reperforming a reconciliation of the financial assets balance for the period ended 30 June 2025, including purchases, sales, and other relevant transactions. We also assessed the adequacy of the disclosures in Notes 7 and 17 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and is free from material misstatement, whether due to fraud or error.

Deloitte.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 41 to 44 of the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of NAOS Ex-50 Opportunities Company Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink, appearing to be "Jonathon Corbett".

Jonathon Corbett
Partner
Chartered Accountants
Sydney, 21 August 2025

Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2025

	Notes	Year ended 30 June 2025 \$	Year ended 30 June 2024 \$
Income	3	12,001,931	(15,839,272)
Expenses			
Management fees	16	(736,036)	(950,370)
Interest expense on convertible notes		(962,500)	(965,137)
Amortisation expense on convertible note		(82,008)	(82,234)
Administration fees		(51,250)	(51,112)
Directors' remuneration		(55,000)	(55,000)
Australian securities exchange fees		(66,357)	(81,744)
Auditor's remuneration	12	(59,500)	(59,500)
Custody fees		(27,954)	(34,465)
Registry fees		(51,250)	(43,742)
Other expenses		(221,148)	(237,649)
Profit/(loss) before income tax benefit/(expense)		9,688,928	(18,400,225)
Income tax (expense)/benefit	4(a)	(2,143,340)	5,087,273
Profit/(loss) for the year attributable to shareholders of the Company		7,545,588	(13,312,952)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year attributable to shareholders of the Company		7,545,588	(13,312,952)
Basic and diluted earnings/(loss) per share (cents per share)	18	15.71	(30.37)

The accompanying notes to the financial statements should be read in conjunction with this statement.

For personal use only

Statement of Financial Position as at 30 June 2025

		As at 30 June 2025 \$	As at 30 June 2024 \$
Assets			
Current Assets			
Cash and cash equivalents	13	224,538	1,518,748
Trade and other receivables	6	69,422	64,558
Financial assets at fair value through profit or loss	7	48,992,584	39,240,476
Total current assets		49,286,544	40,823,782
Non-current Assets			
Deferred tax assets	4(b)	3,783,080	5,913,907
Total non-current assets		3,783,080	5,913,907
Total assets		53,069,624	46,737,689
Liabilities			
Current liabilities			
Provision for income tax	4(d)	-	184,268
Trade and other payables	8	509,011	542,309
Total current liabilities		509,011	726,577
Non-current liabilities			
Borrowings	9	17,315,312	17,233,304
Total non-current liabilities		17,315,312	17,233,304
Total liabilities		17,824,323	17,959,881
Net assets		35,245,301	28,777,808
Equity			
Issued capital	10	46,381,784	44,647,245
Profits reserve	11(a)	22,430,244	17,697,290
Accumulated losses	11(b)	(33,566,727)	(33,566,727)
Total equity		35,245,301	28,777,808

The accompanying notes to the financial statements should be read in conjunction with this statement.

Statement of Changes in Equity for the Year Ended 30 June 2025

	Issued capital \$	Profits reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	45,445,923	20,342,523	(20,253,775)	45,534,671
Loss for the Year	-	-	(13,312,952)	(13,312,952)
Dividends paid	-	(2,645,233)	-	(2,645,233)
Purchase of shares on market for DRP	(214,593)	-	-	(214,593)
DRP shares allotted	214,593	-	-	214,593
Share options exercised	53,921	-	-	53,921
Shares bought back from shareholders	(930,661)	-	-	(930,661)
Shares issued under DRP	78,062	-	-	78,062
Balance at 30 June 2024	44,647,245	17,697,290	(33,566,727)	28,777,808

	Issued capital \$	Profits reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	44,647,245	17,697,290	(33,566,727)	28,777,808
Profit for the Year	-	7,545,588	-	7,545,588
Dividends paid	-	(2,812,634)	-	(2,812,634)
Purchase of shares on market for DRP	(305,582)	-	-	(305,582)
DRP shares allotted	305,582	-	-	305,582
Shares issued under share purchase plan	2,392,878	-	-	2,392,878
Shares issued under DRP	99,892	-	-	99,892
Shares bought back from shareholders	(758,231)	-	-	(758,231)
Balance at 30 June 2025	46,381,784	22,430,244	(33,566,727)	35,245,301

The accompanying notes to the financial statements should be read in conjunction with this statement.

Statement of Cash Flows for the Year Ended 30 June 2025

	Notes	Year ended 30 June 2025 \$	Year ended 30 June 2024 \$
Cash flows from operating activities			
Payments for purchase of investments		(29,113,751)	(19,576,557)
Proceeds from sale of investments		30,263,539	24,641,750
Dividends received		1,026,532	1,651,917
Interest received		7,746	19,699
Income tax paid		(196,781)	(444,232)
Management fees paid		(722,189)	(986,193)
Interest paid on convertible notes		(957,368)	(971,072)
Directors' remuneration paid		(54,527)	(55,000)
Administration and tax service fee paid		(63,350)	(57,871)
ASX fees paid		(66,357)	(81,743)
Audit fees paid		(67,360)	(48,620)
Custody fees paid		-	(29,465)
Registry fees paid		(59,982)	(43,169)
Other payments		(208,473)	(212,196)
Net cash (used in)/provided by operating activities	13(b)	(212,321)	3,807,248
Cash flows from financing activities			
Dividends paid net of amounts reinvested		(2,410,954)	(2,372,083)
Purchase of shares on market for DRP		(305,582)	(214,593)
Share buybacks		(758,231)	(930,661)
Share options exercised		-	53,921
Shares issued under share purchase plan		2,392,878	-
Net cash used in financing activities		(1,081,889)	(3,463,416)
Net (decrease) / increase in cash and cash equivalents		(1,294,210)	343,832
Cash and cash equivalents at the beginning of the financial year		1,518,748	1,174,916
Cash and cash equivalents at end of year	13(a)	224,538	1,518,748
Non-cash activities - Dividend Reinvestment		99,892	78,062

The accompanying notes to the financial statements should be read in conjunction with this statement.

Notes to the Financial Statements

General Information

NAOS Ex-50 Opportunities Company Limited (the "Company") is a public company listed on the Australian Securities Exchange (ASX: NAC) registered and domiciled in Australia. The Company was constituted on 8 May 2014 and commenced operations on 12 November 2014.

The registered office and principal place of business of the Company is Level 34, 25 Martin Place, Sydney NSW 2000.

NAOS Asset Management Limited (the "Investment Manager") is the investment manager for the Company. The financial statements were authorised for issue by the Directors on 21 August 2025.

1. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements and interpretations of the Australian Accounting Standards Board (the "AASB"), and the *Corporations Act 2001* in Australia. For the purposes of preparing financial statements, the Company is a for-profit entity.

This general purpose financial report has been prepared on an accruals basis using historical cost convention, except for the revaluation of investments in financial assets and liabilities, which have been measured at fair value through profit or loss.

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources.

b) Prior Year Comparatives

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements.

c) Statement of Compliance

The financial report of the Company, comprising the financial statements and notes thereto, complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board ("AASB") and International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board (the "IASB").

d) Reporting Currency

All amounts are presented in Australian dollars as the functional and presentational currency of the Company.

e) Going Concern Basis

This financial report has been prepared on a going concern basis. The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

f) Revenue and Income Recognition

Revenue

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Net gains/(losses) on financial instruments held at fair value through profit or loss arising on a change in fair value are calculated as the difference between the fair value at the period end and the fair value at the previous valuation point. Net gains/(losses) also include realised gain/losses, and do not include interest or dividend income.

Dividends

Dividend income is recognised on the ex-dividend date with any corresponding foreign withholding tax recorded as an expense.

Interest income

Interest income is recognised on a time proportionate basis taking into account the effective yield on the financial assets.

Notes to the Financial Statements (continued)

1. Summary of Material Accounting Policies (continued)

g) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an immaterial risk of changes in value.

h) Investments in Financial Instruments

Investments in financial instruments, as defined by AASB 132 'Financial Instruments: Presentation', are categorised in accordance with AASB 9 'Financial Instruments'. This classification is determined by the purpose underpinning the acquisition of the investment.

(i) Initial recognition, measurement and derecognition

The Company recognises financial assets and financial liabilities on the date that it becomes party to the contractual agreement (trade date).

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit or Loss and Other Comprehensive Income.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

(ii) Classification and subsequent measurement

Financial assets and liabilities held at fair value through profit or loss

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the "financial assets or financial liabilities at fair value through profit or loss" category are presented in the Statement of Profit or Loss and Other Comprehensive Income within net gains/(losses) on financial instruments held at fair value through profit or loss in the period in which they arise.

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by the Company is the current close price and the quoted market price for financial liabilities is the current close price.

Financial liabilities

Financial liabilities include trade and other payables, and borrowings. Non-derivative financial liabilities are subsequently measured at amortised cost, comprising original debt less principal payments and amortisation.

Compound Financial Instruments

Compound financial instruments issued by the Company comprise convertible notes which are able to be converted to share capital at the option of the noteholder, and the number of shares to be issued will not vary with changes in their fair value. The liability component of a compound financial instrument is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised at the difference between fair value of the compound financial instrument as a whole and the fair value of the liability component. All directly attributable transaction costs are allocated to the liability and equity component on a proportional basis.

After initial recognition, the liability component of the compound financial instrument will be measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured after initial recognition.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses ("ECL") on financial assets excluding investments that are measured at fair value through profit and loss.

The Company recognises lifetime ECL when there has been a material increase in credit risk since initial recognition. However, if the credit risk on the financial instruments has not increased materially since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The amount of the impairment loss will be recognised in the Statement of Profit or Loss and Other Comprehensive Income.

i) Expenses

All expenses, including the Investment Manager's fees, are recognised in the Statement of Profit or Loss and Other Comprehensive Income on an accruals basis.

Notes to the Financial Statements (continued)**1. Summary of Material Accounting Policies (continued)****j) Receivables**

Receivables may include amounts for dividends, interest, trust distributions and amounts due from brokers. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the reporting date from the time of last payment in accordance with the policy set out in Note 1(f) above. Receivables also include such items as Reduced Input Tax Credits ("RITC").

k) Payables

Trade and other payables are recognised when the Company becomes obliged to make future payments resulting from the purchase of goods and services. Payables include liabilities, amounts due to brokers and accrued expenses owed by the Company which are unpaid as at the end of the reporting period.

l) Taxation

The income tax expense/(benefit) comprises current tax and movements in deferred tax.

Current income tax expense/(benefit) is the tax payable/(receivable) on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/(assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Current and deferred tax expense/(benefit) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity. Deferred tax assets and liabilities are ascertained based on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantially enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, and where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which material amounts of deferred tax assets or liabilities are expected to be recovered or settled.

m) Dividends

Dividends payable are recognised in the reporting period in which they are declared, for the entire undistributed amount, regardless of the extent to which they will be paid in cash.

n) Share Capital

Ordinary shares are classified as equity. Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

o) Profits Reserve

The profits reserve is made up of amounts transferred from current and retained earnings that are preserved for future dividend payments.

p) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Company by third parties such as custodial services and investment management fees have been passed onto the Company. The Company qualifies for Reduced Input Tax Credits (RITC) hence, investment management fees, custodial fees and other expenses have been recognised in the Statement of Profit or Loss and Other Comprehensive Income net of the amount of GST recoverable from the Australian Taxation Office (ATO).

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the amount of GST is not recoverable from the taxation authority, it is recognised as part of acquisition of an asset or part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

Notes to the Financial Statements (continued)

1. Summary of Material Accounting Policies (continued)

q) Earnings Per Share

Basic earnings per share are calculated by dividing net profit attributable to shareholders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period.

Diluted earnings per share are calculated by dividing net profit attributable to shareholders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares and potential ordinary shares (options) outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period.

r) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the accounting policies, management are required to make judgments, estimates and assumptions about carrying values of some assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Income Tax

The Company has recognised deferred tax assets totalling \$3,783,080 as at 30 June 2025 (2024: \$5,913,907). This balance comprises deferred tax assets relating to unrealised losses on investments of \$1,637,024 (2024: \$5,873,829), realised tax losses of \$2,120,276 (2024: nil), and other temporary differences including accruals and capitalised issue costs. The utilisation of these deferred tax assets depends on the ability of the Company to generate future taxable profits. The Company considers it probable that future taxable profits will be available to utilise these deferred tax assets. This assessment is supported by the Investment Manager's long-term performance and profitability. New information may become available that may cause the Company to change its judgement regarding the calculation of tax balances, and such changes will impact profit or loss in the period in which such determination is made.

2. Adoption of New and Revised Accounting Standards

New or amended Accounting Standard and Interpretations adopted in the current period

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. These Standards and Interpretations did not have a material impact on these financial statements.

New Accounting Standards and Interpretations not yet adopted

There are no new accounting standards or interpretations applicable that would have a material impact for the Company.

3. Income

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Net gains/(losses) on financial instruments held at fair value through profit or loss	10,967,653	(17,510,888)
Interest income	7,746	19,699
Dividend income	1,026,532	1,651,917
	12,001,931	(15,839,272)

Notes to the Financial Statements (continued)

4. Income Tax**a) Income tax expense/(benefit)**

The prima facie tax on profit before income tax is reconciled to the income tax expense as follows:

	Year ended 30 June 2025 \$	Year ended 30 June 2024 \$
Prima facie income tax expense/(benefit) calculated at 25% (2024: 25%)	2,422,232	(4,600,056)
Less the tax effect of:		
Imputation credit gross up	103,770	176,302
Franking credit offset	(415,082)	(705,206)
Underprovision from prior year	12,513	-
Non-assessable items	19,907	-
Impact of change in tax rate	-	41,687
	2,143,340	(5,087,273)
Effective tax rate	22%	28%

The Company assessed that it is a base rate entity for the year ended 30 June 2025 and 30 June 2024 and hence the reduced company tax rate of 25% is applied to all income tax related balances.

	Year ended 30 June 2025 \$	Year ended 30 June 2024 \$
Total Income tax expense/(benefit) results in a:		
Underprovision from prior year	12,513	-
Current tax liabilities	-	628,500
Change in deferred tax liabilities	-	(94,589)
Change in deferred tax assets	2,130,827	(5,621,184)
	2,143,340	(5,087,273)

Notes to the Financial Statements (continued)

4. Income Tax (continued)

b) Deferred tax assets

	As at 30 June 2025	As at 30 June 2024
	\$	\$
Unrealised losses	1,637,024	5,873,829
Realised tax loss	2,120,276	-
Accruals	14,349	16,613
Capitalised Issue Costs	11,431	23,465
	3,783,080	5,913,907

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Movement in deferred tax assets		
Balance at the beginning of the period	5,913,907	292,723
Tax losses	2,120,276	(241,122)
(Charged)/credited to the Statement of Profit or Loss and Comprehensive Income	(4,239,069)	5,871,973
Capitalised Issue Costs	(12,034)	(9,667)
At reporting date	3,783,080	5,913,907

c) Deferred tax liabilities

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Movement in deferred tax liabilities		
Balance at the beginning of the year	-	94,589
Credited to the Statement of Profit or Loss and Comprehensive Income	-	(94,589)
At reporting date	-	-

d) Current tax liabilities

	As at 30 June 2025	As at 30 June 2024
	\$	\$
Current year income tax on operating profit	196,781	628,500
Income tax paid	(196,781)	(444,232)
At reporting date	-	184,268

Notes to the Financial Statements (continued)

5. Dividends Paid and Payable

Year ended 30 June 2025	Dividend (cents per share)	Total \$ amount	% Franked	Date of payment
2024 Final quarterly dividend (declared 22 August 2024)	1.50	642,181	100%	30 September 2024
2025 First quarterly interim dividend (declared 16 October 2024)	1.50	724,053	100%	29 November 2024
2025 Second quarterly interim dividend (declared 20 February 2025)	1.50	725,043	100%	4 April 2025
2025 Third quarterly interim dividend (declared 16 April 2025)	1.50	721,357	50%	4 June 2025
		2,812,634		

Year ended 30 June 2024	Dividend (cents per share)	Total \$ amount	% Franked	Date of payment
2023 Final quarterly dividend (declared 22 August 2023)	1.65	710,739	100%	27 September 2023
2024 First quarterly interim dividend (declared 19 October 2023)	1.50	645,037	100%	30 November 2023
2024 Second quarterly interim dividend (declared 22 February 2024)	1.50	645,644	100%	5 April 2024
2024 Third quarterly interim dividend (declared 17 April 2024)	1.50	643,813	100%	5 June 2024
		2,645,233		

As at 30 June 2025, the outstanding dividend payable was \$24,967 (30 June 2024: \$28,760).

Dividend Franking Information

	Year ended 30 June 2025 \$	Year ended 30 June 2024 \$
Franking credits available for shareholders from previous financial periods	200,902	185,134
Impact on the franking account of dividends paid during the period	(817,935)	(1,133,670)
Impact on the franking account of dividends received during the period	423,360	705,206
Impact on franking account of income tax paid	196,781	444,232
Franking account balance at reporting date	3,108	200,902

The Company's ability to continue to pay franked dividends is dependent upon the receipt of franked dividends from investments and the payment of tax.

6. Trade and Other Receivables

	As at 30 June 2025 \$	As at 30 June 2024 \$
GST receivable	28,626	24,194
Unsettled trade receivables	-	11,916
Prepaid expenses	40,796	28,448
Total	69,422	64,558

Receivables are non-interest bearing and unsecured. Outstanding trades, i.e. "Unsettled trade receivables", are on the terms operating in the investment management industry which usually require settlement within two days of the date of the transaction. None of the receivables are past due or impaired at the end of the reporting period (2024: Nil).

7. Investments in Financial Instruments

Financial Assets at Fair Value through Profit or Loss

	As at 30 June 2025 \$	As at 30 June 2024 \$
Investment in listed equities	48,992,584	39,240,476

Financial Liabilities at Fair Value through Profit or Loss

There were no financial liabilities at fair value through profit or loss as at 30 June 2025 (2024: Nil).

Disclosed Fair Values

For all financial instruments other than those measured at fair value, their carrying value approximates fair value as they are either cash/cash equivalents and/or short-term in nature such as trade and other payables/receivables.

8. Trade and Other Payables

	As at 30 June 2025 \$	As at 30 June 2024 \$
Auditors' remuneration payable	23,090	30,950
Management fees payable	78,645	64,798
Unsettled trades payable	47,721	125,394
Interest payable on convertible notes	241,950	236,819
Other payables	117,605	84,348
Total	509,011	542,309

Payables are non-interest bearing and unsecured. Unsettled trades are on the terms operating in the investment management industry which usually require settlement within two days of the date of the transaction.

Notes to the Financial Statements (continued)

9. Borrowings

On 17 November 2020, the Company issued 175,000 unsecured, redeemable, convertible notes with a total face value of \$17.5 million, listed under the ticker code (ASX:NACGA). The convertible notes carry a fixed interest entitlement of 5.5% per annum until 30 September 2025, and are convertible into ordinary shares at a conversion price of \$1.15 at any time until 30 September 2025. From 30 September 2025 to 30 September 2026 the convertible notes carry a fixed interest entitlement of 6.50% per annum, and from 30 September 2026 to 30 September 2027 the convertible notes carry a fixed interest entitlement of 7.50% per annum. Interest is paid half-yearly on 31 March and 30 September. The maturity date of the convertible notes is 30 September 2027.

Terms of the convertible notes are regulated under a trust deed between the Company and Melbourne Securities Corporation Limited. As at 30 June 2025, a total of \$241,950 interest is payable on the convertible notes (2024: \$236,819).

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Opening balance of convertible notes	17,233,304	17,151,070
Add amortisation of costs for period	82,008	82,234
At reporting date	17,315,312	17,233,304

10. Issued Capital

	30 June 2025		30 June 2024	
	No. of Shares	\$	No. of Shares	\$
Issued and paid up capital - Ordinary shares	46,774,816	46,381,784	42,920,729	44,647,245

Detailed provisions relating to the rights attaching to these shares are set out in the Company's Constitution and the *Corporations Act 2001*. These are summarised below.

Each share will confer on its holder:

- the right to receive notice of and to attend general meetings of the Company and to receive all financial statements, notices and documents required to be sent to them under the Constitution and the *Corporations Act 2001*;
- the right to vote at a general meeting of shareholders (whether present in person or by any representative, proxy or attorney) on a show of hands (one vote per shareholder) and on a poll (one vote per share) subject to the rights and restrictions on voting which may attach to or be imposed on shares (at present there are none);
- the right to receive dividends;
- the right to receive, in kind, the whole or any part of the Company's property in a winding up, subject to the rights of a liquidator of the Company (with consent of shareholders by special resolution); and
- subject to the *Corporations Act 2001* and the ASX Listing Rules, shares are fully transferable.

Notes to the Financial Statements (continued)
10. Issued Capital (continued)

Movements in Ordinary Share Capital

	No. of shares	\$
Opening balance 1 July 2023	43,832,995	45,445,923
DRP Shares allotted	295,952	214,593
Purchase of shares on market for DRP	(295,952)	(214,593)
Shares bought back	(1,054,368)	(930,661)
Share options exercised	59,912	53,921
Shares issued under DRP	82,190	78,062
Closing balance 30 June 2024	42,920,729	44,647,245
Opening balance 1 July 2024	42,920,729	44,647,245
Shares issued under DRP	206,595	99,892
DRP Shares allotted	703,121	305,582
Purchase of shares on market for DRP	(703,121)	(305,582)
Shares bought back	(1,670,015)	(758,231)
Shares issued under share purchase plan	5,317,507	2,392,878
Closing balance 30 June 2025	46,774,816	46,381,784

11. Profits Reserve and Accumulated Losses

a) Profits Reserve

	30 June 2025	30 June 2024
	\$	\$
Balance at the beginning of the year	17,697,290	20,342,523
Profit for the year attributable to the members of the Company	7,545,588	-
Dividends paid	(2,812,634)	(2,645,233)
Balance at reporting date	22,430,244	17,697,290

To the extent possible under the *Corporations Act 2001* and applicable tax laws, the profits reserve is preserved for future dividend payments.

b) Accumulated Losses

	30 June 2025	30 June 2024
	\$	\$
Balance at the beginning of the year	(33,566,727)	(20,253,775)
Profit/(loss) for the year attributable to the members of the Company	-	(13,312,952)
Balance at reporting date	(33,566,727)	(33,566,727)

Notes to the Financial Statements (continued)

12. Auditor's Remuneration

During the period the following fees were paid or payable for services provided by the auditor, its related practices and non-audit related services:

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Audit and other assurance services - Deloitte Touche Tohmatsu		
Audit and review of financial reports	54,500	54,500
Total remuneration for audit and other assurance services	54,500	54,500
Taxation Services		
Tax compliance services	5,000	5,000
Total remuneration for non-audit services	5,000	5,000
Total remuneration	59,500	59,500

13. Cash and Cash Equivalents**a) Components of Cash and Cash Equivalents**

	As at 30 June 2025	As at 30 June 2024
	\$	\$
Cash at bank	224,538	1,518,748

b) Reconciliation of Net Profit for the Year to Cash provided by Operating Activities

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Profit/(loss) for the year attributable to shareholders after tax	7,545,588	(13,312,952)
Adjustments for:		
Change in value of financial assets designated at fair value through profit or loss	(9,752,108)	22,800,906
Income tax expense/(benefit) recognised in the Statement of Profit or Loss and Other Comprehensive Income	2,143,340	(5,087,273)
Income tax paid	(196,781)	(444,232)
Amortisation expense on convertible notes	82,008	82,234
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(4,864)	8,217
Decrease in trade and other payables	(29,504)	(239,652)
Net cash (used in)/ provided by operating activities	(212,321)	3,807,248

14. Key Management Personnel

a) Key Management Personnel Compensation

The remuneration of the Company key management personnel and their related entities for the year ended 30 June 2025 was \$55,000 (2024: \$55,000).

There were no shares or options granted during the reporting period as compensation to the Directors. Transactions with related parties have taken place at arm's length and in the ordinary course of business.

b) Related Party Shareholdings NAOS Asset Management Limited

The Company has outsourced its investment management function to NAOS Asset Management Limited. As at 30 June 2025, NAOS Asset Management Limited holds 5,548,347 shares (11.96%) (2024: 5,430,000 shares (12.65%)) in the Company, and 1,354,999 bonus options (2024: 1,354,999 bonus options).

Other than the disclosure at Note 16 there were no transactions entered into by the Company with other entities also managed by the key management personnel.

Holdings of Shares by Key Management Personnel

During the year, the relevant interests of the Directors and their related parties in the shares and bonus options of the Company were:

Ordinary shares	Opening balance	Acquired	Sold	Closing balance
Year ended 30 June 2025	No of shares	No of shares	No of shares	No of shares
Sarah Williams (Chair)	19,160	73,041	-	92,201
David Rickards (Independent Director)	1,004,446	219,481	-	1,223,927
Warwick Evans (Director)	2,079,240	135,411	-	2,214,651
Sebastian Evans (Director)	5,918,752	145,091	-	6,063,843

Ordinary shares	Opening balance	Acquired	Sold	Closing balance
Year ended 30 June 2024	No of shares	No of shares	No of shares	No of shares
Sarah Williams (Chair)	17,717	1,443	-	19,160
David Rickards (Independent Director)	943,469	60,977	-	1,004,446
Warwick Evans (Director)	2,039,697	39,543	-	2,079,240
Sebastian Evans (Director)	5,894,530	24,222	-	5,918,752

Bonus options	Opening balance	Issued	Exercised	Closing balance
Year ended 30 June 2025	No of bonus options	No of bonus options	No of bonus options	No of bonus options
Sarah Williams (Chair)	4,574	-	-	4,574
David Rickards (Independent Director)	239,836	-	-	239,836
Warwick Evans (Director)	513,999	-	-	513,999
Sebastian Evans (Director)	1,475,004	-	-	1,475,004

Notes to the Financial Statements (continued)**14. Key Management Personnel (continued)****b) Related Party Shareholdings NAOS Asset Management Limited (continued)**

Bonus options	Opening balance	Issued	Expired	Closing balance
Year ended 30 June 2024	No of bonus options	No of bonus options	No of bonus options	No of bonus options
Sarah Williams (Chair)	-	4,574	-	4,574
David Rickards (Independent Director)	-	239,836	-	239,836
Warwick Evans (Director)	-	513,999	-	513,999
Sebastian Evans (Director)	-	1,475,004	-	1,475,004

c) Other Transactions within the Company

Apart from those details disclosed in this note, no other key management personnel have entered into a material contract with the Company during the financial period and there were no material contracts involving key management personnel's interests existing at year end.

15. Segment Information

The Company has only one reportable segment. The Company operates predominantly in Australia and in one industry being the securities industry, deriving revenue from dividend income, interest income and returns from the investment portfolio.

16. Related Party Information

Transactions with related parties have taken place at arm's length and in the ordinary course of business.

Management Fees

In return for the performance of its duties, as Investment Manager of the Company, the Investment Manager is entitled to be paid a monthly management fee equal to 0.146% (excluding GST) of the gross value of the portfolio calculated on the last business day of each month representing an annualised management fee of 1.75% (excluding GST) per annum of the average gross value of the portfolio. At its discretion and subject to shareholder approval, the Investment Manager may elect to be paid in shares.

The following management fees were paid or payable to the Investment Manager during the year ended 30 June 2025:

- Management fees of \$736,036 (2024: \$950,370) (excluding RITC*) were incurred during the year.
- Management fees payable at 30 June 2025 were \$78,645 (2024: \$64,798) (including RITC*).

*RITC - Reduced Input Tax Credit on GST of 75%.

Performance Fees

In the event that the portfolio outperforms the Benchmark, being the S&P/ASX 300 Industrials Accumulation Index (XKIAI), the Company must pay the Investment Manager a performance fee equal to 20% (excluding GST) per annum of the amount the portfolio outperforms the Benchmark. No performance fee is payable if the portfolio underperforms the Benchmark. Any underperformance to the Benchmark is carried forward to future performance calculation periods and must be recouped before the Investment Manager is entitled to a performance fee. At its discretion and subject to shareholder approval, the Investment Manager may elect to receive the performance fee in shares.

No performance fees were paid or payable to the Investment Manager during the year ended 30 June 2025 (2024: Nil).

In addition, for the year ended 30 June 2025 the Investment Manager was paid total fees of \$89,000 for the provision of company secretarial, administrative, financial and accounting services (2024: \$89,000) under the terms of a services agreement.

17. Financial Risk Management

Risks arising from holding financial instruments are inherent in the Company's activities. These risks are managed through a process of ongoing identification, measurement and monitoring. The Company is exposed to credit risk, liquidity risk, and market risk.

Financial instruments of the Company comprise investments in financial assets held for the purpose of generating a return on the investment made by shareholders. In addition, the Company also holds cash and cash equivalents, and other financial instruments such as trade receivables and payables, which arise directly from the operations of the Company. The responsibility for identifying and controlling the risks that arise from these instruments is that of the Investment Manager of the Company.

Notes to the Financial Statements (continued)

17. Financial risk management (continued)

The method used to measure the risks reflects the expected impact on the performance of the Company as well as the assets attributable to shareholders of the Company resulting from reasonably possible changes in the relevant risk variables. Information regarding the Company's risk exposure is prepared and monitored by the Investment Manager against established investment mandate limits. These mandate limits reflect the investment strategy and market environment of the Company as well as the level of risk the Company is willing to accept. Information about these risk exposures at reporting date is disclosed below.

a) Credit risk

Credit risk represents the risk that the Company will incur financial loss as a result of a failure by a counterparty to discharge a contractual obligation to a financial instrument. The Investment Manager monitors the credit worthiness of counterparties on an ongoing basis and evaluates the credit quality of all new counterparties before engaging them.

The maximum exposure to credit risk on financial assets, excluding investments of the Company which have been recognised in the Statement of Financial Position, is the carrying amount net of any provision for impairment of those assets.

The Investment Manager is responsible for ensuring that counterparties are of sufficient quality to minimise any individual counterparty credit risk. The majority of the Company's receivables arise from unsettled trades at year end which are settled two days after trade date. Engaging with counterparties via the Australian Securities Exchange facilitates the Company in both mitigating and managing its credit risk. The exposure to credit risk for cash and cash equivalents is considered to be low as all counterparties (National Australia Bank) have a rating of A or higher.

None of the assets exposed to a credit risk are overdue or considered to be impaired.

b) Market risk

Market risk is the risk that the fair value of future cash flows will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, equity prices and other price risks and liquidity. Market risk is managed and monitored on an ongoing basis by the Investment Manager.

By its nature, as a listed investment company that invests in tradeable securities, the Company will always be subject to market risk as it invests its capital in securities which are not risk free as the market price of these securities can fluctuate.

(i) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. The unsecured, redeemable convertible notes that were issued on 17 November 2020 pay a fixed rate of 5.50% per annum until 30 September 2025. It will then pay a fixed rate of 6.50% per annum from 30 September 2025 to 30 September 2026 and a fixed rate of 7.50% per annum from 30 September 2026 to 30 September 2027. Interest is payable half-yearly on 31 March and 30 September each year.

The Company's exposure to interest rate risk is set out in the following table:

	Floating interest rate	Non-interest bearing	Total
30 June 2025	\$	\$	\$
Assets			
Cash and cash equivalents	224,538	-	224,538
Trade and other receivables	-	69,422	69,422
Financial assets at fair value through profit or loss	-	48,992,584	48,992,584
Total assets	224,538	49,062,006	49,286,544
Liabilities			
Trade and other payables	-	509,011	509,011
Total liabilities	-	509,011	509,011
Net exposure	224,538	48,552,995	48,777,533

Notes to the Financial Statements (continued)

17. Financial risk management (continued)

b) Market risk (continued)

(i) Interest Rate Risk (continued)

	Floating interest rate \$	Non-interest bearing \$	Total \$
30 June 2024			
Assets			
Cash and cash equivalents	1,518,748	-	1,518,748
Trade and other receivables	-	64,558	64,558
Financial assets at fair value through profit or loss	-	39,240,476	39,240,476
Total assets	1,518,748	39,305,034	40,823,782
Liabilities			
Trade and other payables	-	542,309	542,309
Total liabilities	-	542,309	542,309
Net exposure	1,518,748	38,762,725	40,281,473

The sensitivity analyses below have been determined based on the Company's exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period, in the case of instruments that have floating interest rates. A 250 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible changes in interest rates.

	Change in basis points increase/ (decrease)	Impact on operating profit / Net assets attributable to shareholders (\$)
30 June 2025		
AUD interest rate	250bps/(250bps)	5,613/(5,613)
30 June 2024		
AUD interest rate	250bps/(250bps)	37,969/(37,969)

(ii) Price risk

Price risk is the risk that the fair value of investments decreases as a result of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual stock or factors affecting all instruments in the market. Price risk is managed by monitoring compliance with established investment mandate limits. All securities present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Possible losses from equities sold short can be unlimited.

As at 30 June 2025 and 2024, a 10% sensitivity would have had an impact in the Company's Statement of Profit or Loss and Other Comprehensive Income and net assets attributable to shareholders as shown in the table below:

	Impact on operating profit / Net assets attributable to shareholders	
	-10% \$	+10% \$
30 June 2025	(4,899,258)	4,899,258
30 June 2024	(3,924,048)	3,924,048

Notes to the Financial Statements (continued)

17. Financial risk management (continued)

b) Market risk (continued)

(ii) Price risk (continued)

The Company's industry sector weighting of the investment portfolio as at the reporting date is as below:

Industry	% of Portfolio	
	30 June 2025	30 June 2024
Industrials	36.71%	42.24%
Information Technology	32.94%	17.40%
Financials	19.07%	37.18%
Construction Materials	10.50%	3.18%
Health Care	0.78%	-
Total	100.00%	100.00%

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company's major cash payments are the purchase of securities and dividends paid to shareholders, the levels of which are managed by the Board and the Investment Manager. The Company's cash receipts depend upon the level of sales of securities, dividends and interest received, the exercise of options or other capital management initiatives that may be implemented by the Board from time to time.

The Investment Manager monitors the Company's cash-flow requirements daily by reference to known sales and purchases of securities, dividends and interest to be paid or received. Should these decrease by a material amount, the Company can alter its cash outflows as appropriate. The assets of the Company are largely in the form of tradeable securities which (if liquidity is available), can be sold on the market if necessary.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period from 30 June 2025 and 30 June 2024 to the contractual maturity date.

	Less than 1 year	>1 year to 5 years	5+ years	Total	Carrying amount
30 June 2025	\$	\$	\$	\$	\$
Trade and other payables	509,011	-	-	509,011	509,011
Borrowings	-	17,500,000	-	17,500,000	17,315,312
Total financial liabilities	509,011	17,500,000	-	18,009,011	17,824,323

	Less than 1 year	>1 year to 5 years	5+ years	Total	Carrying amount
30 June 2025	\$	\$	\$	\$	\$
Trade and other payables	542,309	-	-	542,309	542,309
Borrowings	-	17,500,000	-	17,500,000	17,233,304
Total financial liabilities	542,309	17,500,000	-	18,042,309	17,775,613

The amounts in the table are the contractual undiscounted cash flows.

Notes to the Financial Statements (continued)**17. Financial risk management (continued)****d) Fair Value Hierarchy**

AASB 13: Fair Value Measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

Level 1:

Financial instruments are valued by reference to quoted prices in an active market(s) for identical assets or liabilities. These quoted prices represent actual and regularly occurring market transactions on an arm's length basis.

Included within level 1 of the hierarchy are listed investments. The fair values of these financial assets and liabilities have been based on the quoted closing prices at the end of the reporting period.

Level 2:

Financial instruments are valued using inputs other than quoted prices covered in Level 1. These other inputs include quoted prices that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). The inputs included in this level encompass quoted prices in active markets for similar assets or liabilities, quoted prices in markets in which there are few transactions for identical or similar assets or liabilities. Financial instruments that are valued using other inputs that are not quoted prices but are observable for the assets or liabilities also fall into this categorisation.

Included within Level 2 of the hierarchy are unlisted investments. The fair value of financial instruments that are not traded in an active market (for example, unlisted investments) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all material inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3:

Financial instruments that have been valued, in whole or in part, by using valuation techniques or models that are based on unobservable inputs that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Unobservable valuation inputs are determined based on the best information available, which might include the entity's own data, reflecting its assumptions as well as best practices carried out or undertaken by other market participants. These valuation techniques are used to the extent that observable inputs are not available.

The following table presents the Company's financial assets and liabilities measured and recognised at fair value at 30 June 2025.

	Level 1	Level 2	Level 3	Total
30 June 2025	\$	\$	\$	\$
Financial assets	48,992,584	-	-	48,992,584
Total	48,992,584	-	-	48,992,584
	Level 1	Level 2	Level 3	Total
30 June 2024	\$	\$	\$	\$
Financial assets	39,240,476	-	-	39,240,476
Total	39,240,476	-	-	39,240,476

e) Capital Management

The Company's objectives for managing capital are:

- to maximise returns to shareholders over the long-term while safeguarding capital by investing in a concentrated portfolio, and closely monitoring the performance of the underlying investments;
- to maintain sufficient liquidity to meet the ongoing expenses of the Company; and
- to maintain sufficient size to make the operation of the Company cost-efficient.

The Board manages the Company's capital through share placements, share purchase plans, option issues, the dividend reinvestment plan, share buybacks and the distribution of dividends to shareholders. These capital management initiatives will be used when deemed appropriate by the Board. The Company is not subject to externally imposed capital requirements.

18. Earnings per Share

	Year ended 30 June 2025 cents	Year ended 30 June 2024 cents
Basic and diluted earnings/(loss) per share	15.71	(30.37)
	Shares	Shares
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	48,038,650	43,841,305
	\$	\$
Net profit/(loss) used in the calculation of basic and diluted earnings/(loss) per share	7,545,588	(13,312,952)

19. Commitments and Contingencies

There are no commitments or contingencies at 30 June 2025 (30 June 2024: Nil).

20. Subsequent Events

On 21 August 2025, the Company declared a 50% franked quarterly dividend of 1.50 cents per share, to be paid on 30 September 2025.

Other than the matter described above, there has been no matter or circumstance occurring subsequent to the end of the period that has materially affected, or may materially affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Consolidated Entity Disclosure Statement as at 30 June 2025

Subsection 295(3A)(a) of the *Corporations Act 2001* does not apply to the Company as the Company is not required to prepare consolidated financial statements by Australian Accounting Standards.

Directors' Declaration

In accordance with a resolution of the Directors of NAOS Ex-50 Opportunities Company Limited, we declare that:
In the opinion of the Directors:

- the financial statements and notes are in accordance with the *Corporations Act 2001* including compliance with Australian Accounting Standards and give a true and fair view of the financial position and performance of the Company for the financial year ended 30 June 2025;
- the attached financial statements are in compliance with International Financial Reporting Standards, as stated in Note 1 (c) to the financial statements;
- the consolidated entity disclosure statement required by subsection 295(3A) of the *Corporations Act 2001* is true and correct;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the Directors have received the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Board



Sarah Williams

Independent Chair

21 August 2025

For personal use only

Additional Information

Investment Portfolio

As at 30 June 2025 the Company held the following investments:

Big River Industries Limited	Move Logistics Group Limited
Bravura Solutions Limited	Pro Medicus Limited
COG Financial Services Limited	Qualitas Limited
Enlitic Inc	Urbanise.com Limited
Maxiparts Limited	XRF Scientific Limited

During the financial year ended 30 June 2025, the Company had 325 (2024: 498) transactions in investment securities. Total brokerage fees incurred during the year ended 30 June 2025 were \$258,571 (2024: \$166,496).

20 Largest Shareholders

Details of the 20 largest ordinary shareholders and their respective holdings as at 31 July 2025.

Shareholders	Ordinary shares held	% of issued shares
NAOS Asset Management Limited	5,548,347	11.96%
Nivesa Pty Ltd	1,481,318	3.19%
Patolo Pty Ltd	1,153,007	2.49%
Alex Land Pty Limited	852,730	1.84%
Gold Tiger Investments Pty Ltd	816,666	1.76%
Lonceta Pty Ltd	800,000	1.72%
Myall Resources Pty Ltd	793,859	1.71%
Fairfield Pathological Services Pty Ltd	630,500	1.36%
Mr Andrew Graham Daffy & Ms Kim Louise Norman	618,513	1.33%
Radell Pty Limited	511,184	1.10%
W W E Investments Pty Ltd	433,333	0.93%
Netwealth Investments Limited	391,902	0.84%
Wallbay Pty Ltd	387,940	0.84%
R & G Holdings Pty Ltd	367,624	0.79%
My Game Plan Pty Ltd	359,294	0.77%
Edamdeen Pty Ltd	326,212	0.70%
Bond Street Custodians Limited	300,000	0.65%
Evans Foundation Pty Ltd	300,000	0.65%
Hooper Taxation Services Pty Ltd	277,478	0.60%
J P Morgan Nominees Australia Pty Ltd	266,037	0.57%
Total	16,615,944	35.80%

Additional Information (continued)

Substantial Shareholders

Shareholders	Ordinary shares held	% of issued shares
NAOS Asset Management Limited	5,548,347	11.96%

Distribution of Ordinary Shares

Analysis of ordinary shares by size of shareholders as at 31 July 2025.

Category	Number of shareholders	Ordinary shares held	% of issued shares
1-1,000	105	34,253	0.07%
1,001-5,000	188	510,698	1.1%
5,001-10,000	126	978,825	2.11%
10,001-100,000	442	17,578,658	37.89%
100,001 and over	87	27,288,334	58.82%
Total	948	46,390,768	100.00%

Additional Information (continued)

20 Largest Optionholders

Details of the 20 largest optionholders and their respective holdings as at 31 July 2025.

Option holders	% of issued	
	Options held	options
NAOS Asset Management Limited	1,354,999	12.66%
Mifar Pty Ltd	405,547	3.79%
One 7 7 Five Pty Ltd	370,514	3.46%
Nivesa Pty Ltd	338,999	3.17%
Myall Resources Pty Ltd	303,348	2.83%
Patolo Pty Ltd	225,043	2.10%
Lonceta Pty Ltd	193,875	1.81%
Gold Tiger Investments Pty Ltd	187,500	1.75%
Netwealth Investments Limited	178,277	1.67%
Alex Land Pty Ltd	177,868	1.66%
Mr Andrew Graham Daffy & Ms Kim Louise Norman	175,229	1.64%
Munrose Investments Pty Ltd	174,260	1.63%
Radell Pty Ltd	127,796	1.19%
Wallbay Pty Ltd	104,346	0.98%
W W E Investments Pty Ltd	100,000	0.93%
R & G Holdings Pty Ltd	91,906	0.86%
Dr Mark Louis Santini & Dr Karyn Mary Matotek	81,848	0.77%
Bond Street Custodians Limited	75,000	0.70%
Evans Foundation Pty Ltd	75,000	0.70%
Vasnan Pty Ltd	71,370	0.67%
Total	4,812,725	44.96%

Substantial Optionholders

Optionholders	% of issued	
	Options held	options
NAOS Asset Management Limited	1,354,999	12.66%

Additional Information (continued)

Distribution of Options

Analysis of options by size of optionholders as at 31 July 2025.

Category	Number of optionholders	Options held	% of issued options
1-1,000	177	70,521	0.66
1,001-5,000	258	671,377	6.27
5,001-10,000	137	1,013,605	9.47
10,001-100,000	199	4,715,174	44.04
100,001 and over	14	4,234,918	39.56
Total	785	10,705,595	100.00%

20 Largest Convertible Noteholders

Details of the 20 largest convertible note holders and their respective holdings as at 31 July 2025.

Convertible Noteholders	Convertible notes held	% of issued convertible notes
Mutual Trust Pty Ltd	9,281	5.30%
Davenport Group Pty Ltd	6,900	3.94%
Perpetual Corporate Trust Ltd	6,133	3.50%
VCM Investments Pty Ltd	5,020	2.87%
Boorne Management Pty Ltd	5,000	2.86%
ACN 101 162 056 Pty Ltd	5,000	2.86%
Mr James Vincent Chester Guest	5,000	2.86%
Netwealth Investments Limited	3,890	2.22%
Press Form Holdings Pty Ltd	3,425	1.96%
Pindan Investments Pty Ltd	3,250	1.86%
Kaluki Pty Ltd	3,150	1.80%
Earglow Pty Limited	2,700	1.54%
Elton Richard Edwards	2,626	1.50%
Mr Graham Denney & Mrs Angela Denney	2,316	1.32%
Vantage Capital Management Pty Ltd	2,301	1.31%
Beck Havas Pty Ltd	2,110	1.21%
Selrid Pty Ltd	2,037	1.16%
VCM Investments Pty Ltd	2,015	1.15%
Securities & Estates Pty Ltd	2,000	1.14%
loof Investment Services Limited	1,948	1.11%
Total	76,102	43.47%

Additional Information (continued)

Substantial Convertible Noteholders

Convertible Noteholders	Convertible notes held	% of issued convertible notes
Mutual Trust Pty Ltd	9,281	5.30%

Distribution of Convertible notes

Analysis of convertible notes by size of convertible noteholders as at 31 July 2025.

Category	Number of convertible noteholders	Convertible notes held	% of issued notes
1-1,000	199	67,585	38.62
1,001-5,000	37	80,081	45.76
5,001-10,000	4	27,334	15.62
10,001 and over	-	-	-
Total	240	175,000	100.00%

Voting Rights

All shareholders registered on the Company's share register have the right to vote at a general meeting of shareholders (whether present in person or by any representative, proxy or attorney) on a show of hands (one vote per shareholder) and on a poll (one vote per Share) subject to the rights and restrictions on voting which may attach to or be imposed on shares (at present there are none). Bonus options do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the bonus options are exercised and subsequently registered as ordinary shares.

ASX Listing

Quotation has been granted for all ordinary shares, options and convertible notes (ASX Code: NAC, NACO and NACGA respectively) of the Company on all Member Exchanges of the Australian Securities Exchange Limited.

Buyback

For the financial year ended 30 June 2025 the Company has bought back a total of 1,670,015 shares for a consideration of \$758,231 (2024: 1,054,368 shares for a consideration of \$930,661).

Unmarketable Parcels

As at 31 July 2025, the number of shareholdings held in less than marketable parcels was 69.

Unquoted Securities

There are currently no unquoted securities on issue by the Company.

Restrictions on Shares

There are currently no restrictions attached to the shares of the Company.

Corporate Information

Directors

Sarah Williams (Independent Chair)
David Rickards OAM (Independent Director)
Warwick Evans (Director)
Sebastian Evans (Director)

Company Secretary

Sebastian Evans
Rajiv Sharma

Registered Office

Level 34
25 Martin Place
Sydney NSW 2000

Investment Manager

NAOS Asset Management Limited
Level 34
25 Martin Place
Sydney NSW 2000
(Australian Financial Services Licence Number: 273529)

Contact Details

T: (02) 9002 1576
E: enquiries@naos.com.au
W: www.naos.com.au

Share Registry

Boardroom Pty Limited
Level 8
210 George Street
Sydney NSW 2000
Telephone: 1300 737 760

Auditor

Deloitte Touche Tohmatsu
Level 46, Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000

For personal use only

S O > Z