

Investment & NTA Update

31 March 2023



NGE Capital Summary

ASX ticker	NGE
Share price (31 Mar 23)	\$0.745
Shares outstanding	36,000,000
Market cap	\$26.8m
NTA per share before tax	\$0.996
NTA per share after tax	\$1.060
NTA before tax	\$35.9m
NTA after tax	\$38.2m

Overview

NGE Capital Limited is an internally managed Listed Investment Company which allows investors to gain exposure to a concentrated, high conviction, actively managed portfolio of financial assets. NGE primarily focuses on listed ASX and international equities, with the aim of generating strong risk-adjusted returns over the medium to long term.

Board & Management

David Lamm Executive Chairman & Chief Investment Officer	Adam Saunders Executive Director & Portfolio Manager
Ilan Rimer Non-Executive Director	Les Smith Company Secretary & Chief Financial Officer

Contact Details

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Net Tangible Assets Per Share

	31 Mar 2023	28 Feb 2023
NTA per share before tax	\$0.996	\$0.976
NTA per share after tax	\$1.060	\$1.040

NTA Per Share Performance Summary

1 month	Year-to-date	Last 12 months	Since inception ¹ (p.a.)	(cum.)
2.1%	7.4%	-5.0%	11.2%	95.4%

Note: Returns are net of all expenses.

1 From 30 Nov 2016, the date on which NGE became a LIC.

Portfolio Composition

Company	Ticker	% of NTA
Yellow Cake plc	LSE:YCA	12.8%
John Wood Group plc	LSE:WG.	11.3%
Danakali	ASX:DNK	10.5%
OCI N.V.	AMS:OCI	7.4%
Geo Energy Resources	SGX:RE4	6.2%
Metals X	ASX:MLX	6.0%
Jupiter Mines	ASX:JMS	5.4%
Embark Education	ASX:EVO	5.0%
Sprott Physical Uranium Trust	TSX:U.UN	4.9%
Stanmore Resources	ASX:SMR	3.9%
Argo Group International	NYS:ARGO	2.4%
Net cash and other		24%
Total		100%

Unrecognised Tax Losses

The Company has ~\$43 million of Australian unused and unrealised losses available as at 31 March 2023. In the aggregate these losses equate to a potential future tax benefit of ~\$11m or ~\$0.32 per share (of which only ~\$2.3m or ~\$0.064 per share is recognised in our after tax NTA). The Company has received tax advice that these losses are available to be offset against future tax liabilities so long as NGE continues to satisfy the continuity of ownership test as set out in Divisions 165 and 166 of the Income Tax Assessment Act 1997 (Cth).

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Commentary

31 March 2023



We made the following notable portfolio changes in March:

- We sold out of our holding in **Golden Energy and Resources Ltd (SGX:AUE)**, netting a ~A\$660k profit for a ~24% return over an approximate four month hold period. We exited following a rise in the share price after the Widjaja family increased the All Cash Consideration by 15% to S\$0.973 per GEAR share. Whilst the offer has not been declared final and there is still the chance for a further bump, we decided to lock in a nice profit given the uncertain macroeconomic outlook, volatile markets, several conditions precedent still required to be satisfied prior to closing, and the recent slide in the benchmark Premium Low Vol Hard Coking Coal price.
- We bought back some shares in **Yellow Cake plc (LSE:YCA)** after the share price declined to be trading at a ~13-15% discount to NAV. We acquired an additional 97.0k shares at an average price per share of ~GBP3.68. We currently hold 672.0k shares.
- We increased our holding in **Danakali Limited (ASX:DNK)**, and held ~7.5m shares at month end. Subsequent to month end we significantly increased our holding to 20.0m shares, acquired at an average price per share of ~A\$0.392. We acted decisively after the stock sold down just prior to the suspension of trading in the company's shares. The shares have been suspended following the completion of the sale of the company's main asset, a 50% interest in the Colluli Potash Project.
- We increased our position in **OCI N.V. (AMS:OCI)** to 52.5k shares, acquired an average price per share of ~EUR28.87. We expect to write up our investment thesis in the near future.
- We increased our holding in **Geo Energy Resources (SGX:RE4)**, and now hold 6.0m shares acquired at an average price per share of ~S\$0.358 (accounting for dividends received to date).

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During the month **Apollo Global Management, Inc. (Apollo)** announced a modest increase in its bid for **John Wood Group plc (LSE:WG.) (Wood Group)** to 240p cash per share and declared its offer – the fifth proposal it has made – final. Apollo revealed that Wood Group's board had quietly rejected its previous offer of 237p.

The deadline to firm up a deal has been extended to 19 April.

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Announcement released to the market with the authorisation of:

David Lamm
Chief Investment Officer

Adam Saunders
Portfolio Manager