



Australian United Investment Company Limited

APPENDIX 4D FOR THE HALF YEAR ENDED 31 DECEMBER 2023

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- Results for Announcement to the Market
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Results for announcement to the market

The reporting period is the **half year ended 31 December 2023** with the prior corresponding period being the half year ended 31 December 2022.

The report is based on audit reviewed financial statements. A copy of the auditor's review report can be found on page 15.

- Revenue from ordinary activities was \$28.4 million, a fall of 16.2% from the prior corresponding period.
- Profit after tax was \$24.3 million, down 19.1% from the prior corresponding period.
- Profit after tax for the period of \$24.3 million excludes net realised gains and losses which are transferred directly to the Realisation Reserve under the accounting standards.
- Profit after tax includes special dividends of \$241,000 after tax (previous corresponding period \$810,000). Excluding these items revenue fell 14.9%¹ and profit after tax fell 17.7%¹.
- Earnings per share based on profit after tax were 19.2 cents, a decrease of 19.7% from the prior corresponding period. Excluding special dividends received, earnings per share fell 18.5% to 19.0 cents¹.
- The Pre-tax Net Tangible Asset ("Pre-tax NTA") backing of the Company's shares at 31 December 2023 was \$11.32 per share (30 June 2023 \$10.63). The Pre-tax NTA backing calculation is before any future tax benefit of net realised losses, before estimated tax on net unrealised gains and losses, and before provision for the Company's interim dividend.
- The interim dividend for the half year is 17.0 cents per share (previous corresponding period 17.0 cents) fully franked payable on 15 March 2024. The record date for determining entitlement to the dividend is 23 February 2024.
- The interim dividend will not include any Listed Investment Company capital gain.
- The Company operates a Dividend Reinvestment Plan ("DRP") under which shareholders may elect to have all or part of their dividend payment reinvested in new ordinary shares. Pricing of the new DRP shares will be at the volume weighted average selling price of shares traded on the Australian Securities Exchange in the five trading days commencing from the day the shares start trading on an ex dividend basis, without any discount. The last day for the receipt of an election notice for participation in the plan is 26 February 2024.

¹ Additional non-IFRS information.



Australian United Investment Company Limited

14 February 2024

ASX Announcement

Financial Results and Dividend Announcement for the half year ended 31 December 2023

The Directors make the following report concerning the Company's performance and interim dividend.

Market review and performance

Equity markets demonstrated resilience during the half year, despite intermittent market fluctuations due to economic uncertainty, geopolitical tensions, and inflation concerns. The S&P/ASX 200 Accumulation Index rose 7.6% through the period, with the Financials and Real Estate sectors outperforming.

The accumulation performance of the Company's Pre-tax Net Tangible Asset (NTA) backing (before provision for tax on unrealised gains) was an increase of 8.5%. This performance is calculated after all expenses, current taxes paid or payable, and the impact of the Company's gearing. Such items are not included in the S&P/ASX indices.

Financial results

Statutory profit after tax for the half year ended 31 December 2023 was \$24.3 million (previous corresponding period: \$30.1 million). Statutory profit after tax includes special dividends of \$241,000 (previous corresponding period: \$810,000). Excluding these items revenue fell 14.9% and statutory profit after tax decreased 17.7%¹.

Revenues received during the period were lower than the prior corresponding period primarily due to lower dividends from BHP, Rio Tinto and Woodside, as a result of softer commodity prices and increased costs in those results periods.

More information on the Company's activities, performance and financial results can be found in the Operating and Financial Review on page 1 of the Interim Financial Report.

¹ Additional non-IFRS information.

Dividends and franking

The Directors have declared an interim dividend of 17.0 cents per share fully franked at 30% to shareholders registered on 23 February 2024, to be paid on 15 March 2024. The comparable 2023 interim dividend was 17.0 cents per share fully franked at 30%.

The 2024 interim dividend represents a payout ratio of 89% of earnings per share (excluding special income), compared to 71% in the prior corresponding period. While the interim dividend is covered by earnings in the current period, the Company also has sufficient accumulated retained earnings to draw on and has adequate accumulated franking credits to fully frank the final dividend should this be required in the future.

The Company has a long history of paying reliable fully franked dividends and has maintained or increased its dividends paid per share every year since 1994.

LIC capital gains

The interim dividend will not include any Listed Investment Company capital gain component.

Dividend Reinvestment Plan

The Company operates a Dividend Reinvestment Plan (“DRP”) under which shareholders may elect to have all or part of their dividend payment reinvested in new ordinary shares. The last day for the receipt of an election notice for participation in the plan is 26 February 2024.

Outlook

We are cautious on the short-term outlook for the share market mainly for the reason that it is trading near its all-time high.

There are numerous areas of geopolitical conflict or tension in the world which could lead to a more adverse general environment.

We expect a slower growing Australian economy rather than a recession. We expect interest rates to have peaked but to remain higher for longer than the market is predicting. We anticipate receiving lower dividend income from our shareholdings in BHP, Rio Tinto, and Woodside.

In summary, we envisage a resilient economy withstanding difficult conditions but growing slowly and we have concerns that the share market does not fully reflect the various uncertainties in the world economy.

**AUSTRALIAN UNITED INVESTMENT
COMPANY LIMITED**

ABN 37 004 268 679

**Interim Financial Report
for the six months ended 31 December 2023**

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Directors' Report

for the six months ended 31 December 2023

The Directors of Australian United Investment Company Limited present their Directors' Report together with the financial report for the six months ended 31 December 2023 and the auditors' review report thereon.

Board

The Directors of the Company at any time during or since the end of the period are:

Name	Period of appointment
Charles Goode AC (Chairman)	Appointed April 1990
Fred Grimwade	Appointed March 2014
Dion Hershman	Appointed April 2018
Wayne Kent	Appointed November 2021

Operating and Financial Review

About the Company

The principal activity of the Company is that of an investment company which seeks, through a portfolio of securities predominantly comprising shares of companies listed on the Australian Stock Exchange (ASX), to provide income and capital appreciation over the longer term.

The Directors have sought to invest in a diversified portfolio of equity investments with the objective of obtaining current income and longer-term capital growth within an acceptable level of risk.

Review of activities during the period

There has been no significant change in the nature of the Company's activities during the period.

Portfolio turnover for the period to 31 December 2023 was 0.9%. The largest acquisitions and disposals during the period were:

Acquisitions		Disposals	
ResMed Inc ⁽¹⁾	\$22.3M	Alumina Limited ⁽³⁾	\$8.0M
Origin Energy Limited ⁽¹⁾	\$8.0M	Ramsay Health Care Ltd ⁽⁴⁾	\$5.2M
Brickworks Limited ⁽²⁾	\$5.0M		
Pilbara Minerals Ltd ⁽²⁾	\$3.1M		
IGO Ltd ⁽²⁾	\$2.8M		

(1) Additions to existing positions.

(2) New position.

(3) Fully disposed of holding.

(4) Partially disposed of holding.

At 31 December 2023, the Company had total borrowing facilities available of \$195 million drawn to \$114 million (30 June 2023: \$195 million, drawn to \$86 million).

Directors' Report (continued)

for the six months ended 31 December 2023

Performance

For the period to 31 December 2023, the accumulation performance of the Company's Pre-tax Net Tangible Asset (NTA) backing (before provision for tax on net unrealised gains) was an increase of 8.5%, compared to the S&P/ASX 200 Accumulation Index increase of 7.6%.

Including the benefit of franking credits for shareholders who can fully utilise them, the Company's accumulation return for the period to 31 December 2023 was an increase of 9.4% compared to an increase of 8.3% in the S&P/ASX 200 franking credit adjusted return.

The Company's Pre-tax NTA backing accumulation performance is after all expenses, current taxes paid or payable, and the impact of the Company's gearing. Such items are not included in the S&P/ASX indices.

The Company's performance relative to the S&P/ASX 200 Accumulation Index for the period was assisted by overweight allocations to CAR Group, Rio Tinto and Wesfarmers, and an underweight allocation to lithium miners. Performance was held back by overweight holdings in Woodside, PEXA and Transurban and an underweight allocation to the Real Estate sector.

Financial results

Profit after tax for the period was \$24.3 million (previous corresponding period \$30.1 million). Revenues received during the period were lower than the prior corresponding period primarily due to lower dividends from BHP, Rio Tinto and Woodside, as a result of softer commodity prices and increased costs in those results periods.

Profit after tax includes certain items which are non-recurring or capital in nature, including special dividends declared by investee companies (referred to as "special income"). Special income received during the period totalled \$241,000 after tax (previous corresponding period \$810,000).

Profit after tax for the period excluding special income was \$24.1 million (previous corresponding period \$29.3 million).

The weighted average number of ordinary shares for the period was 126.4 million compared to 125.8 million in the previous corresponding period, an increase of 0.5%.

Earnings per share was 19.0 cents per share excluding special income (previous corresponding period 23.3 cents) or was 19.2 cents per share including special income (previous corresponding period 23.9 cents).

Net Tangible Asset backing

The Pre-tax NTA backing of the Company's ordinary shares at 31 December 2023 was \$11.32 per share (30 June 2023 \$10.63). This is calculated based on investments at market value and is after tax on net realised gains, before any future tax benefit of net realised losses, before estimated tax on net unrealised gains and losses, and before the Company's final dividend.

The Company is a long-term investor and does not intend disposing of its portfolio. However, if estimated tax on net unrealised portfolio gains were to be deducted, the NTA backing would be \$9.47 per share (30 June 2023 \$8.99).

Directors' Report (continued)

for the six months ended 31 December 2023

Borrowings

Key information in relation to the Company's borrowings is provided below:

	31 December 2023	30 June 2023
Bank facilities available	\$195 million	\$195 million
Amount drawn	\$114 million	\$86 million
Cash on hand, net receivables and pending settlements	\$13.0 million	\$11.3 million
Net debt as a proportion of the portfolio excluding cash	6.6%	5.3%
Interest expense coverage by revenue	11.7 times	12.5 times

Management expense ratio

At 31 December 2023, annualised operating expenses (excluding finance costs) were 0.10% of the average market value of the investment portfolio (previous corresponding period 0.10%).

Dividends

Dividends paid or declared by the Company since the end of the previous financial year were:

	Cents per share	Total \$'000	Franking	Payment date
Declared during the period				
Final 2023 dividend	20.0	25,265	100%	19 September 2023
Declared after end of period				
Interim 2024 dividend	17.0	21,502	100%	15 March 2024

Events subsequent to balance date

Other than as disclosed in the Financial Statements, there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material or unusual nature, likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial periods.

Likely developments

The Directors do not anticipate any particular developments in the operations of the Company which will affect the results of future financial years other than the value of the investment portfolio is expected to fluctuate broadly in line with market movements.

It is the Directors' intention to continue to invest in a portfolio of listed securities for long term capital growth and dividend income.

State of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Company that occurred during the financial period under review.

Directors' Report (continued)

for the six months ended 31 December 2023

Environmental regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 5 and forms part of the Directors' Report for the six months ended 31 December 2023.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, and in accordance with that instrument, amounts in the financial report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors, for and on behalf of the Board.



Charles Goode

Chairman

14 February 2024



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Australian United Investment Company Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Australian United Investment Company Limited for the half-year ended 31 December 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Luke Sullivan
Partner

Melbourne
14 February 2024

Statement of Profit or Loss and Other Comprehensive Income

for the six months ended 31 December 2023

	Note	December 2023 \$'000	December 2022 \$'000
Revenue from investment portfolio		28,384	33,865
Administration and other expenses		(895)	(890)
Administration costs recovered		147	150
Finance expenses		(2,426)	(2,852)
Profit before tax		25,210	30,273
Income tax expense	8	(900)	(210)
Profit after tax		24,310	30,063
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Revaluation of the investment portfolio for the period		88,172	70,986
Provision for tax expense on revaluation of the investment portfolio for the period		(26,433)	(21,724)
Other comprehensive profit after tax		61,739	49,262
Total comprehensive profit		86,049	79,325
Basic and diluted earnings per share (cents)	4	19.2	23.9

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the Condensed Notes to the Financial Statements set out on pages 10 to 13.

Balance Sheet

as at 31 December 2023

	Note	December 2023 \$'000	June 2023 \$'000
Assets			
Cash and cash equivalents		10,860	5,133
Receivables		2,110	6,172
Current tax receivable		-	418
Other assets		489	108
Current assets		13,459	11,831
Investment portfolio	7	1,534,229	1,418,252
Plant and equipment		9	11
Other assets		319	12
Non-current assets		1,534,557	1,418,275
Total assets		1,548,016	1,430,106
Liabilities			
Payables		1,819	1,377
Employee benefits		23	35
Current tax payable		337	-
Borrowings – interest bearing	10	64,000	-
Current liabilities		66,179	1,412
Payables		266	-
Employee benefits		19	15
Borrowings – interest bearing	10	50,000	86,000
Net deferred tax liability	9	233,600	206,988
Non-current liabilities		283,885	293,003
Total liabilities		350,064	294,415
Net assets		1,197,952	1,135,691
Equity			
Issued capital	6	465,795	464,318
Reserves		732,157	671,373
Total equity		1,197,952	1,135,691

The Balance Sheet is to be read in conjunction with the Condensed Notes to the Financial Statements set out on pages 10 to 13.

Statement of Changes in Equity

for the six months ended 31 December 2023

	Issued capital \$'000	Revaluation Reserve \$'000	Realisation Reserve \$'000	Retained earnings \$'000	Total equity \$'000
As at 1 July 2022	454,378	417,255	5,915	163,963	1,041,511
Total comprehensive income					
Revaluation of investment portfolio	-	70,986	-	-	70,986
Tax expense	-	(21,724)	-	-	(21,724)
Net realised losses on disposals	-	1,913	(1,913)	-	-
Tax benefit	-	(452)	452	-	-
Profit after tax	-	-	-	30,063	30,063
	-	50,723	(1,461)	30,063	79,325
Transactions with shareholders					
Dividend Reinvestment Plan	1,640	-	-	-	1,640
Share Purchase Plan	6,868	-	-	-	6,868
Dividends paid	-	-	-	(25,055)	(25,055)
	8,508	-	-	(25,055)	(16,547)
As at 31 December 2022	462,886	467,978	4,454	168,971	1,104,289
As at 1 July 2023	464,318	489,655	7,898	173,820	1,135,691
Total comprehensive income					
Revaluation of investment portfolio	-	88,172	-	-	88,172
Tax expense	-	(26,433)	-	-	(26,433)
Net realised losses on disposals	-	12,905	(12,905)	-	-
Tax benefit	-	(3,872)	3,872	-	-
Profit after tax	-	-	-	24,310	24,310
	-	70,772	(9,033)	24,310	86,049
Transactions with shareholders					
Dividend Reinvestment Plan	1,477	-	-	-	1,477
Dividends paid	-	-	-	(25,265)	(25,265)
	1,477	-	-	(25,265)	(23,788)
As at 31 December 2023	465,795	560,427	(1,135)	172,865	1,197,952

The Statement of Changes in Equity is to be read in conjunction with the Condensed Notes to the Financial Statements set out on pages 10 to 13.

Statement of Cash Flows

for the six months ended 31 December 2023

	Note	December 2023 \$'000	December 2022 \$'000
Cash flows from operating activities			
Interest received		140	129
Dividends and trust distributions received		32,249	36,474
Other revenue received		73	-
Administration and other expenses paid		(827)	(814)
Finance costs paid		(2,102)	(2,148)
Income taxes paid		(16)	(731)
Net cash from operating activities		29,517	32,910
Cash flows from investing activities			
Proceeds from sale of investments		13,161	48,715
Purchases of investments		(41,163)	(45,212)
Net cash (used in) / from investing activities		(28,002)	3,503
Cash flows from financing activities			
Proceeds from borrowings		45,000	22,500
Proceeds from Share Purchase Plan		-	6,869
Repayment of borrowings		(17,000)	(42,000)
Dividends paid net of Dividend Reinvestment Plan		(23,788)	(23,415)
Net cash from / (used in) financing activities		4,212	(36,046)
Net increase in cash held		5,727	367
Cash and cash equivalents at 1 July		5,133	6,731
Cash and cash equivalents at 31 December		10,860	7,098

The Statement of Cash Flows is to be read in conjunction with the Condensed Notes to the Financial Statements set out on pages 10 to 13.

Notes to the Financial Statements

for the six months ended 31 December 2023

1. Reporting Entity

Australian United Investment Company Limited (“the Company”) is a for-profit company domiciled in Australia.

The Annual Financial Report as at and for the year ended 30 June 2023 is available on the Company’s website at www.aui.com.au.

2. Statement of compliance

This Interim Financial Report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

The Interim Financial Report does not include all of the information required for a full annual financial report and should be read in conjunction with the Annual Financial Report of the Company as at and for the year ended 30 June 2023.

This Interim Financial Report was approved by the Board of Directors on 14 February 2024.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial / Directors’ Reports) Instrument 2016/191 and in accordance with the Instrument, amounts in the financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

3. Basis of preparation

The accounting policies applied by the Company in this Interim Financial Report are the same as those applied by the Company in the Annual Financial Report as at and for the year ended 30 June 2023.

The Interim Financial Report is prepared on a going concern basis. The Company has prepared an assessment of its ability to continue as a going concern, taking into account all available information for a period of 12 months from the date of these financial statements.

The net deficiency of current assets over current liabilities for the period ended 31 December 2023 of \$52.7 million arises due to \$64 million of borrowing facilities being due within 12 months. These facilities are expected to be renewed before expiry in July 2024. In addition, the Company has access to cash from its equity portfolio should funds be required. It should be noted that while the equity portfolio is classified as non-current based on the Company’s intention to retain its investments for the long term, it is highly liquid with all investments being ASX-listed.

4. Earnings per share

	December 2023 Cents	December 2022 Cents
Basic and diluted earnings per share	19.2	23.9
Earnings per share excluding special income received	19.0	23.3

There are no factors which cause diluted earnings per share to be different from basic earnings per share.

Special income received includes special dividends of \$241,000 after tax (previous corresponding period \$810,000 after tax).

Notes to the Financial Statements

for the six months ended 31 December 2023

4. Earnings per share (continued)

The basic earnings per share for the period is calculated on a weighted average number of ordinary shares of 126,412,948 (previous corresponding period 125,752,371) after taking into account the shares issued in the dividend reinvestment plan.

5. Dividends

Dividends recognised in the current period by the Company are:

	December 2023 \$'000	December 2022 \$'000
2023 final dividend of 20.0 cents per share (2022: 20.0 cents) fully franked paid on 19 September 2023	25,265	25,055
Since 31 December 2023, the Directors have declared the following dividend:		
2024 interim dividend of 17.0 cents per share (2023: 17.0 cents) fully franked payable on 15 March 2024	21,502	21,451

The financial effect of this dividend has not been brought to account in the Interim Financial Statements for the period ended 31 December 2023.

6. Issued capital

	December 2023 \$'000	June 2023 \$'000
Issued and paid-up share capital		
126,481,315 ordinary fully paid shares (30 June 2023: 126,326,013)	465,795	464,318
Movements in issued capital		
Balance at beginning of the period	464,318	454,378
Shares issued:		
Dividend Reinvestment Plan ⁽¹⁾	1,477	3,071
Share Purchase Plan	-	6,869
	465,795	464,318

(1) In respect of the final dividend paid in September 2023, 155,302 ordinary shares were issued at \$9.60 each.

Notes to the Financial Statements

for the six months ended 31 December 2023

7. Net fair values of financial assets and liabilities

Valuation approach

Net fair values of financial assets and liabilities are determined by the Company on the following basis:

Recognised financial instruments

Listed securities included in "Investments" are readily traded on organised markets in a standardised form. The net fair value of listed securities is determined by valuing them at the last quoted market price as at balance date. In accordance with Australian Accounting Standards, this is considered "Level 1" under the fair value measurement hierarchy, which is defined as quoted prices (unadjusted) in active markets for identical assets or liabilities.

The net fair value of any unlisted managed funds is determined by valuing them at the net asset value provided by the fund manager as at balance date. Unlisted managed funds included in "Investments" are considered "Level 2" under the fair value measurement hierarchy, which is defined as inputs other than quoted prices, which can be observed either directly (as prices) or indirectly (derived from prices).

As at 31 December 2023, the Company's Level 1 investments totalled \$1,534,229,000 (30 June 2023 \$1,418,252,000) and the Company held no Level 2 investments (30 June 2023 nil).

Fixed interest borrowings

At 31 December 2023, the fair value of the Company's fixed interest rate borrowings was \$19,110,000 (30 June 2023 \$18,814,000) while the face value was \$20,000,000 (30 June 2023 \$20,000,000).

For all other financial assets and liabilities, the carrying amount closely approximates its fair value.

8. Taxation

	December 2023 \$'000	December 2022 \$'000
Income tax and other adjustments		
Current income tax expense	(906)	(420)
Prior year over provision of income tax	6	114
Other	-	96
Income tax expense	(900)	(210)

Notes to the Financial Statements

for the six months ended 31 December 2023

9. Net deferred tax assets and liabilities

	December 2023 \$'000	June 2023 \$'000
Revaluation reserve – Provision for tax on net unrealised gains on the equity investment portfolio	242,035	211,514
Tax benefit of capital losses carried forward	(8,411)	(4,621)
Other	(24)	95
Net deferred tax liabilities	233,600	206,988

10. Borrowings

	December 2023 \$'000	June 2023 \$'000
Current		
Loan facilities drawn – Secured	64,000	-
Non-current		
Loan facilities drawn – Secured	50,000	86,000
	114,000	86,000

The total face value of the drawn facilities as at period end was \$114 million (30 June 2023 \$86.0 million). The liabilities are recorded at the face value of the amount drawn.

At 31 December 2023 the market value of investments secured against the loan facilities was \$646.7 million (30 June 2023 \$602.2 million).

11. Segment Reporting

The Company's only segment of operation is as an investment company in Australia.

12. Contingent Liabilities and Capital Commitments

There were no contingent liabilities or capital commitments as at 31 December 2023.

13. Related Parties

All arrangements with related parties are consistent with those disclosed in the Annual Financial Report as at and for the year ended 30 June 2023.

14. Events Subsequent to Balance Date

There has not arisen in the interval between the end of the period and the date of this report any items, transactions or events of a material or unusual nature, likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial periods.

Directors' Declaration

for the six months ended 31 December 2023

In the opinion of the Directors of Australian United Investment Company Limited ("the Company"):

1. The Financial Statements and Notes set out on pages 6 to 13, are in accordance with the Corporations Act 2001, including:
 - a) giving a true and fair view of the financial position of the Company as at 31 December 2023 and of its performance, as represented by the results of its operations and its cash flows, for the period ended on that date; and
 - b) complying with Australian Accounting Standard 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Charles Goode

Chairman

14 February 2024



Independent Auditor's Review Report

To the shareholders of Australian United Investment Company Limited

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Australian United Investment Company Limited (Company).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Australian United Investment Company Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the six months ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Balance sheet as at 31 December 2023;
- Statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months ended on that date
- Notes 1 to 14 comprising material accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Interim Period** is the six months ended on 31 December 2023.

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*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the 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 and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim 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 Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the six months ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period 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.

KPMG

Luke Sullivan
Partner

Melbourne
14 February 2024