

Investment & NTA Update

29 February 2024



NGE Capital Summary

ASX ticker	NGE
Share price (29 Feb 24)	\$0.965
Shares outstanding	35,833,676
Market cap	\$34.6m
NTA per share before tax	\$1.200
NTA per share after tax	\$1.281
NTA before tax	\$43.0m
NTA after tax	\$45.9m

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

	29 Feb 2024	31 Jan 2024
NTA per share before tax	\$1.200	\$1.245
NTA per share after tax	\$1.281	\$1.326

NTA Per Share Performance Summary

1 month	Year-to-date	Last 12 months	<u>Since inception¹</u> (p.a.)	(cum.)
-3.6%	3.4%	23.0%	12.5%	135.3%

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	18.7%
Sprott Physical Uranium Trust	TSX:U.UN	7.3%
John Wood Group plc	LSE:WG.	6.7%
Metals X	ASX:MLX	6.2%
Industrial Logistics Properties	NAS:ILPT	5.1%
OCI N.V.	AMS:OCI	4.9%
Greek NPE basket	Various	4.9%
Embark Early Education	ASX:EVO	4.8%
Jupiter Mines	ASX:JMS	3.5%
Danakali	ASX:DNK	3.2%
Capricorn Energy PLC	LSE:CNE	1.8%
Net cash and other		33%
Total		100%

Unrecognised Tax Losses

The Company has ~\$32 million of Australian unused and unrealised losses available as at 29 February 2024. In the aggregate these losses equate to a potential future tax benefit of ~\$8m or ~\$0.22 per share (of which only ~\$2.9m or ~\$0.081 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

29 February 2024



We discussed several key portfolio positions in the Chairman's Letter which was published in NGE's 2023 Annual Report on 27 February 2024. We encourage investors to read the letter, which can be accessed [here](#).

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During the month we made the following notable portfolio changes:

- We continued to trim our positions in **Galaxy Cosmos Mezz Plc (ATH:GCMEZZ)**, **Phoenix Vega Mezz Plc (ATH:PVMEZZ)** and **SunriseMezz Plc (ATH:SUNMEZZ)**. We currently hold ~630k shares of GCMEZZ, ~3.82m shares of PVMEZZ and ~1.49m shares of SUNMEZZ.
- We further increased our holding in **Metals X Limited (ASX:MLX)** to ~9.15m shares.

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On 28 February **Embark Early Education Limited (ASX:EVO) (Embark or Company)** announced that it has executed conditional contracts for the acquisition of 9 childcare centres. The aggregate consideration is ~\$25.2m, and the centres are forecast to contribute ~\$6.3m of EBITDA for an implied acquisition multiple of ~4x EV/EBITDA. Our understanding is that the forecast earnings take into account 2H23 actual and 1H24 expected earnings. The purchases will take Embark's total number of centres to 33 and licensed places to 3,115.

Embark also declared a 1.5c per share fully franked dividend. Including the forthcoming dividend, the Company has paid a total of 8.74c per share of dividends in the past 15 months.

Embark continues to be the best performer of the four ASX-listed early childhood education and care services providers – as measured by occupancy and profitability – and also trades the most cheaply on an earnings multiple basis.

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Announcement released to the market with the authorisation of:

David Lamm
Chief Investment Officer

Adam Saunders
Portfolio Manager

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