

ASX:NSC

FY21 HALF YEAR RESULTS

ABN 47 107 617 381

NAOS Small Cap Opportunities Company Limited Announces FY21 Half Year Results and Declares Fully Franked Quarterly Dividend

The Board of NAOS Small Cap Opportunities Company Limited (ASX: NSC) (Company) is pleased to announce that it has declared a fully franked quarterly dividend of 1.25 cents per share. This represents an increase of 25% on the prior corresponding period and brings total dividends since inception to 16.0 cents per share, all of which have been fully franked. The Company also announced its half year result for the six-month period to 31 December 2020, reporting an after-tax profit of \$16.6 million.

Investment Portfolio Performance Monthly and FY Returns*

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY Total Return |
|-------------|--------|---------|--------|--------|--------|--------|--------|---------|---------|--------|--------|--------|-----------------|
| FY21 | +1.53% | +3.17% | -0.09% | +2.38% | +6.19% | +3.79% | +1.05% | | | | | | +19.32% |
| FY20 | -0.18% | +12.91% | +8.10% | +0.17% | -1.80% | -0.57% | +2.50% | -10.15% | -18.50% | -1.65% | +8.22% | +7.77% | +2.59% |
| FY19 | -0.60% | +4.07% | -1.34% | -7.61% | -3.04% | -3.21% | +4.16% | -3.88% | +1.14% | +0.69% | -5.17% | +1.33% | -13.29% |
| FY18 | | | | | | +1.11% | -0.93% | -0.57% | +0.25% | -3.35% | -1.16% | +1.24% | -3.44% |

* Investment Portfolio Performance as at 31 January 2021, figures are post all operating expenses, before fees, taxes and interest. Performance has not been grossed up for franking credits received by shareholders. Inception date is 1 December 2017. * Dividend yield as at 31 January 2021.

For the half year, the NSC investment portfolio produced a positive return of +18.08% while total shareholder return (TSR), which measures the change in share price and dividends paid during the period, was +62.26%. This is reflective of both the strong performance of the NSC investment portfolio and a significant narrowing of the share price discount to net tangible assets per share ('NTA') over the six-months to 31 December 2020.

It is the view of the Investment Manager that many of these businesses are only beginning to unlock their earnings potential and there remains significant potential valuation upside across the portfolio over the longer term. The Company remains focused on protecting investor capital whilst providing long-term capital growth above the relative benchmark index.

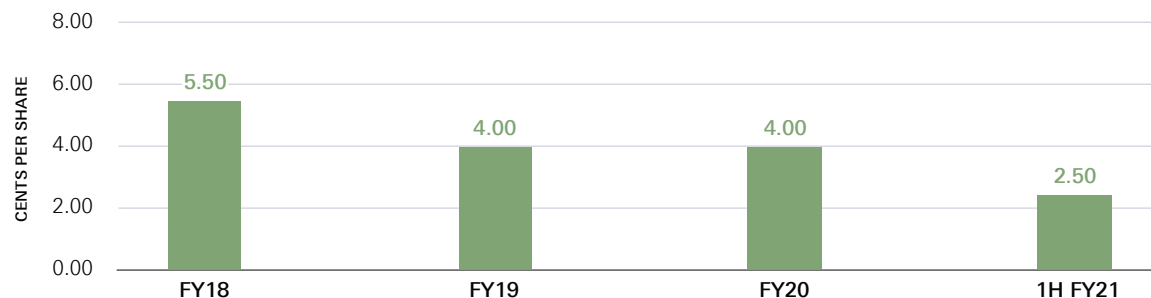
Independent Chairman, Trevor Carroll commented: *'This is a pleasing half-year result and represents a significant improvement on the full year FY20 results, which was reflective of a year marked by extreme volatility and uncertainty. The Board is also pleased to provide shareholders with an increase in the quarterly dividend of 25% on the prior corresponding period.'*

Share Buyback

The share buyback remained active throughout 1H FY21, with 3.3 million shares bought back in the six month period to 31 December 2020. Since the commencement of the buyback in April 2019, over 14 million shares, or 8% of shares on issue, have been bought back on market, which has been significantly accretive for shareholders.

Fully Franked Dividends (Cents Per Share)

It is the Board's aim to continue to be mindful of providing shareholders with a sustainable stream of growing fully franked dividends over the long term. The Company's profit reserve as at 31 December 2020 is 23.6 cents per share.



Shareholders can elect to participate in the Company's Dividend Reinvestment Plan (DRP). To participate in the DRP investors will need to submit their DRP election by 5:00pm Tuesday, 02 March 2021 to Boardroom Pty Limited, either online at www.investorserve.com.au or by email to enquiries@boardroomlimited.com.au.

Thank you for your continued support, we look forward to providing an update at the upcoming NAOS Investor Webinar on Tuesday April 13th. Shareholders and guests are invited to register. [CLICK HERE](#) to register for the event.

NAOS

Key Metrics

FY21 Portfolio Performance YTD*

+19.32%

Fully Franked Dividend Yield*

5.74%

Franking

100%

Cumulative Gross Fully Franked Dividends

22.86CPS

Dividend Dates

Ex-Dividend Date
26 February 2021

Record Date
01 March 2021

Last Date for DRP Election
02 March 2021

Payment Date
18 March 2021

Enquiries

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Important Information: This material has been prepared by NAOS Asset Management Limited (ABN 23 107 624 126, AFSL 273529) (NAOS) as investment manager of the listed investment company referred to herein (Company). This material is provided for general information purposes only and must not be construed as investment advice. It does not take into account the investment objectives, financial situation or needs of any particular investor. Investors should consider obtaining professional investment advice that is tailored to their specific circumstances. Past performance is not necessarily indicative of future results and neither NAOS nor the Company guarantees the future performance of the Company, the amount or timing of any return from the Company, or that the investment objectives of the Company will be achieved. This announcement has been authorised for release to the ASX by the Board of the Company.



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