



ASX Announcement

22 November 2017

Chairman's Address at the 2017 AGM Provided in accordance with Listing Rule 3.13.3

I'd like to deal with the following items in this address:

- Our financial results
- Portfolio results
- Our share price and outlook
- Today's agenda

First, a quick recap of our financial results for the year ended 30 June 2017. Difficult market conditions for emerging companies of the ASX saw 8EC produce a loss for the year of \$103,215. We declared a maiden interim and final dividend and saw our pre-tax net tangible assets per share finish at \$1.09 at 30 June 2017.

Your Company has had a busy time since its listing on 1 December 2015. The portfolio continues to be actively managed by 8IP and the cumulative pre-tax NTA performance since listing has been +17.2%. Shareholders have received 3 cents in fully franked dividends for the 2017 Financial Year and approximately half of the options issued upon listing were exercised in December 2016.

Despite this, our shares still trade close to their issue price of \$1.00. As I mentioned in my Chairman's Letter in August this year, it is disappointing that 8EC's share price continues to trade at a discount to net tangible assets per share. However I repeat that this does provide an opportunity for investors to purchase a portfolio of smaller capitalisation stocks at a discount to their market value managed by an experience team with a strong track record. We continue to consider measures to close the discount, however, we note that many other smaller LICs also trade at discounts to net tangible assets.

Your Board continues to believe that smaller stocks offer the potential for attractive returns over the medium return. In fact, some commentators are arguing that we are starting to see signs of smaller stocks re-emerging as attractive investments. However, when investing in smaller stocks, patience is vital. They can remain out-of-favour for periods of time, but can also deliver significant out-performance over the long-term.

Once we have completed the formal part of the meeting I will hand over to Kerry Series, 8IP's Chief Investment Officer, to provide further details on how the market has performed and his thoughts on future investment opportunities.

There are a number of items on the Agenda for this year's AGM.

We are considering:

- Our Financial Statement and Reports
- Adoption of the Remuneration Report; and
- My election as a Director

All resolutions have been explained in detail in the Notice of Meeting and the Explanatory Memorandum.

Before we enter the formal part of the meeting I would like to thank my fellow directors and the 8IP management team for their hard work and high standards of professionalism and diligence. I believe the Company is in good hands and has a bright future ahead of it.

In particular, I would like to thank all our shareholders for their continuing support as it is greatly appreciated.

Thank you.

Jonathan Sweeney
Non-executive Chairman

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