

APPENDIX 4E STATEMENT
FOR THE FULL-YEAR ENDING
30 JUNE 2025

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These documents comprise the preliminary final report given to ASX under listing rule 4.3A

This announcement was authorised for release by the Board of Mirrabooka Investments Limited
ABN 31 085 290 928

Finding Opportunities in Small and
Medium-Sized Companies



Results for Announcement to the Market

The reporting period is the year ended 30 June 2025 with the prior corresponding period being the year ended 30 June 2024.

This report is based on financial statements that are in the process of being audited.

Results for Announcement to the Market

- > Net Profit attributable to members was \$7.9 million, down 26.2% from \$10.7 million in the previous corresponding period.
- > Net profit per share was 4.05 cents, down from 5.56 cents per share in the previous corresponding period.
- > Revenue from operating activities was \$11.4 million, down 6.4% on the previous corresponding period.
- > The final dividend of 6.5 cents per share fully franked, the same as last year, will be paid on 19 August 2025 to shareholders on the register on 31 July 2025. Shares are expected to trade ex-dividend from 30 July 2025. There is no foreign conduit income included in the dividends.
- > Shares issued under the recent 1-for-7 rights issue are eligible for the final dividend.
- > No special dividend is being paid for the year ended 30 June 2025.
- > The interim dividend for the 2025 financial year was 4.5 cents per share fully franked (4.0 cents last year). It was paid to shareholders on 18 February 2025.
- > Total dividends for the year are 11.0 cents per share, fully franked. Last year total dividends were 13.0 cents per share, which included a 2.5 cent special dividend.
- > The entire final 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 9.3 cents. 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 both will be set at a **nil discount** to the Volume Weighted Average Price of the Company's shares traded on the ASX and Cboe automated trading systems over the five trading days after the shares trade ex-dividend. Notices of participation in the DRP and the DSSP need to be received by the share registry by 5 pm (AEST) on 1 August 2025. All shares issued under the DRP and DSSP will rank equally with existing shares.
- > Net asset backing per share before the provision for deferred tax on the unrealised gains in the Company's investment portfolio as at 30 June 2025 was \$3.32 (before allowing for any dividend), up from \$3.18 at the end of the previous corresponding period (also before allowing for any dividend).
- > The Company will be providing an update on these results via a webcast for shareholders on Thursday 17 July at 3.30pm (AEST). Details are on the website mirra.com.au.
- > The 2025 AGM will be held at 1.30pm on Wednesday 1 October. Further details on location and how to participate will be sent to shareholders.

Strong Returns Delivered in Very Volatile Markets

Full-Year Report to 30 June 2025

Mirrabooka is an investor in small and mid-cap companies seeking to provide attractive income and capital growth over the medium to long term to shareholders at a low cost.

Full Year Profit was \$7.9 million, down from \$10.7 million in the corresponding period last year. There was a decline in the contribution from the trading portfolio, delivering \$0.5 million this year, versus the contribution of \$1.3 million last year. The income contribution this year from the option portfolio remained healthy at \$0.6 million, although well behind the extremely strong contribution last year of \$2.5 million.

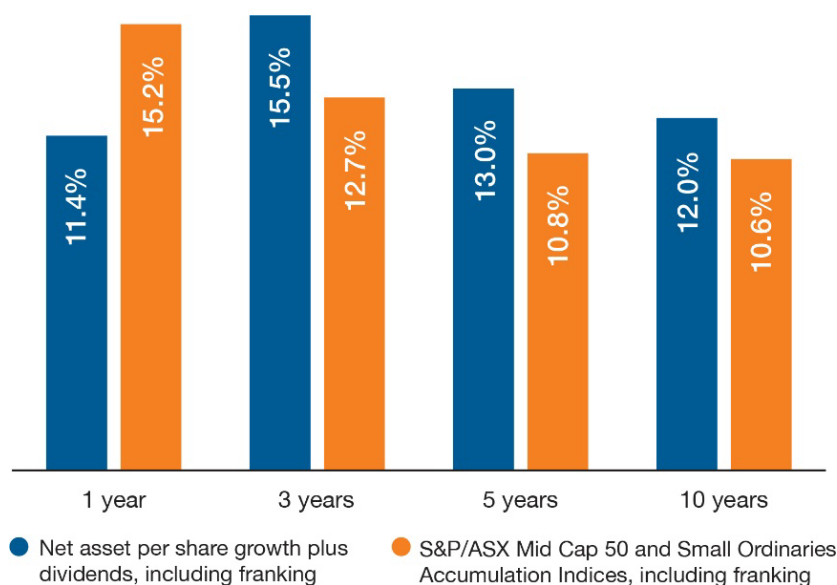
Sales through the period produced realised gains after tax of \$26.5 million. In the corresponding period last year realised gains after tax were \$30.8 million. These gains are also available to distribute as part of the dividend.

As foreshadowed with the announcement of the recent rights issue, the final dividend was maintained at 6.5 cents per share fully franked. Shares issued under the 1-for-7 rights issue in June are eligible for the final dividend. Total dividends for the year are 11.0 cents per share, fully franked. Last year total dividends were 13.0 cents per share, which included a 2.5 cent special dividend.

The 12-month portfolio return for Mirrabooka including franking to 30 June 2025 was 11.4%. The combined S&P/ASX Mid Cap 50 and Small Ordinaries Accumulation benchmark return over the corresponding period, including franking, was 15.2%. In comparing Mirrabooka's one-year return to the benchmark, strength in the gold sector and highly valued technology companies with large index weightings led to underperformance for the year.

Long term performance for Mirrabooka remains very positive. Over 10 years to 30 June 2025 Mirrabooka's return was 12.0% per annum, versus 10.6% per annum for the benchmark and 10.4% per annum for the S&P/ASX 200 Accumulation Index. Figures include the full benefit of franking distributed with dividends. Mirrabooka's returns are also quoted after costs.

Portfolio return (including the full benefit of franking and after costs) – per annum to 30 June 2025



Past performance is not indicative of future performance.

Market and Portfolio Commentary

The 2025 financial year has seen strong returns delivered, both in Mirrabooka's mid and small cap investment universe where the benchmark produced a return of 15.2% and in the larger end of the Australian equity market, where the S&P/ASX200 Accumulation Index produced a return of 15.1%

These healthy returns were delivered despite significant market volatility which occurred at various times through the financial year.

In the first half of the financial year concerns about the potential for US economic growth to slow, interest rates to remain elevated due to persistent inflation and the increased concentration of US equity market returns from large technology companies, saw global markets, including the ASX, experience corrections of 5% to 10% in August and December.

The second half of the financial year has seen volatility extend further, largely driven by the uncertainty arising from the trade policies of the Trump administration. This saw the Australian equity market experience a 17% fall in value from its peak in the middle of February to a low in early April before recovering all this significant decline to be broadly in line with the February high by 30 June 2025.

Mirrabooka's portfolio return for the financial year lagged the benchmark but remained healthy in absolute terms, delivering 11.4% including franking. Over the long term which is more consistent with Mirrabooka's investment horizon, outperformance has been delivered when measured over all other timeframes since our inception over 26 years ago.

There was a particularly pronounced dispersion in the contribution of holdings to Mirrabooka's one-year portfolio return.

Key positive contributors to Mirrabooka portfolio performance included Temple & Webster Group (up 127%), HUB24 (up 93%), Life360 (up 97%), Pinnacle Investment Management (up 47%), ResMed (up 36%), EVT (up 48%), Objective Corporation (up 61%) and Netwealth Group (up 52%).

Significant detractors to returns from portfolio holdings included IDP Education (down 75%), Macquarie Technology Group (down 30%), OFX Group (down 67% and since sold) and Reece (down 42%).

In comparing Mirrabooka's returns to benchmark, the strength in the gold sector, where Mirrabooka has no exposure, and highly valued technology companies where Mirrabooka is largely underweight against the index led to underperformance for the year. Evolution Mining (up 129%), Technology One (up 122%) and Pro Medicus (up 99%) accounted for 3.3% of relative underperformance of the portfolio. Technology One is the only one of these stocks that has not since been promoted out of our benchmark into the S&P/ASX 50 Leaders Index.

Portfolio Adjustments

In the first half of the financial year, in a market where stocks with the brightest long term growth prospects were being very highly rated, buying activity was focussed on stocks where we were still able to find long term value. Businesses with strong asset bases but steady rather than spectacular earnings growth outlook: Region Group (neighbourhood shopping centre owner), Channel Infrastructure (NZ-based fuels import infrastructure), Cuscal (payments provider) and GrainCorp (grain handling infrastructure) were examples of stocks purchased during this period.

As markets experienced a very sharp correction following Donald Trump's "liberation day" trade policy announcements, we began to see broader long term value emerge across our portfolio. Buying activity in the portfolio during this period was widespread, with the most material purchases of existing holdings occurring in ARB Corporation (4WD vehicle accessories), Macquarie Technology Group (business and government communication and data centre services) and Life360 (family location tracking technology).

This market correction also provided the impetus for Mirrabooka to conduct a 1-for-7 Rights Issue, raising \$85.1 million of additional capital. With the sharp recovery in equity markets since this raising, we have taken a patient approach to deploying this capital to date, with \$82.6 million of cash held on 30 June 2025.

The most material new stock purchases over the financial year occurred in Treasury Wine Estates (leading global brands in luxury wine) and Ramsay Health Care (Australia's largest private hospital provider). These are stocks that have previously been successful investments for Mirrabooka and both are currently facing challenging cyclical conditions which we believe presents attractive long term value opportunities.

The most material selling over the financial year occurred with the disposal from the portfolio of successful investments in PSC Insurance (taken over), Sigma Healthcare, Dropsuite (taken over) and a loss taken on the disposal of FINEOS Corporation. Significant gains were also realised with material sales in ongoing existing holdings Pinnacle Investment Management and Temple & Webster Group, alongside other smaller disposals for similar valuation reasons.

Outlook

We enter the new financial year with a continued focus on patience and discipline in our investment approach.

While the additional capital raised in recent months leaves us with a significant cash holding of 11% of the portfolio value, this is not unprecedented for Mirrabooka.

The key to our successful long term investment track record is to buy where we see attractive medium to long term value, which means we are comfortable holding excess cash.

We have confidence that our investment process will uncover opportunities to invest, and we will only act on those where we can build significant conviction. We remain particularly fortunate to be in the position where our fixed investment capital as a Listed Investment Company allows us to avoid the short term performance pressure that many active fund managers are increasingly facing. This is a competitive advantage that we are acutely aware of and are very conscious of utilising this advantage through patience in our approach to investing.

Please direct any enquiries to:

Mark Freeman
Managing Director
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17 July 2025

Geoff Driver
General Manager
(03) 9225 2102

Major Transactions in the Investment and Trading Portfolios

	Cost (\$m)
Acquisitions	
Macquarie Technology Group	9.8
Treasury Wines Estates	7.5
ARB Corporation	7.3
Ramsay Health Care	6.0
Region Group	6.0
Channel Infrastructure	5.7

	Proceeds (\$m)
Disposals	
PSC Insurance* (sold under takeover)	14.1
Pinnacle Investment Management	11.0
Temple & Webster Group	9.0
Dropsuite* (sold under takeover)	6.0
FINEOS Corporation*	6.0

*Complete sale from the portfolio

New Companies Added to the Investment Portfolio

Treasury Wines Estates	ReadyTech Holdings
Ramsay Health Care	Australian Ethical Investment
Channel Infrastructure (NZX listed)	Napier Port Holdings (NZX listed)
Cuscal	Ai-Media Technologies
GrainCorp	PWR Holdings
Servcorp	Winton Land (NZX listed)

Top 20 Investments at 30 June 2025

Includes investments held in both the investment and trading portfolios.

Value at Closing Prices at 30 June 2025

		Total Value \$ Million	% of the Portfolio
1	Macquarie Technology Group	37.1	5.6%
2	Temple & Webster Group*	27.1	4.1%
3	ARB Corporation	26.6	4.0%
4	Gentrack Group	24.0	3.6%
5	ResMed	22.3	3.4%
6	ALS	21.3	3.2%
7	EVT	20.8	3.1%
8	Mainfreight	19.4	2.9%
9	EQT Holdings	18.1	2.7%
10	Car Group*	17.0	2.6%
11	HUB24*	16.6	2.5%
12	Netwealth Group*	14.6	2.2%
13	Breville Group	14.6	2.2%
14	Life360	14.4	2.2%
15	Region Group	13.7	2.1%
16	Cleanaway Waste Management	13.3	2.0%
17	James Hardie Industries*	13.2	2.0%
18	Objective Corporation	12.5	1.9%
19	AUB Group	11.8	1.8%
20	Cobram Estate Olives	11.6	1.7%
Total		369.8	

As percentage of total portfolio value (excludes cash)

55.7%

* Indicates that options were outstanding against part of the holding.

Portfolio Performance to 30 June 2025

Performance Measures to 30 June 2025	1 Year	3 Years % pa	5 Years % pa	10 Years % pa
Portfolio Return – Net Asset Backing Return Including Dividends Reinvested	9.5%	13.4%	11.1%	9.6%
<i>Combined S&P/ASX Mid 50 and Small Ordinaries Accumulation Index</i>	14.4%	11.8%	10.1%	9.7%
Portfolio Return – Net Asset Backing Gross Return Including Dividends Reinvested*	11.4%	15.5%	13.0%	12.0%
<i>Combined S&P/ASX Mid 50 and Small Ordinaries Accumulation Index*</i>	15.2%	12.7%	10.8%	10.6%

* 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

Annual Financial Statements

30 June 2025

Financial statements

Income Statement for the Year Ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Dividends and distributions	<u>A3</u>	10,698	11,562
Revenue from deposits and bank bills		649	568
Other revenue		5	-
Total revenue		11,352	12,130
Net gains on trading portfolio		520	1,321
Income from options written portfolio		622	2,459
Income from operating activities		12,494	15,910
Borrowing expenses		(152)	(107)
Administration expenses	<u>B1</u>	(3,575)	(3,287)
Profit for the year before income tax		8,767	12,516
Income tax expense	<u>B2, E2</u>	(844)	(1,787)
Profit for the year		7,923	10,729
		Cents	Cents
Basic earnings per share	<u>A5</u>	4.05	5.56

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

Statement of Comprehensive Income for the Year Ended 30 June 2025

	Year to 30 June 2025			Year to 30 June 2024		
	Revenue ¹ \$'000	Capital ¹ \$'000	Total \$'000	Revenue ¹ \$'000	Capital ¹ \$'000	Total \$'000
Profit for the year	7,923	-	7,923	10,729	-	10,729
Other Comprehensive Income						
Gains/(losses) for the period on securities	-	61,516	61,516	-	80,350	80,350
Tax on above	-	(18,418)	(18,418)	-	(24,046)	(24,046)
Total Other Comprehensive Income	-	43,098	43,098	-	56,304	56,304
Total Comprehensive Income	7,923	43,098	51,021	10,729	56,304	67,033

¹ 'Capital' includes realised or unrealised gains or losses on securities in the investment portfolio, and the relevant taxation charge/credit. Income in the form of distributions and dividends is recorded as 'Revenue'. All other items, including expenses, are included in 'Profit for the year', which is categorised under 'Revenue'.

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 30 June 2025

	Note	2025 \$'000	2024 \$'000
Current assets			
Cash	<u>D1</u>	82,648	8,388
Receivables		612	714
Trading portfolio		7,023	3,297
Total current assets		90,283	12,399
Non-current assets			
Investment portfolio	<u>A2</u>	658,318	613,955
Deferred tax assets - other	<u>E2</u>	164	-
Total non-current assets		658,482	613,955
Total assets		748,765	626,354
Current liabilities			
Payables		56	13
Tax payable		9,777	11,306
Options Sold		1,105	212
Total current liabilities		10,938	11,531
Non-current liabilities			
Deferred tax liabilities – investment portfolio	<u>B2</u>	75,579	67,047
Deferred tax liabilities - other	<u>E2</u>	-	7
Total non-current liabilities		75,579	67,054
Total liabilities		86,517	78,585
Net Assets		662,248	547,769
Shareholders' equity			
Share capital	<u>A1, D5</u>	394,175	304,894
Revaluation reserve	<u>A1, D2</u>	142,432	125,857
Realised capital gains reserve	<u>A1, D3</u>	62,689	61,989
Retained profits	<u>A1, D4</u>	62,952	55,029
Total shareholders' equity		662,248	547,769

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

Statement of Changes in Equity for the Year Ended 30 June 2025

Year Ended 30 June 2025

	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains Reserve \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the year		304,894	125,857	61,989	55,029	547,769
Dividends paid	<u>A4</u>	-	-	(25,823)	-	(25,823)
Shares issued under Dividend Reinvestment Plan	<u>D5</u>	4,300	-	-	-	4,300
Shares issued under Rights Issue	<u>D5</u>	85,125	-	-	-	85,125
Other share capital adjustments		(144)	-	-	-	(144)
Total transactions with shareholders		89,281	-	(25,823)	-	63,458
Profit for the year		-	-	-	7,923	7,923
Other Comprehensive Income (net of tax)						
Net gains for the period		-	43,098	-	-	43,098
Other Comprehensive Income for the year		-	43,098	-	-	43,098
Transfer to Realised Capital Gains of cumulative gains on investments sold		-	(26,523)	26,523	-	-
Total equity at the end of the year		394,175	142,432	62,689	62,952	662,248

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

Statement of Changes in Equity for the Year Ended 30 June 2025 (continued)

Year Ended 30 June 2024

	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains Reserve \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the year		300,148	100,338	59,633	44,300	504,419
Dividends paid	<u>A4</u>	-	-	(28,429)	-	(28,429)
Shares issued under Dividend Reinvestment Plan	<u>D5</u>	4,767	-	-	-	4,767
Other share capital adjustments		(21)	-	-	-	(21)
Total transactions with shareholders		4,746	-	(28,429)	-	(23,683)
Profit for the year		-	-	-	10,729	10,729
Other Comprehensive Income (net of tax)						
Net gains for the period		-	56,304	-	-	56,304
Other Comprehensive Income for the year		-	56,304	-	-	56,304
Transfer to Realised Capital Gains of cumulative gains on investments sold		-	(30,785)	30,785	-	-
Total equity at the end of the year		304,894	125,857	61,989	55,029	547,769

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

Cash Flow Statement for the Year Ended 30 June 2025

		2025	2024
		\$'000	\$'000
	Note	Inflows/ (Outflows)	Inflows/ (Outflows)
Cash flows from operating activities			
Sales from trading portfolio		11,679	16,397
Purchases for trading portfolio		(19,338)	(21,021)
Interest received		649	568
Proceeds from entering into options in options written portfolio		1,947	2,593
Payment to close out options in options written portfolio		(432)	(1,019)
Dividends and distributions received		9,937	10,672
		<u>4,442</u>	<u>8,190</u>
Other receipts		5	-
Administration expenses		(3,518)	(3,333)
Borrowing expenses		(152)	(107)
Income taxes paid		(2,210)	(889)
Net cash inflow/(outflow) from operating activities	<u>E1</u>	<u>(1,433)</u>	<u>3,861</u>
Cash flows from investing activities			
Sales from investment portfolio		148,543	124,429
Purchases for investment portfolio		(126,439)	(113,460)
Tax paid on capital gains		(9,869)	(6,089)
Net cash inflow/(outflow) from investing activities		<u>12,235</u>	<u>4,880</u>
Cash flows from financing activities			
Share issues (excl. DRP)		85,125	-
Share issue costs		(144)	(21)
Dividends paid		(21,523)	(23,662)
Net cash inflow/(outflow) from financing activities		<u>63,458</u>	<u>(23,683)</u>
Net increase/(decrease) in cash held		74,260	(14,942)
Cash at the beginning of the year		8,388	23,330
Cash at the end of the year	<u>D1</u>	<u>82,648</u>	<u>8,388</u>

For the purpose of the cash flow statement, 'cash' includes cash and deposits held at call.

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

Notes to the financial statements

A Understanding Mirrabooka's financial performance

A1 How Mirrabooka manages its capital

Mirrabooka's objective is to provide shareholders with attractive investment returns through a stream of fully-franked dividends and capital growth.

Mirrabooka recognises that its capital will fluctuate with market conditions. In order to manage those fluctuations, the Board may adjust the amount of dividends paid, issue new shares, buy back the Company's shares or sell assets to settle any debt.

Mirrabooka's capital consists of its shareholders' equity plus any net borrowings. A summary of the balances in equity is provided below:

	2025 \$'000	2024 \$'000
Share capital	394,175	304,894
Revaluation reserve	142,432	125,857
Realised capital gains reserve	62,689	61,989
Retained profits	62,952	55,029
	662,248	547,769

Refer to notes [D2-D5](#) for a reconciliation of movement for each equity account from period to period.

A2 Investments held and how they are measured

Mirrabooka has three portfolios of securities: the investment portfolio, the options written portfolio and the trading portfolio. Details of all holdings (except for the specific option holdings) as at the end of the reporting period can be found at the end of the Annual Report.

The investment portfolio holds securities which the Company intends to retain on a long-term basis. The options written portfolio and trading portfolio are held for short-term trading only and are relatively small in size when utilised. The Board has therefore focused the information below on the investment portfolio.

The balance and composition of the investment portfolio was:

	2025 \$'000	2024 \$'000
Equity instruments (at market value)	658,318	613,955
	658,318	613,955

All options written by the Company and open at year end are call options. If all options were exercised (excluding options in the trading portfolio), this would lead to the sale of \$13.8 million worth of securities at an agreed price – the 'exposure' (2024: \$9.2 million).

How investments are shown in the financial statements

The accounting standards set out the following hierarchy for fair value measurement:

Level 1: quoted prices in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices, which can be observed either directly (as prices) or indirectly (derived from prices)

Level 3: inputs for the asset or liabilities that are not based on observable market data

All financial instruments held by Mirrabooka are classified as Level 1 (other than an immaterial amount of call options which are Level 2 and the Company's investment in Marketplacer which is Level 3). Their fair values are initially measured at the costs of acquisition and then remeasured based on quoted market prices at the end of the reporting period.

Net tangible asset backing per share

The Board regularly reviews the net asset backing per share both before and after provision for deferred tax on the unrealised gains in Mirrabooka's long-term investment portfolio. Deferred tax is calculated as set out in note B2. The relevant amounts as at 30 June 2025 and 30 June 2024 were as follows:

	30 June 2025	30 June 2024
Net tangible asset backing per share	\$	\$
Before tax	3.32	3.18
After tax	2.98	2.83

Equity investments

The shares in the investment portfolio are designated under the accounting standards as financial assets measured at fair value through 'other comprehensive income' ("OCI"), because they are equity instruments held

for long-term capital growth and dividend income, rather than to make a profit from their sale. This means that changes in the value of these shares during the reporting period are included in OCI in the statement of comprehensive income. The cumulative change in value of the shares over time is then recorded in the Revaluation Reserve. On disposal, the amounts recorded in the revaluation reserve are transferred to the realised capital gains reserve.

Options

Options are classified as financial assets or liabilities at fair value through profit and loss and usually have an expiry date within twelve months from the date that they are sold. Options written are initially brought to account at the amount received upfront for entering into the contract (the premium) and subsequently revalued to current market value.

Securities sold and how they are measured

Where securities are sold from the investment portfolio, any difference between the sale price and the cost is transferred from the Revaluation Reserve to the Realised capital gains reserve and the amounts noted in the Statement of Changes in Equity. This means the Company is able to identify the realised gains out of which it can pay a 'Listed Investment Company' (LIC) gain as part of the dividend.

During the period \$148.5 million (2024 : \$124.3 million) of equity securities were sold. The cumulative gain on the sale of securities from the investment portfolio was \$26.5 million for the period after tax (2024: \$30.8 million). This has been transferred from the revaluation reserve to the realised capital gains reserve (See Statement of Changes in Equity). These sales were accounted for at the date of trade.

A3 Operating income

Dividend income

The total dividends and distributions received from Mirrabooka's investments is set out below.

	2025 \$'000	2024 \$'000
Dividends and distributions		
Securities held in investment portfolio at 30 June	9,928	10,130
Investment securities sold during the year	711	1,149
Securities held in trading portfolio at 30 June	37	-
Trading securities sold during the year	22	283
	<u>10,698</u>	<u>11,562</u>

Dividends and distributions from listed securities are recognised as income when those securities are quoted in the market on an ex-distribution basis. Dividends from unlisted securities are recognised as income when they are received. Capital returns on ordinary shares are treated as an adjustment to the carrying value of the shares.

Trading income

Net gains (before tax) on the trading and options portfolios are set out below.

Net gains	2025 \$'000	2024 \$'000
Net realised gains from trading portfolio	462	1,547
Realised gains on options written portfolio	1,296	2,408
Unrealised gains/(losses) from trading portfolio	58	(226)
Unrealised gains/(losses) from options written portfolio	(674)	51
	<u>1,142</u>	<u>3,780</u>

A4 Dividends paid

The dividends paid and payable for the year ended 30 June 2025 are shown below:

	2025 \$'000	2024 \$'000
(a) Dividends paid during the year		
Final dividend for the year ended 30 June 2024 of 6.5 cents fully franked and a special dividend of 2.5 cents fully franked paid on 16 August 2024 (2024: Final dividend for the year ended 30 June 2023 of 6.5 cents fully franked and a special dividend of 4.5 cents fully franked paid on 17 August 2023)	17,201	20,813
Interim dividend for the year ended 30 June 2025 of 4.5 cents per share fully franked paid 18 February 2025 (2024: 4.0 cents fully franked paid 19 February 2024)	8,622	7,616
	<hr/> 25,823	<hr/> 28,429
Dividends paid in cash	21,523	23,662
Dividends reinvested in shares	4,300	4,767
	<hr/> 25,823	<hr/> 28,429
(b) Franking credits		
Balance on the franking account after allowing for tax payable in respect of the current year's profits and the receipt of dividends recognised as receivables	36,876	34,966
Impact on the franking account of dividends declared but not recognised as a liability at the end of the financial year:	(6,199)	(7,457)
	<hr/>	<hr/>
Net available	30,677	27,509
These franking account balances would allow Mirrabooka to frank additional dividend payments (at a franking rate of 30%) up to an amount of:	71,580	64,188
Mirrabooka's ability to continue to pay franked dividends is dependent upon the receipt of franked dividends from the trading and investment portfolios and on Mirrabooka paying tax.		
(c) Dividends declared after balance date		
Since the end of the year Directors have declared a final dividend of 6.5 cents per share fully franked at 30%. The aggregate amount of the final dividend for the year to 30 June 2025 to be paid on 19 August 2025, but not recognised as a liability at the end of the financial year is:	<hr/> <hr/> 14,464	

(d) Listed Investment Company capital gain account

	2025	2024
	\$'000	\$'000
Balance of the Listed Investment Company (LIC) capital gain account	36,539	39,221
This equates to an attributable amount of	52,199	56,030

Distributed LIC capital gains may entitle certain shareholders to a deduction in their tax return, as set out in the dividend statement. LIC capital gains available for distribution are dependent on the disposal of investment portfolio holdings that qualify for LIC capital gains, or the receipt of LIC distributions from LIC securities held in the portfolios. \$20.7 million of the attributable amount will be paid out as part of the final dividend on 19 August 2025.

A5 Earnings per share

The table below shows the earnings per share based on the profit for the year:

Basic Earnings per share	2025	2024
	Number	Number
Weighted average number of ordinary shares used as the denominator	195,825,166	192,869,163
	\$'000	\$'000
Profit for the year	7,923	10,729
	Cents	Cents
Basic earnings per share	4.05	5.56

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.

B Costs, Tax and Risk

B1 Management Costs

The total management expenses for the period are as follows:

	2025 \$'000	2024 \$'000
Administration fees paid to AICS	(2,448)	(2,139)
Other administration expenses	(1,127)	(1,148)
	<u>(3,575)</u>	<u>(3,287)</u>

Administration fees paid to AICS

Australian Investment Company Services Limited ("AICS") undertakes the day-to-day administration of Mirrabooka's investments and its operations, including financial reporting and the provision of key personnel.

Other administration expenses

A major component of other administration expenses is Directors' remuneration – other expenses include share registry costs, audit fees, insurance, listing fees and company promotion costs. Directors' remuneration is summarised below:

	Short Term Benefits \$	Post-Employment Benefits \$	Total \$
2025			
Directors	466,704	46,296	513,000
2024			
Directors	446,149	49,077	495,226

B2 Tax

Mirrabooka's tax position, and how it accounts for tax, is explained here. Detailed reconciliations of tax accounting to the financial statements can be found in note [E2](#).

The income tax expense for the period is the tax payable on this financial year's taxable income, adjusted for any changes in deferred tax assets and liabilities attributable to temporary differences and for any unused tax losses. Deferred tax assets and liabilities (except for those related to the unrealised gains or losses in the investment portfolio) are offset, as all current and deferred taxes relate to the Australian Taxation Office and can legally be settled on a net basis. Deferred tax balances are calculated at the rate of 30% (2024 : 30%).

A provision has been made for taxes on any unrealised gains or losses on securities valued at fair value through the Income Statement – i.e. the trading portfolio, puttable instruments, convertible notes that are classified as debt and the options written portfolio.

A provision also has to be made for any taxes that could arise on sale of securities in the investment portfolio, even though there is no intention to dispose of them. Where Mirrabooka disposes of such securities, tax is calculated according to the particular parcels allocated to the sale for tax purposes, offset against any capital losses carried forward.

Tax expense

The income tax expense for the period is shown below:

(a) Reconciliation of income tax expense to prima facie tax payable

	2025 \$'000	2024 \$'000
Net profit before income tax expense	8,767	12,516
Tax at the Australian tax rate of 30% (2024 – 30%)	2,630	3,755
Tax offset for franked dividends received	(1,817)	(2,007)
Trading losses treated as capital	80	58
Tax effect of sundry items taxable but not included in income or not taxable in the current year	(6)	(19)
	887	1,787
Over provision in prior years	(43)	-
Total tax expense	844	1,787

Deferred tax liabilities – investment portfolio

The accounting standards require us to recognise a deferred tax liability for the potential capital gains tax on the unrealised gain in the investment portfolio. This amount is shown in the Balance Sheet. However, the Board does not intend to sell the investment portfolio, so this tax liability is unlikely to arise at this amount. Any sale of securities would also be affected by any changes in capital gains tax legislation or tax rate applicable to such gains when they are sold. The rate used at 30 June 2025 is 30% (30 June 2024 : 30%).

	2025 \$'000	2024 \$'000
Deferred tax liabilities on unrealised gains in the investment portfolio	75,579	67,047
Opening balance at 1 July	67,047	52,870
Tax on realised gains (at 30%)	(9,886)	(9,869)
Charged to OCI for ordinary securities on gains or losses for the period	18,418	24,046
	75,579	67,047

B3 Risk

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

As a Listed Investment Company that invests in tradeable securities, Mirrabooka can never be free of market risk as it invests its capital in securities which are not risk free – the market price of these securities will fluctuate.

A general fall in market prices of 5% and 10%, if spread equally over all assets in the investment portfolio, would have led to a reduction in Mirrabooka's comprehensive income of \$23.0 million and \$46.1 million respectively, at a tax rate of 30% (2024 : \$21.5 million & \$43.0 million).

A general fall in market prices of 5% and 10%, if spread equally over the liabilities in the options portfolio, would lead to an increase in profit of \$39,000 and \$77,000 respectively, at a tax rate of 30% (2024 : immaterial).

A general fall in market prices of 5% and 10%, if spread equally over the assets in the trading portfolio, would have led to a reduction in net profit of \$246,000 and \$492,000 at a tax rate of 30% (2024 : \$115,000 and \$231,000).

Mirrabooka seeks to reduce market risk at the investment portfolio level by ensuring that it is not, in the opinion of the Investment Committee, overly exposed to one company or one particular sector of the market. The relative weightings of the individual securities and the relevant market sectors are reviewed by the Investment Committee and risk can be managed by reducing exposure where necessary. Mirrabooka does not have a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

Mirrabooka's total investment exposure by sector is as below:

	2025	2024
Energy	1.86%	1.19%
Materials	2.74%	4.17%
Industrials	18.65%	19.69%
Consumer Discretionary	13.29%	16.70%
Consumer Staples	2.96%	1.04%
Healthcare	8.75%	8.79%
Financials	11.92%	14.84%
Real Estate	4.86%	5.16%
Info Technology & Telecoms	23.90%	27.08%
Cash	11.07%	1.34%

There was one investment representing over 5% of the investment portfolio at 30 June 2025 – Macquarie Technology (5.6%) (2024: One : Macquarie Technology (6.2%))

Mirrabooka is not currently materially exposed to interest rate risk as the majority of its cash investments are in an 'at-call' deposit account. Mirrabooka is also not directly exposed to material currency risk as most of its investments are quoted in Australian dollars.

The writing of call options provides some protection against a fall in market prices as it generates income to partially compensate for a fall in capital values. Options are only written against securities that are held in the trading or investment portfolio.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Mirrabooka is exposed to credit risk from cash, receivables, securities in the trading portfolio and securities in the investment portfolio respectively. None of these assets are overdue. The risk in relation to each of these items is set out below.

Cash

All cash investments not held in a transactional account are invested in a deposit account with the Commonwealth Bank of Australia.

In the unlikely event of a bank default or default on the underlying securities in the cash trust, there is a risk of losing the cash deposits and any accrued unpaid interest.

Receivables

Outstanding settlements are on the terms operating in the securities industry, which usually require settlement within two days of the date of a transaction. Receivables are non-interest bearing and unsecured. In the event of a payment default, there is a risk of losing any difference between the price of the securities sold and the price of the recovered securities from the discontinued sale. Receivables also include dividends from securities that have passed the record date for the distribution but have not been paid as at balance date.

Trading and investment portfolios

Converting and convertible notes or other interest-bearing securities that are not equity securities carry credit risk to the extent of their carrying value. Any loss as a consequence of this risk will be realised in the event of a shortfall on winding-up of the issuing companies. As at 30 June 2025, no such investments are held (2024 : Nil).

Liquidity risk

Liquidity risk is the risk that an entity will not be able to meet its financial liabilities.

Mirrabooka monitors its cash-flow requirements daily. The Investment Committee also monitors the level of contingent payments on a regular basis by reference to known sales and purchases of securities, dividends and distributions to be paid or received, put options that may require Mirrabooka to purchase securities, and facilities that need to be repaid. Mirrabooka ensures that it has either cash or access to short-term borrowing facilities sufficient to meet these contingent payments.

Mirrabooka's inward cash flows depend upon the dividends received. Should these drop by a material amount, Mirrabooka would amend its outward cash flows accordingly. Mirrabooka's major cash outflows are the purchase of securities and dividends paid to shareholders, and both of these can be adjusted by the Board and management. Furthermore, the assets of Mirrabooka are largely in the form of readily tradeable securities which can be sold on-market if necessary.

The table below analyses Mirrabooka's financial liabilities into relevant maturity groupings. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

30 June 2025

Less than 6
months

6-12
months

Greater
than 1
year

Total
contractual
cash flows

Carrying
amount

\$'000

\$'000

\$'000

\$'000

\$'000

Non-derivatives

Payables

56

-

-

56

56

56

-

-

56

56

30 June 2024

Non-derivatives

Payables

13

-

-

13

13

13

-

-

13

13

In the case of call options, there are no contractual cash flows as if the option is exercised the contract will be settled in the securities over which the option is written.

C Unrecognised items

C1 Contingencies

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

Further notes to the financial statements are included here. These are grouped into three sections:

- D Balance sheet reconciliations
- E Income statement reconciliations
- F Further information

D Balance sheet reconciliations

This section provides information about the basis of calculation of line items in the financial statements.

D1 Current assets – cash

	2025 \$'000	2024 \$'000
Cash at bank	82,648	8,388
	<u>82,648</u>	<u>8,388</u>

Cash holdings yielded an average floating interest rate of 4.13% (2024: 4.31%). All cash investments are held in a transactional account or a deposit account with the Commonwealth Bank.

The Company also has access to a \$15 million liquidity facility with the Commonwealth Bank of Australia, which expires in April 2027. It was undrawn at balance date but was utilised during the year.

D2 Revaluation reserve

	2025 \$'000	2024 \$'000
Opening balance at 1 July	125,857	100,338
Gains/(losses) on investment portfolio		
- Equity Instruments	61,516	80,350
Provision for tax on above	(18,418)	(24,046)
Cumulative taxable realised (gains)/losses (net of tax)	(26,523)	(30,785)
	<u>142,432</u>	<u>125,857</u>

This reserve is used to record increments and decrements on the revaluation of the investment portfolio as described in accounting policy note [A2](#).

D3 Realised capital gains reserve

	2025 \$'000	2024 \$'000
Opening balance at 1 July	61,989	59,633
Dividends paid	(25,823)	(28,429)
Cumulative taxable realised gains for period through OCI (net of tax)	26,523	30,785
	62,689	61,989

This reserve records gains or losses after applicable taxation arising from disposal of securities in the investment portfolio as described in [A2](#).

D4 Retained profits

	2025 \$'000	2024 \$'000
Opening balance at 1 July	55,029	44,300
Dividends paid	-	-
Profit for the year	7,923	10,729
	62,952	55,029

This reserve relates to past profits.

D5 Share capital

Date	Details	Notes	Number of shares '000	Issue price \$	Paid-up Capital \$'000
1/7/2023	Balance		191,570		300,148
17/8/2023	Dividend Reinvestment Plan	i	1,218	2.86	3,484
17/8/2023	Dividend Substitution Share Plan	ii	91	2.86	n/a
19/2/2024	Dividend Reinvestment Plan	i	417	3.08	1,283
19/2/2024	Dividend Substitution Share Plan	ii	32	3.08	n/a
Various	Costs of issue		-		(21)
30/6/2024	Balance		193,328		304,894
16/8/2024	Dividend Reinvestment Plan	i	870	3.32	2,889
16/8/2024	Dividend Substitution Share Plan	ii	60	3.32	n/a
18/2/2025	Dividend Reinvestment Plan	i	416	3.39	1,411
18/2/2025	Dividend Substitution Share Plan	ii	36	3.39	n/a
10/6/2025	Rights Issue	iii	27,818	3.06	85,125
Various	Costs of issue		-		(144)
30/6/2025	Balance		222,528		394,175

- i. Shareholders elect to have all or part of their dividend payment reinvested in new ordinary shares under the Dividend Reinvestment Plan (DRP). The price of the new DRP shares is based on the

average selling price of shares traded on the Australian Securities Exchange and Chi-X in the five days after the shares begin trading on an ex-dividend basis.

- ii. The Company has a Dividend Substitution Share Plan (DSSP) whereby shareholders may elect to forgo a dividend and receive shares instead. Pricing for the DSSP shares is done as per the DRP shares.
- iii. During the year ended 30 June 2025, the Company offered shareholders a 1-for-7 non-renounceable rights issue, with the ability for shareholders to apply for additional shares. The price of the issue was set at the average of the previous 5 weeks' estimated NTA (ending 2 May 2025).

All shares have been fully paid, rank pari passu and have no par value.

E Income statement reconciliations

E1 Reconciliation of net cash flows from operating activities to profit

	2025	2024
	\$'000	\$'000
Profit for the year	7,923	10,729
Net decrease (increase) in trading portfolio	(3,726)	7,145
Sale of stock from trading portfolio to investment portfolio	(4,453)	(13,091)
Increase (decrease) in options sold portfolio	893	(885)
Dividends received as securities under DRP investments	(498)	(194)
Decrease (increase) in current receivables	102	(244)
- Less (decrease) increase in receivables for investment portfolio	-	(82)
Increase (decrease) in deferred tax liabilities	8,361	13,652
- Less (increase) decrease in deferred tax liability on investment portfolio	(8,532)	(14,177)
Increase (decrease) in current payables	43	(2,549)
- Less decrease (increase) in payables for investment portfolio	-	2,500
Increase (decrease) in provision for tax payable	(1,529)	4,837
- Less CGT provision	(9,886)	(9,869)
- Add taxes paid on capital gains	9,869	6,089
Net cash flows from operating activities	(1,433)	3,861

E2 Tax reconciliations

	2025	2024
	\$'000	\$'000
Tax expense composition		
Charge for tax payable relating to the current year	1,058	2,312
Over provision in prior years	(43)	-
Increase/(decrease) in deferred tax liabilities	(171)	(525)
	844	1,787

Amounts recognised directly through Other Comprehensive Income

Net increase/(decrease) in deferred tax liabilities relating to capital gains tax on the movement in gains in the investment portfolio	18,418	24,046
	18,418	24,046

Deferred tax assets & liabilities

The deferred tax balances are attributable to:

	2025	2024
	\$'000	\$'000
(a) Tax on unrealised gains or losses in the trading portfolio	(17)	68
(b) Tax on unrealised gains/losses in the options written portfolio	202	10
(c) Provisions and expenses charged to the accounting profit which are not yet tax deductible	-	2
(d) Interest and dividend income receivable which is not assessable for tax until receipt	(21)	(87)
	164	(7)

Movements:

Opening asset balance at 1 July	(7)	(532)
Credited/(charged) to Income statement	171	525
	164	(7)

Deferred tax assets arise when provisions and expenses have been charged but are not yet tax deductible. These assets are realised when the relevant items become tax deductible, as long as enough taxable income has been generated to claim the assets against, and as long as there are no changes to the tax legislation that affect Mirrabooka's ability to claim the deduction. As noted in B2, deferred tax assets and liabilities have been calculated at a rate of 30% (2024 : 30%).

F Further information

This section covers information that is not directly related to specific line items in the financial statements, including information about related party transactions and other statutory information.

F1 Related parties

All transactions with deemed related parties were made on normal commercial terms and conditions and approved by independent Directors. The only such transactions were in connection with the services provided by AICS (see B1).

F2 Remuneration of auditors

For the year the auditor earned or will earn the following remuneration (inclusive of GST):

	2025	2024
	\$	\$
PricewaterhouseCoopers		
Audit or review of financial reports	86,367	83,204
<u>Permitted Non-Audit Services</u>		
CGT compliance review	53,240	53,240
Taxation compliance services	17,105	14,829
Total remuneration	<u>156,712</u>	<u>151,273</u>

F3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Board, through its sub-committees, has been identified as the chief operating decision-maker, as it is responsible for allocating resources and assessing performance of the operating segments.

Description of segments

The Board makes the strategic resource allocations for Mirrabooka. Mirrabooka has therefore determined the operating segments based on the reports reviewed by the Board, which are used to make strategic decisions.

The Board is responsible for Mirrabooka's entire portfolio of investments and considers the business to have a single operating segment. The Board's asset allocation decisions are based on a single, integrated investment strategy, and Mirrabooka's performance is evaluated on an overall basis.

Segment information provided to the Board

The internal reporting provided to the Board for Mirrabooka'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 capital gains tax on investments (as reported in Mirrabooka's Net Tangible Asset announcements to the ASX).

Other segment information

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.

Mirrabooka is domiciled in Australia and most of Mirrabooka's income is derived from Australian entities or entities that maintain a listing in Australia. Mirrabooka has a diversified portfolio of investments, with no investments comprising more than 10% of Mirrabooka's income, including realised income from the trading and options written portfolios (2024: Nil)

F4 Summary of other accounting policies

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. This financial report has been authorised in accordance with a resolution of the Board and is presented in the Australian currency. The directors of Mirrabooka have the power to amend and reissue the financial report.

Mirrabooka has attempted to improve the transparency of its reporting by adopting 'plain English' where possible. Key 'plain English' phrases and their equivalent AASB terminology are as follows:

Phrase	AASB Terminology
Market Value	Fair Value for Actively Traded Securities
Cash	Cash & Cash Equivalents
Share Capital	Contributed Equity
Options	Derivatives written over equity instruments that are valued at fair value through Profit or Loss

Mirrabooka complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB"). Mirrabooka is a 'for profit' entity.

Mirrabooka has not applied any Australian Accounting Standards or AASB Interpretations that have been issued as at balance date but are not yet operative for the year ended 30 June 2025 ("the inoperative standards"). The impact of the inoperative standards has been assessed and the impact has been identified as not being material. Mirrabooka only intends to adopt other inoperative standards at the date at which their adoption becomes mandatory.

Basis of accounting

The financial statements are prepared using the valuation methods described in A2. All other items have been treated in accordance with the historical cost convention.

Fair value of financial assets and liabilities

The fair value of cash and cash equivalents, and non-interest bearing monetary financial assets and liabilities of Mirrabooka approximates their carrying value.

Rounding of amounts

Mirrabooka is a company of the kind referred to in the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Instrument, to the nearest thousand dollars, or in certain cases, to the nearest dollar.