



23 February 2021

The Manager
ASX Market Announcements
Australian Securities Exchange
Exchange Centre
Level 4
20 Bridge Street
Sydney NSW 2000

Amcil Limited
ABN 57 073 990 735
Level 21, 101 Collins St
Melbourne VIC 3000
T 03 9650 9911
F 03 9650 9100
invest@amcil.com.au
amcil.com.au

Electronic Lodgement

AMCIL Limited
Half Year Review to 31 December 2020

Dear Sir / Madam

Please find attached the Half Year Review to 31 December 2020 that is being sent to shareholders.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'M Rowe', written in a cursive style.

Matthew Rowe
Company Secretary

Release authorised by Matthew Rowe, Company Secretary



Half-Year Review to 31 December 2020



A Focused Portfolio
of Australian Equities

Contents

1	Half-Year in Summary	14	Summarised Statement of Changes in Equity
2	About the Company	15	Holdings of Securities
4	Review of Operations and Activities	19	Major Transactions in the Investment Portfolio
11	Top 20 Investments	20	Company Particulars
12	Income Statement	21	Shareholder Information
13	Balance Sheet		

AMCIL MANAGES A FOCUSED PORTFOLIO COVERING LARGE AND SMALL COMPANIES IN THE AUSTRALIAN EQUITY MARKET. AS A RESULT, SMALL COMPANIES BY MARKET SIZE CAN HAVE AN EQUALLY IMPORTANT IMPACT ON PORTFOLIO RETURNS AS LARGER COMPANIES IN THE AUSTRALIAN MARKET.

Half-Year in Summary

	2020	
Profit for the Half-Year	\$1.9m	Down 49.2% from 2019
Net Asset Backing Per Share	\$1.15	\$1.02 in 2019
6 Month Total Portfolio Return	18.6% Including franking*	S&P/ASX 200 Index including franking* 13.7%
Share Price at 31 December 2020	\$1.09	\$0.97 in 2019
6 Month Total Shareholder Return	19.0%	Share price plus dividend
Management Expense Ratio (Annualised)	0.53%	0.59% in 2019
Total Portfolio (Including Cash) at 31 December 2020	\$344.5m	\$287.0 million in 2019
Share Purchase Plan	\$18.2m Raised	27.1% of shareholders participated

* Assumes an investor can take full advantage of the franking credits.

About the Company

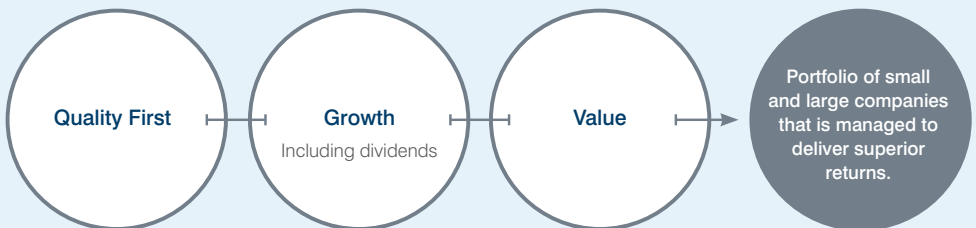
AMCIL manages a focused portfolio covering large and small companies in the Australian equity market. As a result, small companies by market size can have an equally important impact on portfolio returns as larger companies in the Australian market.

Investment Objectives

Attractive returns through strong capital growth in the portfolio over the medium to long term.

The generation of fully franked dividends.

How AMCIL Invests – What We Look For in Companies



Approach to Investing

We seek to create a diversified portfolio of quality companies which are likely to sustainably grow their earnings and dividends over a medium to long term timeframe.

Our assessment of quality includes criteria such as the board and management, financial position, pricing power as well as some key financial metrics such as return on capital employed, return on equity, the level of gearing in the balance sheet, margins and free cash flow. The structure of the industry and a company's competitive position in its industry are also important indicators of quality. Linked to this assessment of quality is the ability of companies to grow earnings over time, which ultimately should produce good dividend and capital growth.

As a long term investor, Environmental, Social and Governance (ESG) analysis is integrated into AMCIL's investment framework:

- AMCIL will seek to invest in companies that have strong governance and risk management processes that include environmental and social risks.
- The remuneration structures proposed and used by the boards of the companies in which AMCIL invests are assessed as we are seeking remuneration plans and outcomes that align with AMCIL's (and AMCIL's own investors') interests as long term shareholders.
- AMCIL supports engagement with its investee companies on these issues, and will vote as shareholders accordingly.

Recognising value is also an important aspect of AMCIL's investment approach. Our assessment of value tries to reflect the opportunity a business has to prosper and thrive over the medium to long term.

Given the focused nature of the portfolio, AMCIL is more active in managing the holdings. Our preference is that positions will be held for the long term. However, in managing the risk in the portfolio, the Company is prepared to scale back or exit holdings completely if the investment case alters markedly, the position becomes too large in the portfolio or share prices become excessively high. In managing the portfolio in this way, we believe AMCIL can offer investors returns in excess of the S&P/ASX 200 over the long term.

Given the greater concentration of the portfolio, there may be periods when the performance of AMCIL can vary quite markedly from the Index. The objective is to deliver outperformance over the medium to long term.

From time to time, the Company also uses options written against some of its investments and a small trading portfolio to generate additional income.

The other important feature to note is AMCIL's dividend policy of maximising the distribution of available franking credits each year. As a result, the amount of fully franked dividends are likely to fluctuate from year to year.

Review of Operations and Activities

Profit and Dividend

The half-year profit of \$1.9 million, was down from \$3.8 million in the previous corresponding period. Revenue from investments fell from \$4.4 million to \$2.6 million, as companies reduced or suspended dividend payments because of the uncertainty about trading conditions arising from the COVID-19 pandemic.

AMCIL's normal practice is to pay a dividend once a year with the full year result to distribute the franking credits that are available at financial year end from its investment activities during the year. In line with this practice no interim dividend was declared.

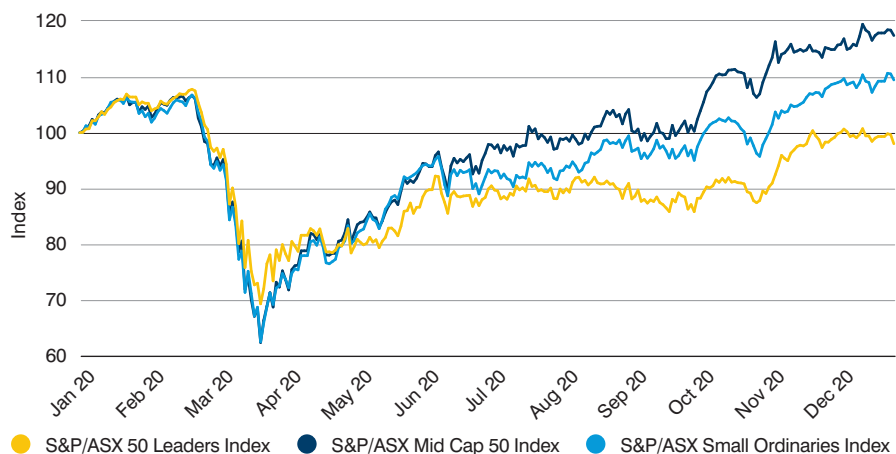
The management expense ratio for AMCIL is 0.53 per cent (annualised), with no performance fees.

Portfolio Performance

It has been a very unpredictable calendar year in equity markets due to the impact of restrictions arising from the COVID-19 pandemic and subsequent fiscal and monetary economic support measures, which boosted the market following its low point in March 2020.

As equity markets are constantly reassessing the profit outlook for companies for the next 12 months and beyond, the unprecedented nature of these events for investors has created significant share price volatility. In this environment, while small and mid-sized companies, because of their perceived higher risk, were hit hardest in the market decline in March, these sectors have recovered more strongly than larger companies listed on the ASX over the remainder of the calendar year (Figure 1).

Figure 1: Performance of S&P/ASX 50 Leaders, Small Ordinaries and Mid Cap 50 Indices, 12 months to 31 December 2020



Source: FactSet

The increase in the Australian market has been driven by the information technology sector, with strong performance of a number of companies in the sector, including Xero and NEXTDC and the ongoing momentum of Afterpay (which AMCIL does not hold). The materials sector also delivered very good returns on the back of a very high iron ore price. Industrials and banks underperformed over the 12-month period, although the banks performed more strongly over the final six months of the calendar year (Figure 2).

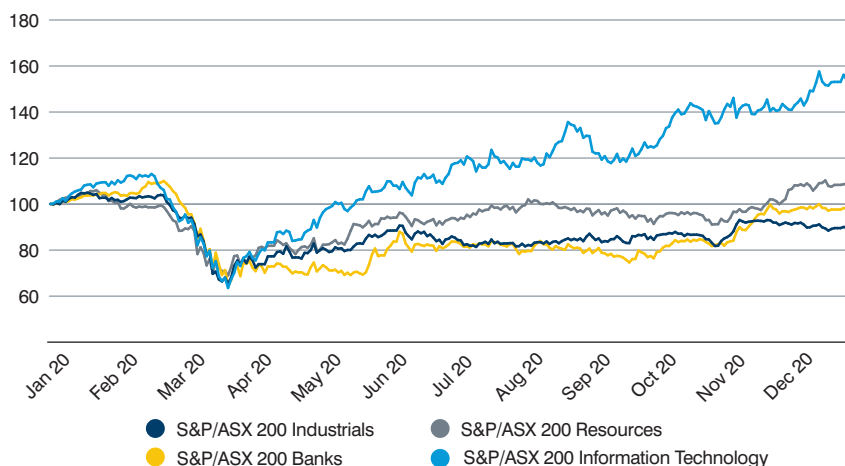
AMCIL's focus on investing in high-quality companies and long-term investment approach has been suited to dealing with such challenging conditions. AMCIL's total portfolio return, including franking, over the six months to 31 December 2020 was 18.6 per cent. In contrast, the S&P/ASX 200 Accumulation

Index, including franking, was up 13.7 per cent over this period (Figure 3 on page 7).

The most significant contributors to portfolio performance over the six months to 31 December 2020 have come from our holdings in Mainfreight, ARB Corporation, Reece, Xero, Objective Corporation, BHP and James Hardie Industries, where share prices have rallied substantially, some up over 50 per cent over the period. There was little in the way of offsetting poor performers, which has enabled us to capture full value from these strong performing holdings and deliver short term portfolio outperformance.

Over 12 months to 31 December 2020, AMCIL's total portfolio return, including franking was 15.8 per cent whereas the S&P/ASX 200 Accumulation Index, including franking, was up 2.4 per cent.

Figure 2: Selected Sectors, Total Return – 12 Months to 31 December 2020



Source: FactSet

Review of Operations and Activities

continued

The long-term performance of the portfolio, which is more in line with the Company's investment timeframes, was 11.4 per cent per annum for the 10 years to 31 December 2020, ahead of the Index return of 9.4 per cent per annum (these returns include the full benefit of franking).

Adjustments to the Portfolio

The discipline around focusing on high-quality companies in the portfolio provided the confidence to view downside scenarios as temporary dislocations, rather than risking permanent impairment to our investments. Taking a long-term view enabled us to look through the wide-ranging short-term scenarios, to constantly reassess the outlook for our investments on the other side of the most significant global impacts of the COVID-19 pandemic.

Opportunities to add to existing holdings during periods of price weakness saw purchases in ASX and Woolworths. InvoCare, ResMed and Fineos, a software business for insurance, were also added as new companies to the portfolio. In each case, we felt that the quality of these businesses and their long-term earnings outlook were not being fully recognised in the share price on offer at the time.

The position in Cleanaway Waste Management was exited as was the holding in APA Group. The holding in Objective Corporation was trimmed in response to the recent very strong share price performance to reduce the risk of this company's large position in the portfolio.

Figure 4 highlights the profile of the portfolio by various sectors of the market, which is very different to the sector profile of the S&P/ASX 200.

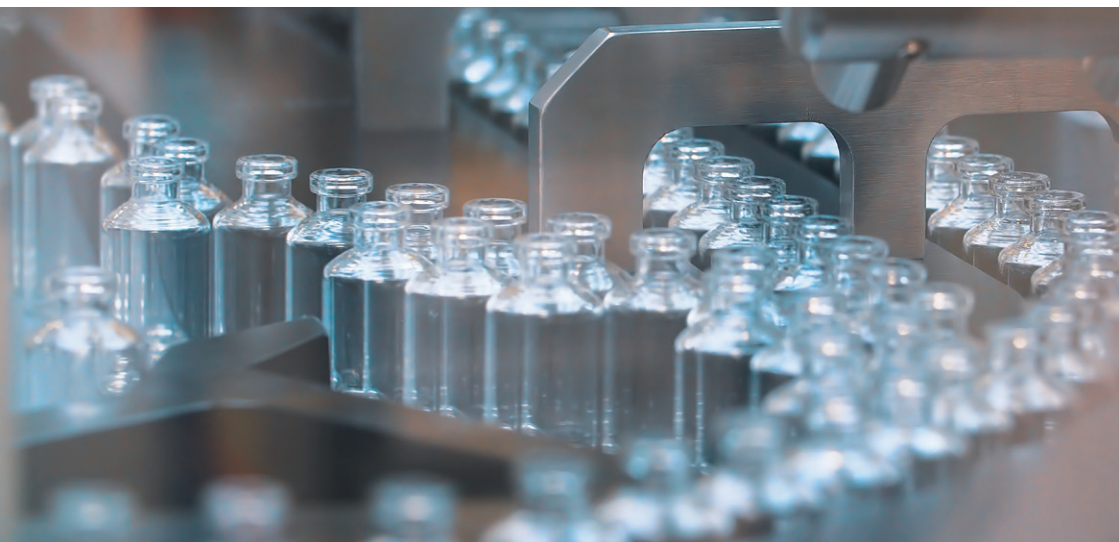
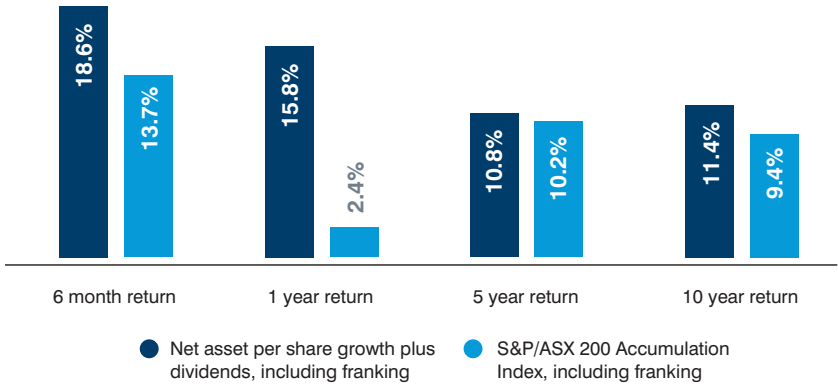


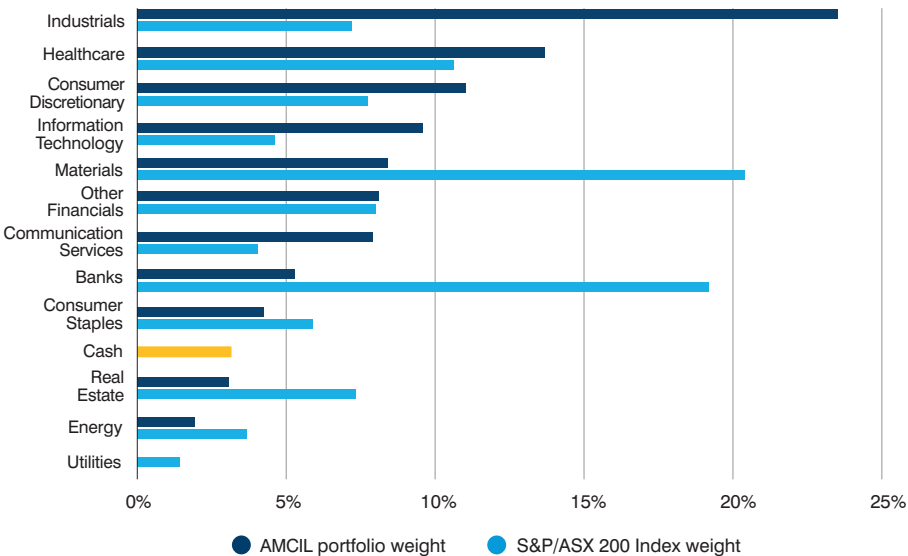
Figure 3: Portfolio Performance to 31 December 2020, Including the Benefit of Franking*



* Assumes an investor can take full advantage of the franking credits.

Per annum returns other than six months. AMCIL's performance figures are after costs.

Figure 4: Investment by Sector as at 31 December 2020 Versus the S&P/ASX 200 Index



Review of Operations and Activities

continued

Share Price Performance

At 31 December 2020, the share price (at 109 cents) was trading at a discount of 6 per cent to the net asset backing per share (Figure 5).

Figure 6 outlines the benefit of compound returns and the value of AMCIL's investment approach given the relative total share price return (including dividends and franking) from an investment of \$1,000 in AMCIL over 10 years versus the return from the combined S&P/ASX 200 Index, including franking.

Share Purchase Plan

The result of the Share Purchase Plan which was completed in November 2020 was very pleasing. This offer raised a total

of \$18.2 million, with just over 27 per cent of shareholders participating in the plan. Shares in the plan were issued at a price of 97 cents per share.

Outlook

Our current focus is assessing whether stimulus measures are providing an unsustainably strong environment for any of our holdings, potentially leaving them priced for perfection in a buoyant equity market (Figure 7). With the funds recently raised in the Share Purchase Plan, we are confident that an active but patient approach will see us capture further attractive opportunities in quality companies to strengthen the long-term return prospects for the portfolio.

Figure 5: Share Price Relative to Net Asset Backing

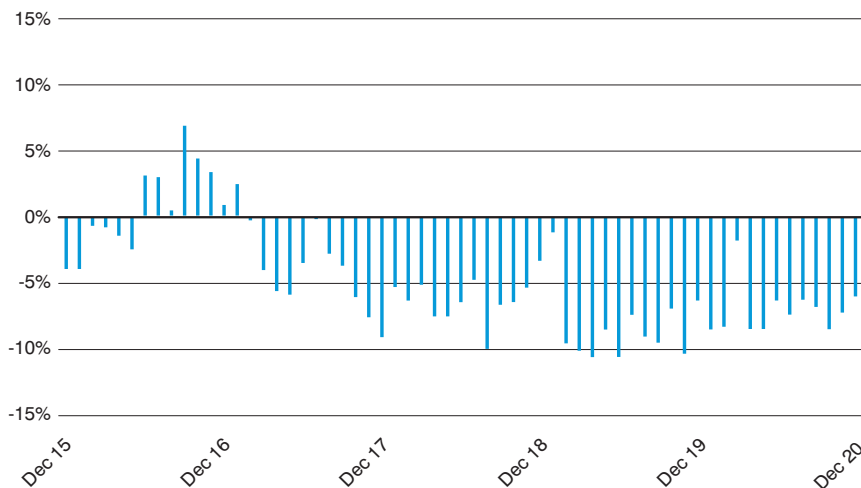
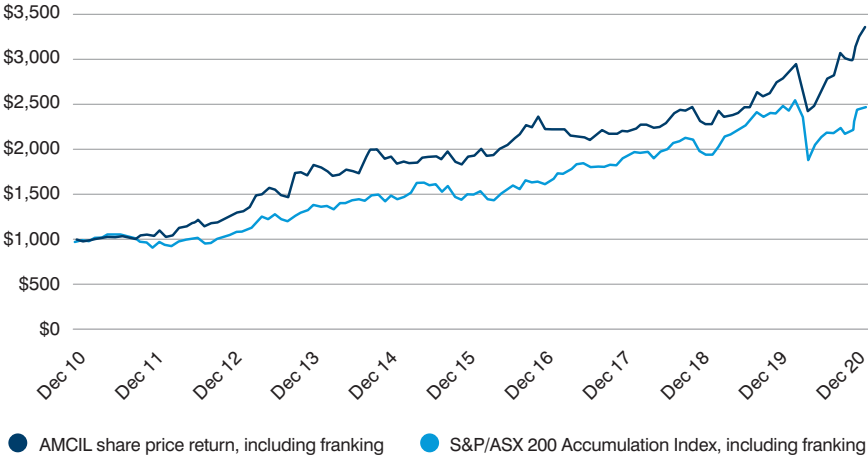


Figure 6: Performance of an Investment of \$1,000 in AMCIL Shares Including Dividends and Franking Over 10 Years to 31 December 2020



Note assumes the reinvestment of dividends. This chart calculates the benefit of franking credits at the time dividends are paid for both AMCIL and the Index. In practice there is a timing difference between receipt of the dividend and the realisation of the franking benefit in the following tax year.

Figure 7: S&P/ASX 200 Price Earnings Ratio



Source: Factset

Review of Operations and Activities

continued

Directorship Matters

Mr Bruce Teele retired at the Annual General Meeting in October 2020 having been a Director of the Company for over 17 years and Chairman since 2004.

The Board wishes to record their profound gratitude to Mr Teele for his dedicated leadership and outstanding contribution. The Company and its shareholders have greatly benefitted from his experience and wisdom.

Mr Rupert Myer AO was appointed Chairman of the Company with effect from the conclusion of the 2020 Annual General Meeting.

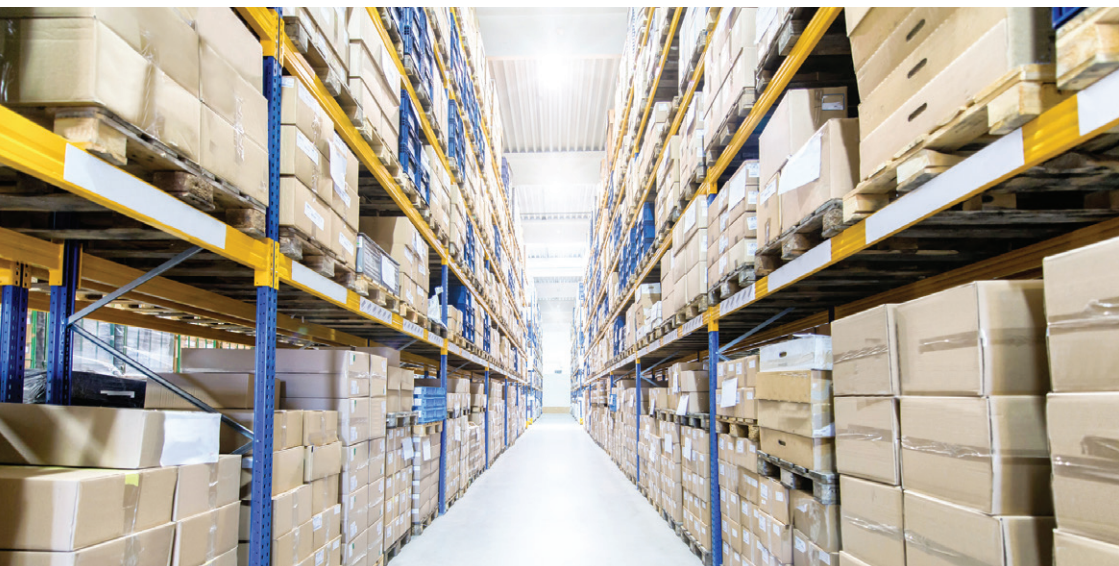
As previously announced to the ASX in December 2020, Ross Barker will retire from the Board with effect from 31 January 2021. The Board wishes to record their deep appreciation to Ross Barker for his 24 years

of outstanding service to the Company and wish him well for the future.

The Board is pleased to advise that Dr Jodie Auster has been appointed as a Non-Executive Director of the Company, effective from 1 February 2021.

Dr Auster is currently Regional General Manager for Asia Pacific for Uber Eats. Prior to this Dr Auster was a Director of Customer Operations and Vice President People for Thumbtack and a consultant for Bain & Company. Dr Auster has extensive experience in companies based on global technology platforms. She has also led several start-up businesses to achieve scale.

We are delighted to welcome Dr Auster to the Board and look forward to the contribution she will make.



Top 20 Investments

As at 31 December 2020

Includes investments held in both the investment and trading portfolios.

Valued at Closing Prices at 31 December 2020

		Total Value \$ Million	% of the Portfolio
1	CSL	28.1	8.4
2	Mainfreight	22.0	6.6
3	BHP Group	19.5	5.9
4	Wesfarmers	17.9	5.4
5	Woolworths Group	14.9	4.5
6	Macquarie Group	14.8	4.4
7	Transurban Group	13.6	4.1
8	Macquarie Telecom Group	11.9	3.6
9	National Australia Bank	11.9	3.6
10	Goodman Group	10.8	3.2
11	Reece	10.4	3.1
12	ARB Corporation	10.3	3.1
13	James Hardie Industries*	9.4	2.8
14	Sydney Airport*	9.4	2.8
15	Carsales.com	9.3	2.8
16	Xero Limited	8.8	2.7
17	Seek	8.1	2.4
18	NEXTDC	7.3	2.2
19	Ramsay Health Care	7.3	2.2
20	Qube Holdings	7.1	2.1
Total		252.8	

As a percentage of total portfolio value (excludes cash)

75.8%

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

Cash position at 31 December 2020 – \$11.1 million.

Income Statement

For the Half-Year Ended 31 December 2020

	Half-Year 2020 \$'000	Half-Year 2019 \$'000
Dividends and distributions	2,565	4,352
Revenue from deposits and bank bills	3	69
Net gains on trading and options portfolios	96	727
Other income	51	-
Total income	2,715	5,148
Finance costs	(49)	(48)
Administration expenses	(810)	(810)
Profit before income tax expense	1,856	4,290
Income tax expense	86	(468)
Profit for the half-year	1,942	3,822
	Cents	Cents
Earnings per share	0.69	1.38

Balance Sheet

As at 31 December 2020

	31 Dec 2020 \$'000	30 June 2020 \$'000
Current assets		
Cash	11,138	9,190
Receivables	245	719
Trading portfolio	454	-
Total current assets	11,837	9,909
Non-current assets		
Investment portfolio	332,939	269,617
Deferred tax assets	25	14
Total non-current assets	332,964	269,631
Total assets	344,801	279,540
Current liabilities		
Payables	179	175
Options written portfolio	28	-
Tax payable	2,144	1,107
Total current liabilities	2,351	1,282
Non-current liabilities		
Deferred tax liabilities – investment portfolio	36,843	23,363
Total non-current liabilities	36,843	23,363
Total liabilities	39,194	24,645
Net assets	305,607	254,895
Shareholders' equity		
Share capital	208,989	189,581
Revaluation reserve	70,282	40,075
Realised capital gains reserve	21,718	15,684
Retained profits	4,618	9,555
Total shareholders' equity	305,607	254,895

Summarised Statement of Changes in Equity

For the Half-Year Ended 31 December 2020

	Half-Year 2020 \$'000	Half-Year 2019 \$'000
Total equity at the beginning of the half-year	254,895	247,554
Dividends paid	(6,879)	(9,611)
Shares issued – Dividend Reinvestment Plan	1,276	3,426
– Share Purchase Plan	18,178	-
Costs of share issues	(46)	(13)
Total transactions with shareholders	12,529	(6,198)
Profit for the half-year	1,942	3,822
Revaluation of investment portfolio	51,922	20,733
Provision for tax on revaluation	(15,681)	(6,270)
Revaluation of investment portfolio (after tax)	36,241	14,463
Total comprehensive income for the half-year	38,183	18,285
Realised gains on securities sold	8,236	6,629
Tax on realised gains on securities sold	(2,202)	(1,655)
Net realised gains on securities sold	6,034	4,974
Transfer from revaluation reserve to realised gains reserve	(6,034)	(4,974)
Total equity at the end of the half-year	305,607	259,641

A full set of AMCIL's interim accounts are available on the Company's website.

Holdings of Securities

As at 31 December 2020

Details of the Company's portfolios are given below. The list should not, however, be used to evaluate portfolio performance or to determine the net asset backing per share (which is recorded each month on the toll free telephone service at 1800 780 784).

Unless otherwise stated, the securities in this list are fully paid ordinary shares, trust units or stapled securities.

Code	Company	Principal Activities	Number Held '000	Market Value \$'000
AIA	Auckland International Airport	Owner and operator of New Zealand's largest airport. It operates through the following segments: aeronautical, retail and property	604	4,331
ARB	ARB Corporation	Manufacturer and distributor of four-wheel drive vehicle accessories in Australia and internationally	333	10,256
ASX	ASX	Operates Australia's largest securities exchange	86	6,156
BHP	BHP Group	Diversified international resources company	460	19,518
BRG	Breville Group	Manufacturer and wholesaler of electrical consumer products	216	5,528
BXB	Brambles	Global provider of supply chain management and logistics solutions	550	5,830
CAR	Carsales.com	The largest online automotive classifieds business in Australia. They also have interests in leading online automotive classified businesses in Brazil, South Korea, Malaysia, Indonesia, Thailand and Mexico	465	9,295
CBA	Commonwealth Bank of Australia	Banking and wealth management services	78	6,405
COH	Cochlear	Provides implantable hearing solutions, operating throughout the Americas, Europe and Asia Pacific. Its products include cochlear, bone conduction and acoustic implants	29	5,400

Holdings of Securities

As at 31 December 2020 continued

Code	Company	Principal Activities	Number Held '000	Market Value \$'000
CSL	CSL	Biopharmaceutical company that researches, develops, manufactures and markets products to treat and prevent serious human medical conditions	99	28,091
EQT	EQT Holdings	Provider of private client, trustee, estate administration and funds management services	259	6,867
FCL	Fineos Corporation	A global software company that provides software solutions to the life, accident and health insurance industry	1,283	4,746
GMG	Goodman Group	Engages in the development, owning, and management of industrial property and business space in Australia and overseas	570	10,779
IRE	IRESS	Provider of share market and wealth management information systems	645	6,843
IVC	InvoCare	Provider of services related to funerals, burials and cremations	350	4,008
JHX*	James Hardie Industries	Building materials company focused on fibre cement products, predominantly in the United States	247	9,436
MAQ	Macquarie Telecom Group	Provides voice and telecommunication services as well as data hosting and co-location services to businesses and government customers	227	11,895
MFT	Mainfreight (NZX listed)	Provider of managed warehousing and international and domestic freight forwarding services	340	22,049
MQG	Macquarie Group	Diversified financial services business operating in banking, financial advisory, investment and funds management services	107	14,793

Code	Company	Principal Activities	Number Held '000	Market Value \$'000
NAB	National Australia Bank	Banking and wealth management services	525	11,867
NXT	NEXTDC	Owns and operates large-scale data centres across Australia	600	7,338
OCL	Objective Corporation	Provider of information technology software and services	432	5,129
OSH*	Oil Search	Oil and gas explorer, developer and producer with assets predominantly in PNG	1,800	6,659
QUB	Qube Holdings	Provider of import and export logistics services with national operations	2,426	7,133
REA	REA Group	Leading digital media business focusing on online property portals in Australia and overseas	41	6,110
REH	Reece	Distributor and retailer of plumbing, building and hardware supplies	701	10,371
RHC	Ramsay Health Care	Engages in provision of healthcare services and the operation of hospitals and day surgery facilities in Asia Pacific, the United Kingdom and France	117	7,275
RMD	ResMed	Developer, manufacturer and distributor of medical equipment for treating, diagnosing, and managing sleep-disordered breathing and other respiratory disorders	241	6,562
SEK	Seek	Operator of employment classifieds websites in Australia and offshore with interests in education and training	283	8,060
SYD*	Sydney Airport	Engages in the operation and ownership of the Sydney International Airport	1,467	9,400
TCL	Transurban Group	Developer and operator of electronic toll roads in Australia and overseas	995	13,585

Holdings of Securities

As at 31 December 2020 continued

Code	Company	Principal Activities	Number Held '000	Market Value \$'000
WES	Wesfarmers	Diversified conglomerate with retailing operations in department stores, home improvement and office supplies. The group also operates businesses involved in coal mining, energy, chemicals, fertilisers, industrial and safety products	355	17,892
WOW	Woolworths Group	Operates a diverse range of businesses including general merchandise consumer stores and supermarkets in Australia and New Zealand	380	14,918
XRO	Xero	Develops cloud-based accounting software for small and medium-sized businesses in New Zealand, Australia, the United Kingdom and the United States	60	8,839
Total				333,365

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

Major Transactions in the Investment Portfolio

Acquisitions	Cost \$'000
ResMed	5,878
ASX	5,794
Fineos Corporation	5,581
Woolworths Group	5,228
InvoCare	3,617

Disposals	Proceeds \$'000
Cleanaway Waste Management [#]	5,491
Objective Corporation	5,110
APA Group [#]	4,525

[#] Complete disposals from the portfolio.

New Companies Added to the Portfolio

ResMed
Fineos Corporation
InvoCare

Company Particulars

AMCIL Limited (AMCIL)

ABN 57 073 990 735

Directors

Rupert Myer AO, Chairman
Robert M Freeman, Managing Director
Ross E Barker
Roger G Brown
Michael J Hirst
Siobhan L McKenna
Jonathan J Webster AM

Company Secretaries

Matthew J Rowe
Andrew JB Porter

Auditor

PricewaterhouseCoopers
Chartered Accountants

Country of Incorporation

Australia

Registered Office and

Mailing Address

Level 21, 101 Collins Street
Melbourne, Victoria 3000

Contact Details

Telephone (03) 9650 9911
Facsimile (03) 9650 9100
Email invest@amcil.com.au
Website amcil.com.au

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

Telephone 1800 780 784 (toll free)

Shareholder Information

Share Registrar

Computershare Investor Services Pty Ltd
Yarra Falls
452 Johnston Street
Abbotsford, Victoria 3067

Shareholder

Enquiry Lines 1300 653 916
+61 3 9415 4224
(from overseas)

Facsimile +61 3 9473 2500

Website investorcentre.com/contact

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

Securities Exchange Code

AMH Ordinary shares

Shareholder Meeting

Note the shareholder meeting in Melbourne which is usually held in March has been replaced by a webinar/telephone briefing to be held on 23 March 2021 at 3.30pm.

Registration details for the webinar and dial-in phone number for teleconference participants have been provided in a separate invitation letter/email to shareholders.

