

QV Equities AGM

October 2016



QV
Equities Ltd.

IML INVESTORS
MUTUAL LTD

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Board & Key Personnel

Name	Position	Independence	Experience
Peter McKillop	Non-executive Director	Independent	State Super Financial Services and Perpetual Funds Management
John McBain	Non-executive Director	Independent	Centuria Capital Limited and Century Property Funds
Jennifer Horrigan	Non-executive Director	Independent	Greenhill & Co, APN Funds Management, Generation Healthcare Industria REIT, Redkite, Breast Cancer Institute of Australia
Anton Tagliaferro	Executive Director	Non Independent	Perpetual, County Natwest and BNP
Simon Conn	Executive Director	Non Independent	QBE Insurance Investment Division, KPMG
Zac Azzi	Company Secretary		SFG Australia Limited, St George, AMP, Old Mutual (Skandia)

AGM Agenda

- ❑ Chairman's Welcome
- ❑ Chairman's Address
- ❑ Investment Director's Address
- ❑ Formal voting proceedings
 - Annual Financial Report for the year ended 30 June 2016
 - Resolution 1 (Adoption of Remuneration Report)
 - Resolution 2 (Re-election of Peter McKillop as a Director)
 - Resolution 3 (Re-election of Jennifer Horrigan as a Director)
 - Resolution 4 (Re-election of Simon Conn as a Director)
- ❑ Other Business
- ❑ Closure
- ❑ Morning Tea & Refreshments

Investor Sentiment

- record low interest rates and wage growth;
- the collapse in capital expenditure by Australian businesses and;
- political uncertainty concerning economic policy and reform

Increase in QVE's Net Tangible Assets per share:

Year ended 30 June 2016

QVE NTA (pre tax)	QVE NTA (post tax)	ASX 300	ASX 300 Ex20
+8.2%	+6.7%	+0.9%	+14.7%

2016 Final Results

Profit After Tax

2016	2015
\$5.7 million	\$3.8 million

Net Assets

2016	2015
\$238 million	\$200 million

Management Expense Ratios

2016	2015 (10mths)
1.09%	1.04%

Growing Dividend Stream– Fully Franked

2016	2015
3.3 cps	2.0 cps

Management Expense Ratio

- No performance fee
- The investment management fee
 - 0.90% of assets up to \$150million
 - 0.75% on assets above that figure and;
- At 30 September 2016 the NTA before tax was \$262.5million

Increase in QVE's Net Tangible Assets per share to 30 September 2016

	QVE NTA (pre tax)	QVE NTA (post tax)	ASX 300	ASX 300 Ex20
3 months to 30 September 2016	+7.0%	+5.5%	+5.2%	+5.8%
Annualised since inception to 30 September 2016	+11.2%	+8.9%	+6.7%	+10.5%

QV Equities Investment Director Address

Anton Tagliaferro



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Why focus on an ex 20 managed portfolio?

- More diverse entities in terms of market capitalisation and industry sectors
- Less researched opportunities
- Clients typically underweight in this segment
- Solid yields on offer
- IML has a long record of significant value add in this segment

QVE Portfolio Strategy

- Buying quality stocks
- Selectively taking profits
- Focus on industrial stocks

Performance & NTA – 30 June 2016

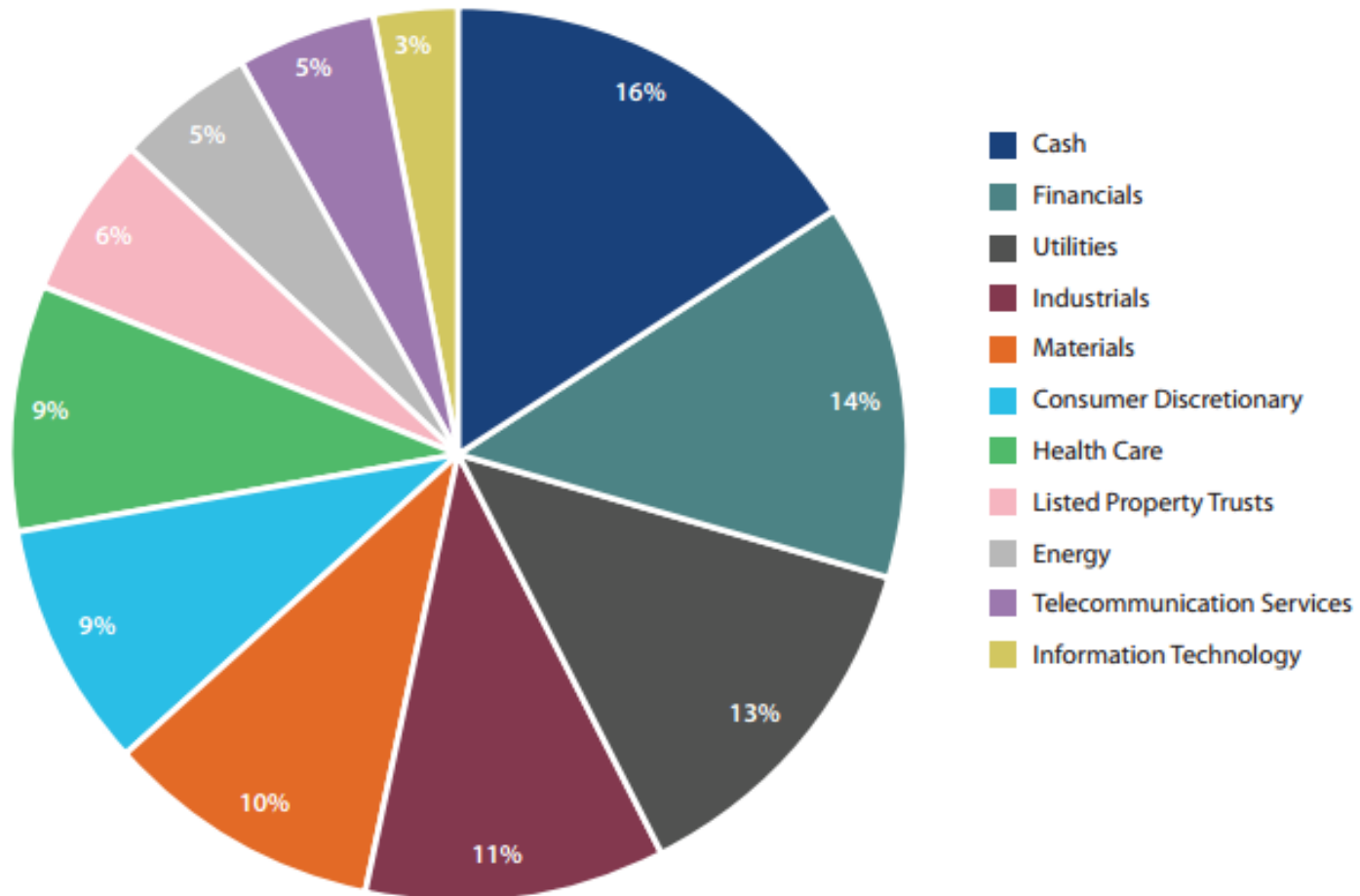
NET TANGIBLE ASSETS (NTA)	QVE-ASX
NTA before tax	1.1085
NTA after tax	1.0727

PERFORMANCE	QVE's NTA (after tax)	BENCHMARK
1 Month	-0.8%	-0.7%
3 Months	+3.1%	+6.0%
6 Months	+3.6%	+9.4%
1 Year	+6.7%	+14.7%
Since Inception Total Return	+14.0%	+17.4%

**The before and after tax NTA numbers relate to the provision for tax on net profit in addition to deferred tax on the un-realised gains in the Company's investment portfolio. The Company is a long term investor and does not intend disposing of its total portfolio. Under current Accounting standards, the Company is required to provide for tax on any gains that might arise on such a theoretical disposal, after utilisation of brought forward losses..*

Source: QVE NTA as at 30 June 2016

QVE Portfolio as at 30 June 2016



QVE Top 10- 30 June 2016

KEY EQUITY INVESTMENTS	ASX CODE	WEIGHT
Fletcher Building	FBU	4.2%
Steadfast	SDF	3.6%
Bank of Queensland	BOQ	3.4%
Sonic Healthcare	SHL	3.3%
AGL	AGL	3.1%
Pact Group	PGH	2.9%
AusNet	AST	2.9%
Orica	ORI	2.8%
ASX	ASX	2.7%
Chorus	CNU	2.6%

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Resolutions



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Ordinary Business

Item 1 – Annual Financial Report

Resolution 1 – Adoption of Remuneration Report

To consider and if thought fit pass the following resolution as an ordinary resolution:

“That the Company adopt the Remuneration Report contained in the Company’s Annual Financial Report for the year ended 30 June 2016 in accordance with Section 250R(2) of the Corporations Act.”

Proxy Voting Results- Resolution 1

	Number	Percentage
FOR	6,175,929	76.57%
AGAINST	585,184	7.26%
OPEN	1,304,660	16.18%

Resolution 2 - Re-election of Peter McKillop as a Director

To consider and if thought fit pass the following resolution as an ordinary resolution:

“That Peter McKillop, who retires by rotation in accordance with the Company’s Constitution and, being eligible for re-election, be re-elected as a Director.”

Proxy Voting Results- Resolution 2

	Number	Percentage
FOR	12,929,764	90.14%
AGAINST	82,100	0.57%
OPEN	1,331,660	9.28%

Resolution 3 - Re-election of Jennifer Horrigan as a Director

To consider and if thought fit pass the following resolution as an ordinary resolution:

“That Jennifer Horrigan, who was appointed to fill a casual vacancy in accordance with the Company’s Constitution and Listing Rule 14.4 and, being eligible for re-election, be re-elected as a Director.”

Proxy Voting Results- Resolution 3

	Number	Percentage
FOR	12,948,364	90.24%
AGAINST	68,500	0.48%
OPEN	1,331,660	9.28%

Resolution 4 - Re-election of Simon Conn as a Director

To consider and if thought fit pass the following resolution as an ordinary resolution:

“That Simon Conn, who was appointed to fill a casual vacancy in accordance with the Company’s Constitution and Listing Rule 14.4 and, being eligible for re-election, be re-elected as a Director.”

Proxy Voting Results- Resolution 4

	Number	Percentage
FOR	13,004,264	90.22%
AGAINST	77,600	0.54%
OPEN	1,331,660	9.24%

Other business:

Comments & Questions

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