



## ASX Announcement

Market Announcements Office  
ASX Limited  
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### MARKET UPDATE – STRONG INVESTMENT PERFORMANCE, SURGE IN OPERATING PROFIT

Microequities Asset Management Group Limited (Microequities or the Company) (ASX:MAM) wishes to provide the following financial update.

A frenzy of takeover activity and several bidding wars within our open-ended investment funds have led to strong investment performance and ergo large performance fees. We are pleased to report that all our open-ended investment funds achieved record highs as of 30<sup>th</sup> of April 2021. The strong investment performance drove our April unaudited, unreviewed operating profit\* before tax from investment management to approximately \$5.5m and the FY21 year to date operating profit\* before tax from investment management to approximately \$14.8m (based on unaudited management accounts), compared to full year FY20 operating profit before tax of \$4.8m (the twelve month period to 30 June 2020). These figures include a dominant component of income generated from performance fees which are volatile, unpredictable, and non-recurring in nature.

We are also pleased to report that we have seen some early successes in our reshaped marketing and sales approach with inflow patterns continuing to improve. Importantly the investment management team sees a large opportunity set of undervalued growth businesses within our funds and sizeable scope to increase investment in these excellent investment opportunities.

The Company enjoys a strong capital position and has further growth initiatives planned for FY22. Full year FY21 results will be released in August 2021.

This announcement has been authorised for release by the Board.

\* Operating profit from investment management excludes share-based payments and revaluation of investments held on the balance sheet.

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About Microequities (ASX:MAM): Microequities is a boutique value driven Fund manager specialised in exchange listed industrial microcaps and small caps. Established in 2005 as an investment research house, the company expanded into funds management in early 2009 by launching its flagship fund - the Deep Value Fund. Today Microequities manages five investment funds. For further information visit [www.microequities.com.au](http://www.microequities.com.au)