

## NGE CAPITAL LIMITED SUMMARY

ASX ticker	NGE
Share price (30-Sep-20)	\$0.490
Shares outstanding	37,159,784
Market cap	\$18.2m
NTA per share before tax	\$0.668
NTA per share after tax	\$0.708
NTA before tax	\$24.8m
NTA after tax	\$26.3m

## 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.

## INVESTMENT STRATEGY

NGE has a flexible investment mandate and invests according to a defined set of investment principles, summarised as follows:

- Only invest in a compelling opportunity, otherwise hold cash;
- Invest based on fundamental analysis;
- Target investments that can generate strong returns with an adequate margin of safety; and
- Aim to hold a concentrated portfolio of high conviction investments.

## 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 (NTA) PER SHARE

	30 Sep 2020	31 Aug 2020
NTA per share before tax	\$0.668	\$0.689
NTA per share after tax	\$0.708	\$0.729

## NTA PER SHARE PERFORMANCE SUMMARY

1 month	Year-to-date	Last 12 months	Since inception <sup>(1)</sup>	
			(p.a.)	(cum.)
-3.0%	-21.4%	-17.7%	7.3%	31.1%

Note: Returns are net of all expenses.

(1) From 30 November 2016, the date on which NGE became a LIC.

## TOP HOLDINGS (% OF NTA)

Company	Ticker	%
Karoon Energy	ASX:KAR	32.7%
Yellow Cake plc	LSE:YCA	16.2%
Base Resources	ASX:BSE	7.4%
Not disclosed	Listed	0.6%
Uranium Participation	TSX:U	0.5%

## PORTFOLIO COMPOSITION

	30 Sep 2020
Listed equities	58%
Net cash and other	42%
<b>Total</b>	<b>100%</b>

## UNRECOGNISED TAX LOSSES

The Company has ~\$58 million of Australian unused and unrealised losses available as at 30 September 2020. In the aggregate these losses equate to a potential future tax benefit of ~\$15m or ~\$0.40 per share (of which only \$1.5m or \$0.04 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).

## COMMENTARY

NGE's portfolio produced a return of -3.0% for the month of September.

During the month we completed the sale of NGE's 50% stake in **Western Drilling Limited (WDL)** to joint venture partner Maps Tuna Limited for a nominal sum. WDL had appointed sales agents to market WDL's drill rig, camp and other drilling assets for either leasing contracts or outright sale. Despite fielding several expressions of interest in and physical inspections of the assets in Papua New Guinea, no acceptable offers were received. As noted in NGE's Half-Year Report, the Board fully impaired the carrying value of NGE's investment in WDL as at 30 June 2020. The sale of NGE's interest in WDL has had a negligible impact on the company's net tangible asset position, though has realised ~\$10 million in tax losses that may be available to offset future tax liabilities.

This announcement was released to the market with the authorisation of:

David Lamm  
Chief Investment Officer

Adam Saunders  
Portfolio Manager

### IMPORTANT INFORMATION:

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