

ASX Market Announcements

ASX Limited

20 Bridge Street

Sydney NSW 2000

30 September 2020

NAOS EX-50 OPPORTUNITIES COMPANY LIMITED (ASX: NAC) TO RAISE
UP TO \$17.5 MILLION THROUGH A LISTED, UNSECURED CONVERTIBLE NOTES ISSUE

NAOS Ex-50 Opportunities Company Limited (NAC or the Company) has today lodged a prospectus (Prospectus) with the Australian Securities and Investment Commission (ASIC) for the issue of listed, redeemable, unsecured, unsubordinated, convertible notes (NAC Notes) (the Offer). The Offer is subject to approval by NAC's shareholders which will be sought at the Company's upcoming Annual General Meeting (AGM). A notice of meeting for the AGM will be sent to NAC shareholders shortly.

The NAC Notes will provide investors with a listed exposure to a fixed interest rate yield and the possibility to benefit from appreciation in the price of NAC's ordinary shares (Ordinary Shares) above a Conversion Price of \$1.15 through an optional conversion into Ordinary Shares at any time until 30 September 2025.

The Board of Directors believe the issue of NAC Notes provides the ability to increase the overall size of the investment portfolio without diluting existing NAC shareholders in order to allow its investment manager, NAOS Asset Management Limited to take advantage of a number of current investment opportunities.

The NAC Notes also have the potential to increase the size of the Company's equity base over the longer term should holders of the NAC Notes elect to convert their NAC Notes to Ordinary Shares, which unlocks the benefits of scale, meaning lower costs for all shareholders as the Company grows.

Key terms of the NAC Notes

- Face Value – each NAC Note will have a Face Value of \$100;
- Interest Rate:
 - Until 30 September 2025: Fixed at 5.50% per annum;
 - From 30 September 2025 to 30 September 2026: Fixed at 6.50% per annum; and
 - From 30 September 2026 to 30 September 2027: Fixed at 7.50% per annum;
- Interest payments – paid semi-annually, in arrears on each of 31 March and 30 September;
- Maturity Date – 30 September 2027 (if not converted or redeemed earlier);
- Convertibility – convertible into Ordinary Shares upon notice at a fixed Conversion Price (subject to adjustment for certain dilutionary and other capital transactions by NAC) on or prior to 30 September 2025;
- Conversion Price – the Conversion Price is \$1.15, which represents the 31 August 2020 post-tax Net Tangible Assets per Ordinary Share;
- Issue size – up to \$17.5 million;
- Ranking – the NAC Notes rank equally with each other and without any preference amongst themselves, and at least equally with all other unsubordinated and unsecured obligations of the Company (other than any obligations preferred by mandatory provisions of applicable law). The NAC Notes rank ahead of Ordinary Shares; and
- Liquidity – application will be made for quotation of the NAC Notes on ASX under the ticker code ASX: NACGA.

Offer structure

The Offer comprises two components, a Priority Offer and a Broker Firm Offer.

Priority Offer

An offer open to Eligible Participants, being any person who has a registered address in Australia and who, as at the Priority Offer Record Date of 25 September 2020, was a shareholder in one or more of the following companies:

- NAOS Ex-50 Opportunities Company Limited (ASX: NAC);
- NAOS Emerging Opportunities Company Limited (ASX: NCC); or
- NAOS Small Cap Opportunities Company Limited (ASX: NSC).

NAC will seek to provide applicants under the Priority Offer with an allocation of at least 100 NAC Notes (where such Applicants have applied for 100 or more NAC Notes) on a reasonable endeavours basis. NAC does not guarantee any minimum allocation and the extent of any allocation will ultimately depend on the number of applicants under the Priority Offer and total level of applications under the Offer.

Broker Firm Offer

A firm offer to Australian and New Zealand clients of syndicate brokers. This offer is being made to sophisticated and professional investors only (as those terms are defined in the *Corporations Act 2001* (Cth)).

Summary of key dates

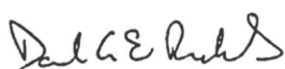
Priority Offer Record Date	25 September 2020
Lodgement of Prospectus with ASIC and announcement of Offer	30 September 2020
Notice of AGM issued to NAC shareholders	9 October 2020
Offer opens	8 October 2020
Offer closes	22 October 2020
AGM	12 November 2020
Settlement Date	16 November 2020
Issue of NAC Notes	17 November 2020
Despatch of holding statements	18 November 2020
NAC Notes expected to commence trading on ASX (normal settlement basis)	20 November 2020
First Interest Payment Date	31 March 2021
First Step-Up Date	30 September 2025
Second Step-Up Date	30 September 2026
Maturity Date	30 September 2027

The key dates and times for the Offer are indicative only and may change without notice.

Further information

For further information, or if you have any questions relating to the Offer, please contact the Company on enquiries@naos.com.au or call (02) 9002 1576.

The Board thanks all NAC shareholders for their continued support.



David Rickards
Chairman