

Appendix 4D Statement for the Half-Year ending 31 December 2021

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This half-year report is presented under listing rule 4.2A and should be read in conjunction with the Company's 2021 Annual Report.

This announcement was authorised for release by the Board of Mirrabooka Investments Limited.

Mirrabooka Investments Limited ABN 31 085 290 928



MIRRABOOKA
Investments Limited

Finding opportunities
in small and medium-sized
companies

RESULTS FOR ANNOUNCEMENT TO THE MARKET

The reporting period is the half-year ended 31 December 2021 with the previous corresponding period being the half-year ended 31 December 2020. The results have been reviewed by the Company's auditors.

Results for announcement to the market

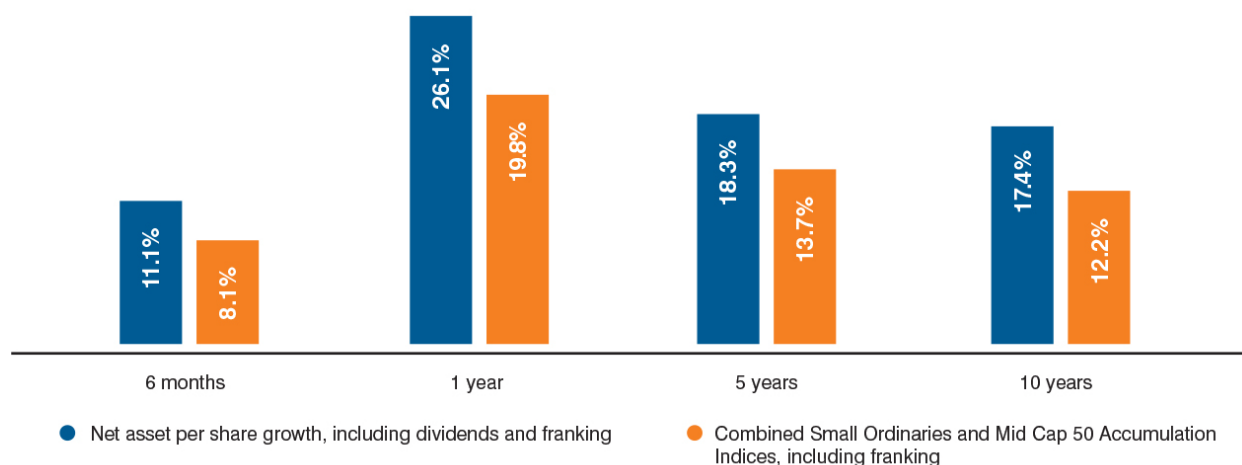
- Profit for the half-year was \$4.2 million. This is 23.5% up on the previous corresponding period. Dividends and distributions received increased by 67%.
- Revenue from operating activities was \$5.4 million, 65.9% up on the previous corresponding period. This excludes capital gains on investments.
- The interim dividend of 3.5 cents per share fully franked (at 30%), the same as last year's interim dividend, will be paid on 17 February 2022 to ordinary shareholders on the register on 25 January 2022. There is no conduit foreign income component of the dividend.
- All of the interim dividend is sourced from capital gains, on which the Company has paid or will pay tax. The amount of the pre-tax attributable gain, known as an "LIC capital gain", attached to this dividend is 5 cents (3.5 cents grossed up for tax). This enables some shareholders to claim a tax deduction in their tax return. Further details will be on the dividend statements.
- A Dividend Reinvestment Plan (DRP) and Dividend Substitution Share Plan (DSSP) are available, the price for which will be set at a **5% discount** to the Volume Weighted Average Price of the Company's shares traded on the ASX and Chi-X automated trading systems over the five trading days from when the shares trade ex-dividend. The last date for the receipt of an election notice for participation in the DRP & DSSP is 5.00 pm (Melbourne time) on 27 January 2022.
- A final dividend for the 2021 financial year of 6.5 cents per share plus a special dividend of 2 cents, both fully franked, were paid to shareholders on 17 August 2021.
- Net asset backing per share as at 31 December 2021 was \$3.73 before deferred tax on the unrealised gains on the long-term investment portfolio, up from \$3.11 at the end of the previous corresponding period.

Mirrabooka delivers another period of outperformance

Half Year Report to 31 December 2021

- For the six-month period, Mirrabooka's portfolio return including the benefit of franking was 11.1%. This is ahead of the combined Small and Mid Cap 50 sector benchmark including franking, which was up 8.1% over the same period.
- The 12-month portfolio return including franking was 26.1%; the combined Small and Mid Cap 50 benchmark return over the corresponding period including franking was 19.8%.
- Half Year Profit was \$4.2 million, up from \$3.4 million in the corresponding period last year. The increase in profit was due primarily to an increased contribution from investment income as many companies increased or reinstated dividends, following reductions made with the onset of the COVID-19 pandemic.
- The interim dividend has been maintained at 3.5 cents per share fully franked.
- In an environment where interest rates have been very low and economic activity has recovered strongly from the COVID-19 pandemic our investment considerations are factoring in higher interest rates and increasing costs over the medium term. As such, pricing power has been a particular focus in our assessment of the quality of a company and its position in the portfolio.
- Current market conditions arising from low interest rates have also seen valuations move to levels where we observe elevated price risk across many stocks. Adjustments made to the portfolio through the period, reflecting the increased valuation risk, produced after tax realised gains of \$27.7 million. In the corresponding period last year, after tax realised gains were \$15.3 million.
- At the end of December 2021, Mirrabooka was close to fully invested. We continue to view the portfolio as well diversified and offering a profile of superior competitive advantage and attractive growth potential when compared to the broad market index.

Portfolio return (including the full benefit of franking) – to 31 December 2021



Per annum returns other than for six months. Performance figures are after costs.

Market and Portfolio Returns

The continued recovery in global economic demand in an environment of supply chain pressure due to lingering COVID-19 disruptions has produced elevated inflation readings in recent months. Financial markets are very focused on whether this inflationary outbreak is temporary or becoming structurally embedded. The response of central banks to this rise in inflation is being very closely watched, as monetary policy has been very supportive of markets in recent years.

We continue to take a medium to long term view, with a particular current focus on the ability of our investments to respond to the possibility of prolonged supply pressures and cost inflation. The pricing power possessed by the highest-quality companies seems likely to be an increasingly important differentiator over the coming years.

Reflective of the quality of the portfolio, Mirrabooka delivered a return for the six months to 31 December 2021 including the benefit of franking of 11.1%. This was ahead of the Combined Small Ordinaries and Mid Cap 50 benchmark, which was up 8.1% including franking over the same period. Over the six-month period, the portfolio has benefitted from strong share price performance in some of our larger holdings, such as Macquarie Telecom, Mainfreight, ARB Corporation, Pinnacle Investment Management Group, Carsales.com, James Hardie Industries, Reece and Lark Distilling Co. For the 12 months to 31 December 2021, the relative returns were 26.1% for Mirrabooka and 19.8% for the benchmark, with both figures including the benefit of franking.

Portfolio Changes

We have continued to assess the medium to long term earnings outlook for companies under our investment consideration. In recent times, we have been factoring in an increasing interest rate outlook in assessing the appropriate valuation to apply to these earnings.

This valuation focus saw us exit Xero, which is now a 50 Leader Index stock, as well as reducing our very successful investments in Objective Corporation and ARB Corporation. Qube Holdings and Tassal Group were the other material sales, both positions exited after long holding periods, as we view their prospects for growth as having matured.

Several new positions were initiated during the half year.

Computershare was reintroduced into the portfolio in the early months of the financial year, before market interest rate expectations began to increase. It is a high-quality business that is relatively mature, but we felt that the market was mispricing the very significant benefit that even modestly higher interest rates would have on its earnings.

JB Hi-Fi was purchased as we felt that a short term market focus on a likely moderation in sales was providing an attractive opportunity to purchase the market leader in the home electronics category, where product innovation continues to provide a long term spending tailwind.

Peet was an existing small holding, that we added to, as we view its residential landbank as being undervalued by the market. We also participated in the Lark Distilling Co. capital raising, which supported its purchase of strategically important whisky distillery assets in Tasmania.

Outlook

The outlook remains highly uncertain, with COVID-19-related disruptions continuing to significantly impact daily lives across the globe. Elevated valuations following the strength of recent share price performance to the end of December of several large Mirrabooka portfolio holdings provides a potential headwind to short term portfolio performance. Over the longer term, the diversification and quality of businesses in our portfolio, combined with the passion and long term focus of their founders and executives continue to provide us with confidence in our outlook.

Please direct any enquiries to:

Mark Freeman
Managing Director
(03) 9225 2122

Geoff Driver
General Manager
(03) 9225 2102

18 January 2022

TOP 5 CHANGES TO THE INVESTMENT PORTFOLIO

Acquisitions	Cost \$'000
JB Hi-Fi	8,129
Computershare	6,469
Santos (as a result of the merger with Oil Search)	6,444
Peet	4,526
Lark Distilling Co. (placement)	4,500

Sales	Proceeds \$'000
Xero [#]	11,410
Qube Holdings [#]	7,925
Oil Search (including the impact of the merger with Santos)	7,440
Objective Corporation	6,021
ARB Corporation	5,935

[#] Complete disposals from the portfolio.

New Companies Added to the Investment Portfolio

JB Hi-Fi
 Computershare
 Santos (as a result of the merger with Oil Search)
 Bapcor
 Deterra Royalties
 Worley
 IPD Group
 The Environmental Group

TOP INVESTMENTS AS AT 31 DECEMBER 2021

Includes investments held in both the Investment and Trading Portfolios

Valued at closing prices at 31 December 2021

		Total value \$ million	% of portfolio
1	Mainfreight	44.2	6.7%
2	Macquarie Telecom Group	31.4	4.8%
3	ARB Corporation	30.8	4.7%
4	IRESS	22.9	3.5%
5	Reece	22.3	3.4%
6	Pinnacle Investment Management Group	19.1	2.9%
7	Breville Group	19.0	2.9%
8	James Hardie Industries	18.8	2.9%
9	AUB Group	18.3	2.8%
10	FINEOS Corporation	18.0	2.7%
11	Netwealth Group	17.4	2.6%
12	Carsales.com	16.5	2.5%
13	ResMed	15.6	2.4%
14	PEXA Group	13.1	2.0%
15	ALS	13.1	2.0%
16	Fisher & Paykel Healthcare Corporation	12.7	1.9%
17	Lark Distilling Co	12.2	1.8%
18	Invocare	12.0	1.8%
19	EQT Holdings	11.3	1.7%
20	Objective Corporation	11.2	1.7%
	Total	379.9	
	As % of Total Portfolio Value (excludes Cash)	57.7%	

PORTFOLIO PERFORMANCE TO 31 DECEMBER 2021

PERFORMANCE MEASURES AT 31 DECEMBER 2021	6 MONTHS	1 YEAR	5 YEARS %PA	10 YEARS %PA
PORTFOLIO RETURN – NET ASSET BACKING RETURN INCLUDING DIVIDENDS REINVESTED	10.0%	24.3%	15.6%	14.4%
COMBINED S&P/ASX SMALL ORDINARIES AND MID CAP 50s ACCUMULATION INDEX	7.7%	19.1%	12.8%	11.2%
PORTFOLIO RETURN – NET ASSET BACKING GROSS RETURN INCLUDING DIVIDENDS REINVESTED*	11.1%	26.1%	18.3%	17.4%
COMBINED S&P/ASX SMALL ORDINARIES AND MID CAP 50s GROSS ACCUMULATION INDEX*	8.1%	19.8%	13.7%	12.2%

* Incorporates the benefit of franking credits for those who can fully utilise them.

Note: Rebalancing of the portfolio to manage risk is an important part of Mirrabooka's investment approach. The tax paid on realised gains can impact relative performance figures against the Index, which does not have such imposts. The inclusion of the benefit of franking credits from the tax paid and distributed to shareholders in the dividend is one way of overcoming this distortion.

Past performance is not indicative of future performance.



MIRRABOOKA

Investments Limited

**MIRRABOOKA
INVESTMENTS LIMITED**

ABN 31 085 290 928

**HALF-YEAR REPORT
31 DECEMBER 2021**

COMPANY PARTICULARS

Mirrabooka Investments Limited ("MIR")

ABN 31 085 290 928

Directors: Terrence A. Campbell AO, Chairman
Ian A. Campbell
Jacinth K. Fairley
Antoinette A Kimmitt AM
Greg W Richards
R. Mark Freeman, Managing Director

Company Secretaries: Matthew J. Rowe
Andrew J.B. Porter

Auditor: PricewaterhouseCoopers, Chartered Accountants

Country of incorporation: Australia

Registered office: Level 21
101 Collins Street
Melbourne, Victoria 3000

Contact Details: Mail Address: Level 21, 101 Collins Street, Melbourne, Victoria 3000
Telephone: (03) 9650 9911
Facsimile: (03) 9650 9100
Email: invest@mirra.com.au
Internet address: mirra.com.au

For enquiries regarding net asset backing (as advised each month to the Australian Securities Exchange):

Telephone: 1800 780 784 (toll free)

Share Registrar: Computershare Investor Services Pty Limited
Address: Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067

Shareholder enquiry line: 1300 653 924
+613 9415 4342 (from overseas)
(03) 9473 2500
Facsimile: www.investorcentre.com/contact
Internet:

For all enquiries about shareholdings and related matters, please contact the share registrar as above.

Securities Exchange Code:

MIR Ordinary shares

DIRECTORS' REPORT

This report in relation to the half-year to 31 December 2021 is presented by the Directors of Mirrabooka Investments Limited ('the Company') in accordance with a resolution of Directors.

Directors

The following persons were Directors of the Company during the half-year and up to the date of this report:

T.A. Campbell AO (appointed December 1998)
I.A. Campbell (appointed November 2007)
J.K. Fairley (appointed February 2018)
A.A. Kimmitt AM (appointed January 2021)
D.E. Meiklejohn AM (appointed March 2006, retired October 2021)
G.W. Richards (appointed January 2021)
R.M. Freeman (appointed January 2018)

Review of the Company's operations and results

Overview

Mirrabooka's principal activity is investment in small and medium sized companies listed on the Australian and New Zealand Stock Exchanges. There have been no changes in the nature of the Company's activities during the period. Operations began on 22 April 1999.

Performance Indicators and Outcomes

Profit for the half-year to 31 December 2021 was \$4.2 million, up from \$3.4 million the previous corresponding period.

Dividends and distributions received increased by 67%.

The net profit per share for the six months to 31 December 2021 was 2.4 cents per share (2020 : 2.1 cents per share).

Dividend

The Board has declared an interim fully franked dividend of 3.5 cents per share, the same as last year's interim dividend.

All of the interim dividend is sourced from capital gains, on which the Company has paid or will pay tax. The amount of the pre-tax attributable gain, known as an "LIC capital gain", attached to this dividend is therefore 5 cents (3.5 cents grossed up for tax).

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 12.

Rounding of amounts to nearest thousand dollars

The company is of a kind referred to in the ASIC Corporations' (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the "rounding off" of amounts in the directors' report and

financial report. Unless specifically stated otherwise, amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Instrument.

This report is made in accordance with a resolution of the Directors.

A handwritten signature in blue ink, appearing to read 'T.A. Campbell', is written over a large, light grey watermark that says 'For personal use only'.

T.A. Campbell AO
Chairman
Melbourne
18 January 2022



Auditor's Independence Declaration

As lead auditor for the review of Mirrabooka Investments Limited for the half-year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink that reads 'Nadia Carlin'.

Nadia Carlin
Partner
PricewaterhouseCoopers

Melbourne
18 January 2022

INCOME STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Note	Half-year 2021 \$'000	Half-year 2020 \$'000
Dividends and distributions		5,434	3,262
Revenue from deposits and bank bills		1	15
Total revenue		5,435	3,277
Net gains on trading portfolio		151	1,635
Income from options written portfolio		365	(26)
Other income		5	56
Income from operating activities	3	5,956	4,942
Finance costs		(46)	(63)
Administration expenses		(1,346)	(1,039)
Profit before income tax expense		4,564	3,840
Income tax expense		(404)	(471)
Profit for the half-year		4,160	3,369
		Cents	Cents
Basic earnings per share	8	2.37	2.08

This Income Statement should be read in conjunction with the accompanying notes.

STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Half-Year to 31 December 2021			Half-Year to 31 December 2020		
	Revenue	Capital	Total	Revenue	Capital	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Profit for the half-year	4,160	-	4,160	3,369	-	3,369
Other Comprehensive Income						
Gains for the period on equity securities in the investment portfolio	-	67,820	67,820	-	123,885	123,885
Deferred tax on above	-	(20,291)	(20,291)	-	(37,163)	(37,163)
Total Other Comprehensive Income¹	-	47,529	47,529	-	86,722	86,722
Total comprehensive income²	4,160	47,529	51,689	3,369	86,722	90,091

¹ These are the net capital gains not accounted for through the Income Statement.

² This is the company's Net Return for the half-year, which includes the Net Profit plus the net realised and unrealised gains or losses on the Company's investment portfolio and net gains/(losses) on open options positions.

Note that none of the items included in Other Comprehensive Income will be recycled through the Income Statement.

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

BALANCE SHEET AS AT 31 DECEMBER 2021

		31 Dec 2021 \$'000	30 June 2021 \$'000
	Note		
Current assets			
Cash		8,971	27,826
Receivables		79	362
Trading portfolio		6,371	3,650
Total current assets		15,421	31,838
Non-current assets			
Deferred tax assets		180	6
Investment portfolio		652,850	586,598
Total non-current assets		653,030	586,604
Total assets		668,451	618,442
Current liabilities			
Payables		181	181
Tax payable		12,262	10,465
Options written portfolio	4	301	41
Total current liabilities		12,744	10,687
Non-current liabilities			
Deferred tax liabilities - investment portfolio	5	98,205	89,985
Total non-current liabilities		98,205	89,985
Total liabilities		110,949	100,672
Net Assets		557,502	517,770
Shareholders' equity			
Share Capital	6	253,242	250,948
Revaluation Reserve		211,339	191,540
Realised Capital Gains Reserve		62,497	49,018
Retained Profits		30,424	26,264
Total shareholders' equity		557,502	517,770

This Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

Half-Year to 31 December 2021	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the half-year		250,948	191,540	49,018	26,264	517,770
Dividends paid	7	-	-	(14,251)	-	(14,251)
Shares issued - Dividend Reinvestment Plan	6	2,304	-	-	-	2,304
Share Issue Costs	6	(10)	-	-	-	(10)
Total transactions with shareholders		2,294	-	(14,251)	-	(11,957)
Profit for the half-year		-	-	-	4,160	4,160
Other Comprehensive Income						
Net gains for the period on equity securities in the investment portfolio		-	47,529	-	-	47,529
Other Comprehensive Income for the half-year		-	47,529	-	-	47,529
Transfer to Realised Capital Gains Reserve of net cumulative realised gains on investments		-	(27,730)	27,730	-	-
Total equity at the end of the half-year		253,242	211,339	62,497	30,424	557,502

This Statement of Changes in Equity should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2021 (CONT)

Half-Year to 31 December 2020	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the half-year		209,466	84,032	35,774	19,824	349,096
Dividends paid	7	-	-	(10,447)	-	(10,447)
Shares issued - Dividend Reinvestment Plan		1,723	-	-	-	1,723
Share Issue Costs		(8)	-	-	-	(8)
Total transactions with shareholders		1,715	-	(10,447)	-	(8,732)
Profit for the half-year		-	-	-	3,369	3,369
Other Comprehensive Income						
Net gains for the period on equity securities in the investment portfolio		-	86,722	-	-	86,722
Other Comprehensive Income for the half-year		-	86,722	-	-	86,722
Transfer to Realised Capital Gains Reserve of net cumulative realised gains on investments		-	(15,280)	15,280	-	-
Total equity at the end of the half-year		211,181	155,474	40,607	23,193	430,455

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Half-year 2021 \$'000 INFLOWS/ (OUTFLOWS)	Half-year 2020 \$'000 INFLOWS/ (OUTFLOWS)
Cash flows from operating activities		
Sales from trading portfolio	6,732	6,454
Purchases for trading portfolio	(11,432)	(6,787)
Interest received	1	15
Proceeds from entering into options in options written portfolio	636	202
Payment to close out options in options written portfolio	(11)	-
Dividends and distributions received	5,134	3,018
	<u>1,060</u>	<u>2,902</u>
Other receipts	5	56
Finance costs	(46)	(63)
Administration expenses	(1,344)	(1,030)
Income taxes (paid)/refunded	265	(198)
Net cash inflow/(outflow) from operating activities	<u>(60)</u>	<u>1,667</u>
Cash flows from investing activities		
Sales from investment portfolio	71,732	38,476
Purchases for investment portfolio	(67,623)	(41,396)
Tax paid on capital gains	(10,947)	(1,417)
Net cash inflow/(outflow) from investing activities	<u>(6,838)</u>	<u>(4,337)</u>
Cash flows from financing activities		
Share issue costs	(10)	(8)
Dividends paid	(11,947)	(8,724)
Net cash inflow/(outflow) from financing activities	<u>(11,957)</u>	<u>(8,732)</u>
Net increase/(decrease) in cash held	(18,855)	(11,402)
Cash at the beginning of the half-year	27,826	20,207
Cash at the end of the half-year	<u>8,971</u>	<u>8,805</u>

This Cash Flow Statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

1. Basis of preparation of half-year financial report

This general purpose half-year financial report has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. This report should be read in conjunction with the 2021 Annual Report and public announcements made by the Company during the half-year, in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

In the interests of transparency in its reporting, the Company uses the phrase “market value” in place of the AASB terminology “fair value for actively traded securities.”

2. Financial reporting by segments

The Company operates as a Listed Investment Company in Australia. It has no reportable business or geographic segments.

(a) Segment information provided to the Board

The internal reporting provided to the Board for the Company’s assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards, except that net assets are reviewed both before and after the effects of unrealised capital gains tax on investments (as reported in the Company’s Net Tangible Asset announcements to the ASX).

The relevant amounts as at 31 December 2021 and 31 December 2020 were as follow

Net tangible asset backing per share	2021	2020
	\$	\$
Before Tax	3.73	3.11
After Tax	3.17	2.65

(b) Other segment information

(i) Segment Revenue

Revenues from external parties are derived from the receipt of dividend, distribution and interest income, and income arising on the trading portfolio and realised income from the options portfolio.

The Company is domiciled in Australia and the Company’s income is predominantly derived from Australian entities or entities that have a listing on the Australian Securities Exchange. The Company has a diversified portfolio of investments, with no investment comprising more than 10% of the Company’s revenue.

3. Income from operating activities

Half-year 2021 \$'000	Half-year 2020 \$'000
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Income from operating activities is comprised of the following:

Dividends & distributions

- securities held in investment portfolio
- securities held in trading portfolio

5,317	3,262
117	-
<u>5,434</u>	<u>3,262</u>

Interest income

- deposits and income from bank bills

1	15
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Net gains/(losses)

- net gains from trading portfolio sales
- unrealised gains/(losses) in trading portfolio
- realised gains on options written portfolio
- unrealised gains/(losses) on options written portfolio

509	1,595
(358)	40
423	62
(58)	(88)
<u>516</u>	<u>1,609</u>

Other income

5	56
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Income from operating activities

<u>5,956</u>	<u>4,942</u>
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4. Current liabilities - options written portfolio

As at balance date there were call options outstanding which potentially required the Company, if they were all exercised, to deliver securities to the value of \$12.1 million (30 June 2021: \$2.0 million).

5. Deferred tax liabilities – investment portfolio

In accordance with AASB 112 *Income Taxes*, deferred tax liabilities have been recognised for Capital Gains Tax on unrealised gains in the investment portfolio at current tax rates (30%) totalling \$98.2 million (30 June 2021 : \$90.0 million). As the Directors do not intend to dispose of the portfolio, this tax liability may not be crystallised at this amount.

6. Shareholders' equity – share capital

Movements in Share Capital of the Company during the half-year were as follows:

Date	Details	Notes	Number of shares '000	Issue price \$	Paid-up Capital \$'000
01/07/2021	Opening Balance		175,194		250,948
17/08/2021	Dividend Reinvestment Plan	(i)	622	3.70	2,304
17/08/2021	Dividend Substitution Share Plan	(ii)	29	3.70	N/A
Various	Share Issue Costs		-		(10)
31/12/2021	Balance		<u>175,845</u>		<u>253,242</u>

- (i) The Company has a Dividend Reinvestment Plan ("DRP") under which some shareholders elected to have all or part of their dividend payment reinvested in new ordinary shares.

Pricing of the new DRP shares was based on the average selling price of shares traded on the Australian Securities Exchange & Chi-X in the five days from the day the shares begin trading on an ex-dividend basis.

- (ii) The Company has a Dividend Substitution Share Plan ("DSSP") under which some shareholders elected to forego all or part of their dividend payment and receive shares instead. Pricing of the new DSSP shares was done on the same basis as the DRP.

7. Dividends	Half-year 2021 \$'000	Half-year 2020 \$'000
Fully-franked dividends paid during the period	14,251 (6.5 cents final plus 2 cents special)	10,447 (6.5 cents final)

Dividends not recognised at period end	2021 \$'000
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Since the end of the half-year the Directors have declared an interim dividend of 3.5 cents per share fully franked. The aggregate amount of the proposed interim dividend expected to be paid on 17 February 2022, but not recognised as a liability at the end of the half-year is

6,155

8. Earnings per Share	Half-year 2021 Number	Half-year 2020 Number
Weighted average number of ordinary shares used as the denominator	175,675,191	162,148,230
Basic earnings per share	\$'000	\$'000
Net profit for the half-year	4,160	3,369
	Cents	Cents
Basic earnings per share	2.37	2.08

Dilution

As there are no options, convertible notes or other dilutive instruments on issue, diluted earnings per share is the same as basic earnings per share.

9. Contingencies

At balance date Directors are not aware of any material contingent liabilities or contingent assets other than those already disclosed elsewhere in the financial report.

10. Events subsequent to balance date

Since 31 December 2021 to the date of this report there has been no event of which the Directors are aware which has had a material effect on the Company or its financial position.

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DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 13 to 22 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance, as represented by the results of the operations, changes in equity and cash flows, for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



T.A. Campbell AO
Chairman
Melbourne
18 January 2022

Independent auditor's review report to the members of Mirrabooka Investments Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Mirrabooka Investments Limited (the Company) which comprises the balance sheet as at 31 December 2021, the statement of comprehensive income, statement of changes in equity, cash flow statement and income statement for the half-year ended on that date, significant accounting policies and explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Mirrabooka Investments Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'Nadia Carlin'.

Nadia Carlin
Partner

Melbourne
18 January 2022