



7 October 2021

The Manager
ASX Market Announcements
Australian Securities Exchange
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Electronic Lodgement

**AMCIL Limited
2021 Annual General Meeting Presentation**

Dear Sir / Madam

The following presentation will be delivered to shareholders at the Company's Annual General Meeting to be held today.

Yours faithfully

A handwritten signature in grey ink, appearing to read 'Matthew Rowe'.

Matthew Rowe
Company Secretary

Authorised for release by the Company Secretary



Annual General Meeting 2021 - Presentation

Disclaimer

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Our Purpose and Approach

AMCIL – Our Purpose and Approach

Purpose

To deliver returns from Australian and New Zealand equities which exceed the market over the medium to long term through strong capital growth and the generation of fully franked dividends.

Approach



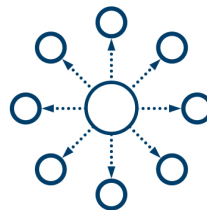
High Quality
Companies



Above
Market
Growth



Invest with
Conviction



Focused
Portfolio but
Diversified



Both Larger
& Smaller
Companies

AMCIL's Investment Approach

Focus on investing in quality companies that can grow over the long term.

High Quality companies:

- Have a leadership position in their industry (or developing one)
- Have a sustainable competitive advantage and/or unique assets
- Reinvest to defend and enhance their position
- Deliver returns (ROIC) above their cost of capital
- Have conservative balance sheets (low debt)
- Run by passionate management who are good stewards of capital, often owner/drivers who have a deep understanding of the industry and their business

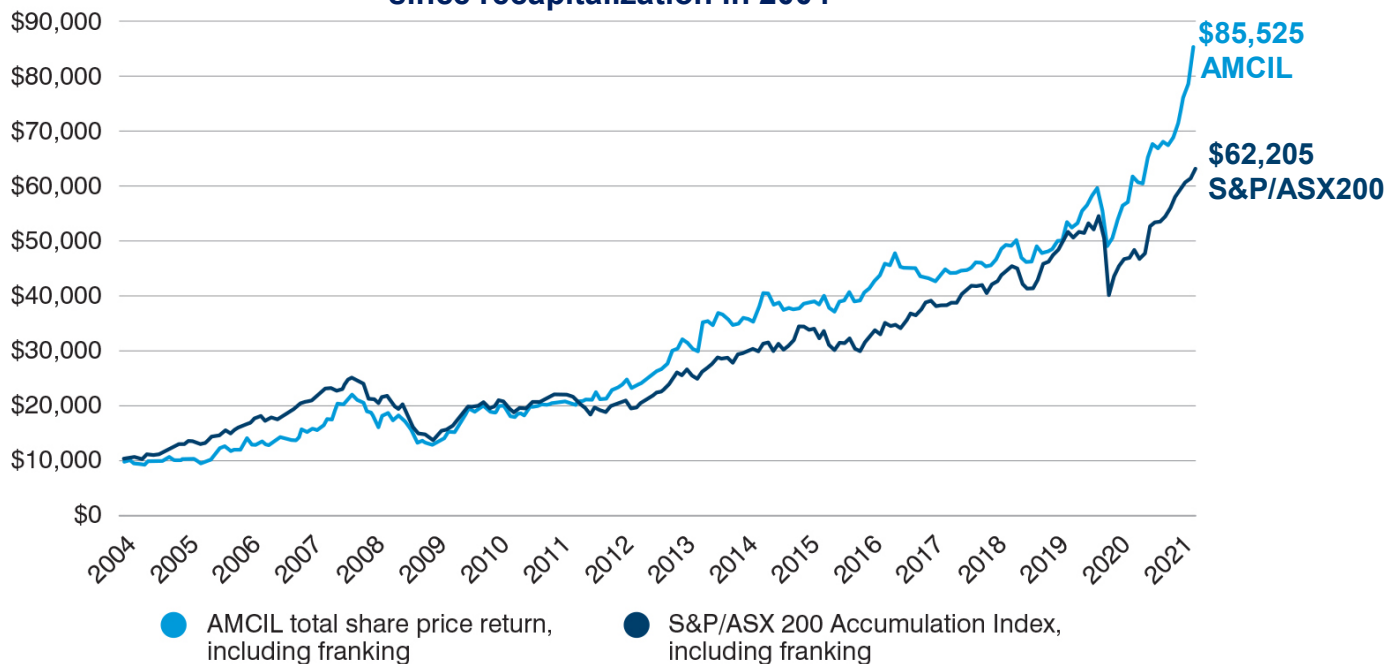
Growing over the long term:

- Large market opportunity
- Ability to take market share
- Preference for consistency of earnings growth

We seek to buy these companies when we identify long term value

AMCIL share price performance

A \$10,000 investment in AMCIL vs S&P/ASX 200 Index since recapitalization in 2004



AMCIL's share price growth plus dividend series is calculated after management fees, income tax and capital gains tax on realised sales of investments. It should also be noted that the index returns for the market do not include the impact of management expenses and tax on their performance. Figures assume an investor can take full advantage of franking credits distributed. Past performance is not indicative of future performance.

ESG is integrated into our investment framework



Approach to Environmental, Social and Governance (ESG) factors

- Assessment of ESG risk factors is an important part of our investment process as the sustainability of a business is a key input in our assessment of a company.
- As a long-term investor, we seek to invest in companies that have strong governance and risk management processes, which includes consideration of environmental and social risks.
- We regularly review companies to ensure ongoing alignment with our investment framework.



Engagement with companies

Voting on resolutions is one of the key functions that a shareholder has in ensuring better long-term returns and management of investment risk:

- We conduct our own evaluation of the merits of any shareholder resolution and also take input from proxy advisors.
- We vote on all company resolutions as part of our regular engagement with companies.
- We actively engage with companies when we have concerns those resolutions are not aligned with shareholders' interests.

Board Members

Significant experience as directors, executives and investors in ASX listed Companies.



Rupert Myer AO
Chairman and Independent
Non-Executive Director



Mark Freeman
Managing Director



Jodie Auster
Independent Non-Executive
Director



Roger G Brown
Independent Non-Executive
Director



Michael J Hirst
Independent Non-Executive
Director



Siobhan L McKenna
Independent Non-Executive
Director



Jon Webster AM
Independent Non-Executive
Director

Investment Team – over 100 years of ASX investing experience



Kieran Kennedy
Portfolio Manager



Olga Kościuczyk
Investment Analyst



Jaye Guy
Investment Analyst



David Grace
Portfolio Manager



Brett McNeill
Portfolio Manager



Nga Lucas
Investment Analyst



Stuart Low
Investment Analyst



Jeremy Moore
Dealer



Nicky Sun
Graduate Investment Analyst



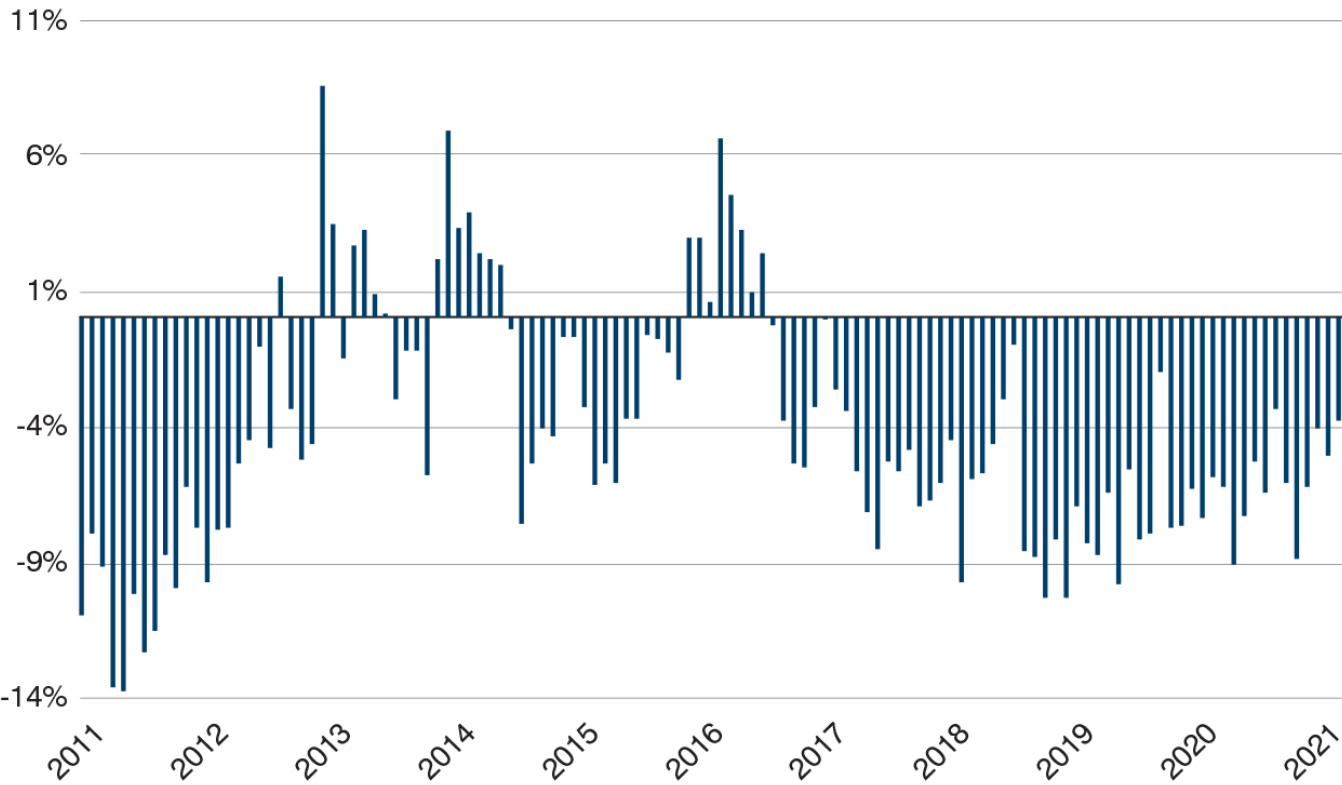
Financial Results

Financial Year in Summary

Profit for the Year	2021		Up 13.6% from 2020
	\$6.8m		
Total Fully Franked Dividend	2.5 [¢] Final	4.5 [¢] Total	2.5 cents total in 2020
	2.0 [¢] Special		
Total Portfolio Return	31.8% Including franking*		S&P/ASX 200 Accumulation Index including franking* 29.1%
Total Shareholder Return	2021		Share price plus dividend including franking*
	35.2%		
Management Expense Ratio	0.56%		0.66% in 2020
Total Portfolio	\$382.8m		Including cash at 30 June. \$278.8 million in 2020

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

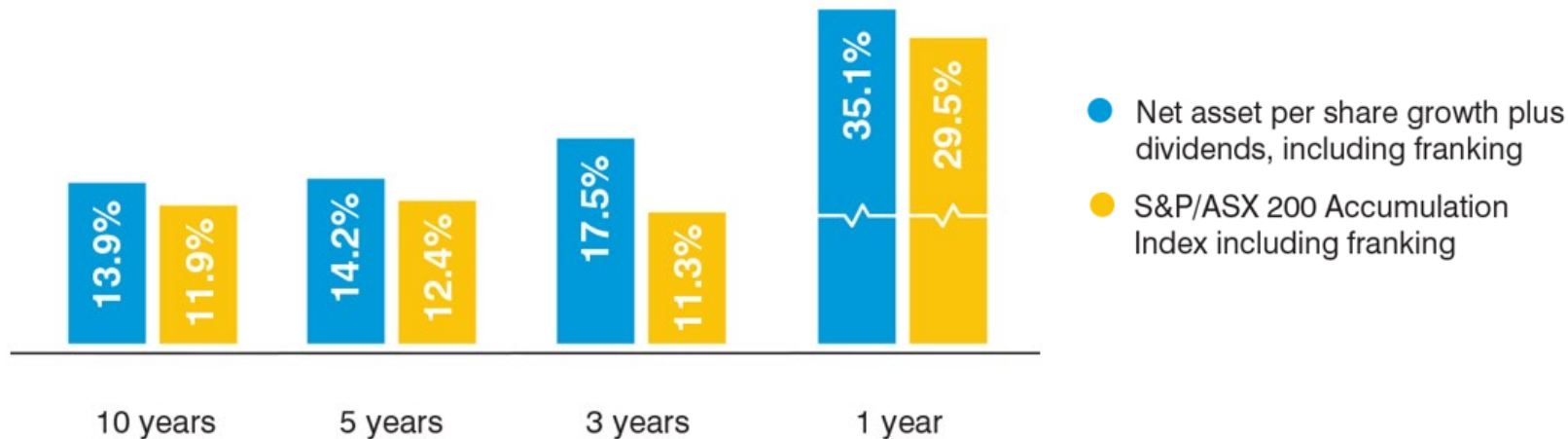
Share price premium/(discount) to NTA





Portfolio attributes and performance

Portfolio Performance to 31 August 2021*



* Assumes an investor can take full advantage of the franking credits. AMCIL's portfolio return is also calculated after management fees, income tax and capital gains tax on realised sales of investments. It should be noted that Index returns for the market do not include management expenses or tax.

Past performance is not indicative of future performance.

The key unique benefits of an investment in AMCIL

The key **unique benefits** of AMCIL are the combination of:



Consistency of long-term returns



Alignment of interests

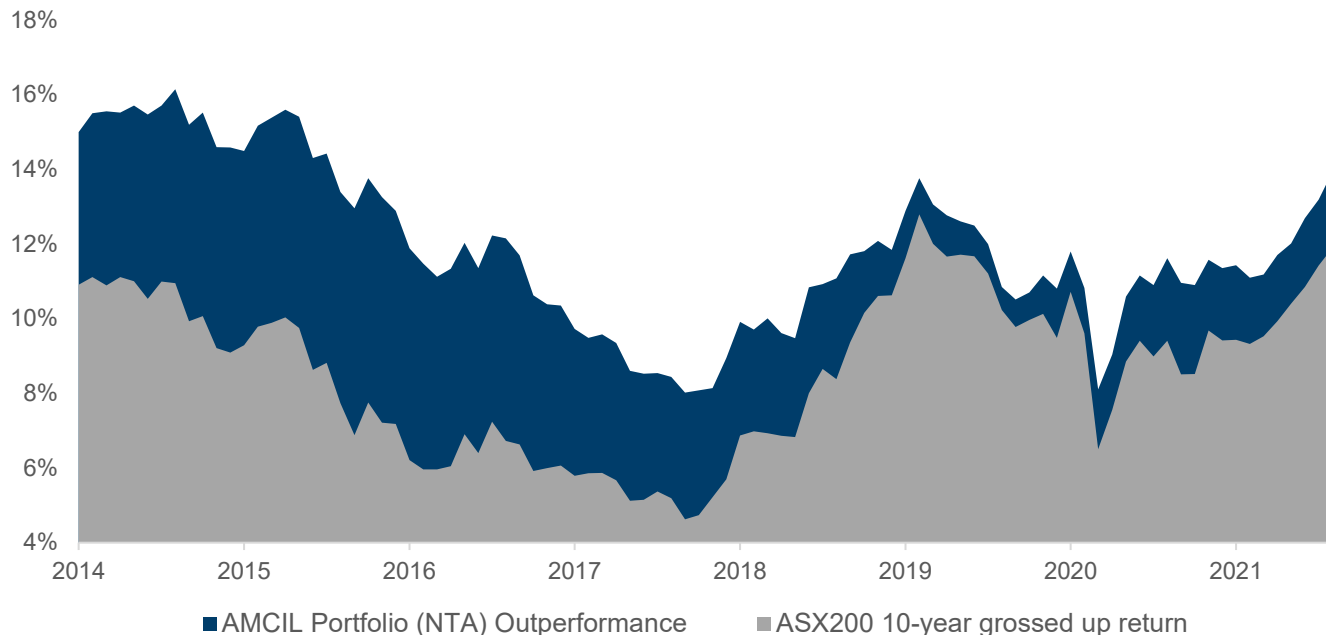
- ✓ Comparatively low management cost
- ✓ No performance fees



Tax effectiveness from a low turnover, long term investment approach

Consistency of portfolio returns

AMCIL 10 Year Performance History – Benchmark and Outperformance Contribution



**A \$10,000 investment
made 10 years ago
(August 2011)
would be worth:**

~ **\$31,000**
if invested in
the **ASX200**

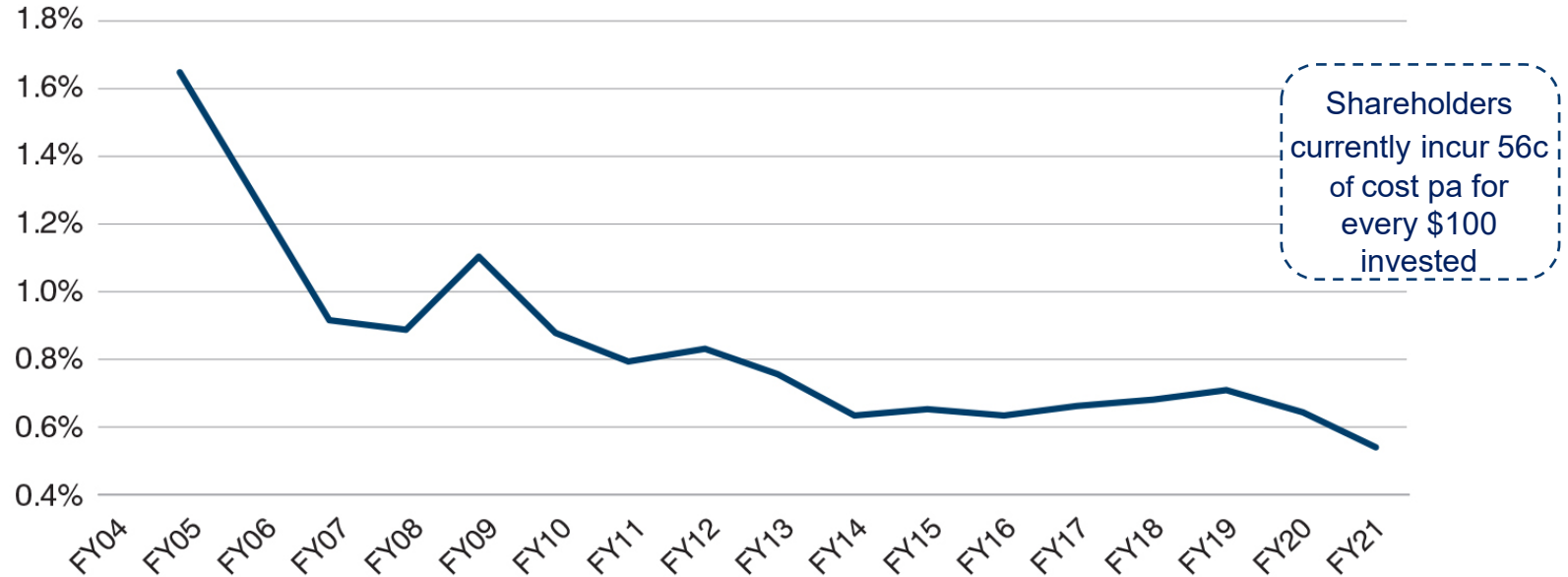
~ **\$37,000**
if invested in
AMCIL
portfolio (NTA)

AMCIL's share price growth plus dividend series is calculated after management fees, income tax and capital gains tax on realised sales of investments. It should also be noted that the index returns for the market do not include the impact of management expenses and tax on their performance. Figures assume an investor can take full advantage of franking credits distributed. Past performance is not indicative of future performance.

Management Expense Ratio (MER)

Shareholders fully enjoy the cost efficiencies arising from our long term investment gains.

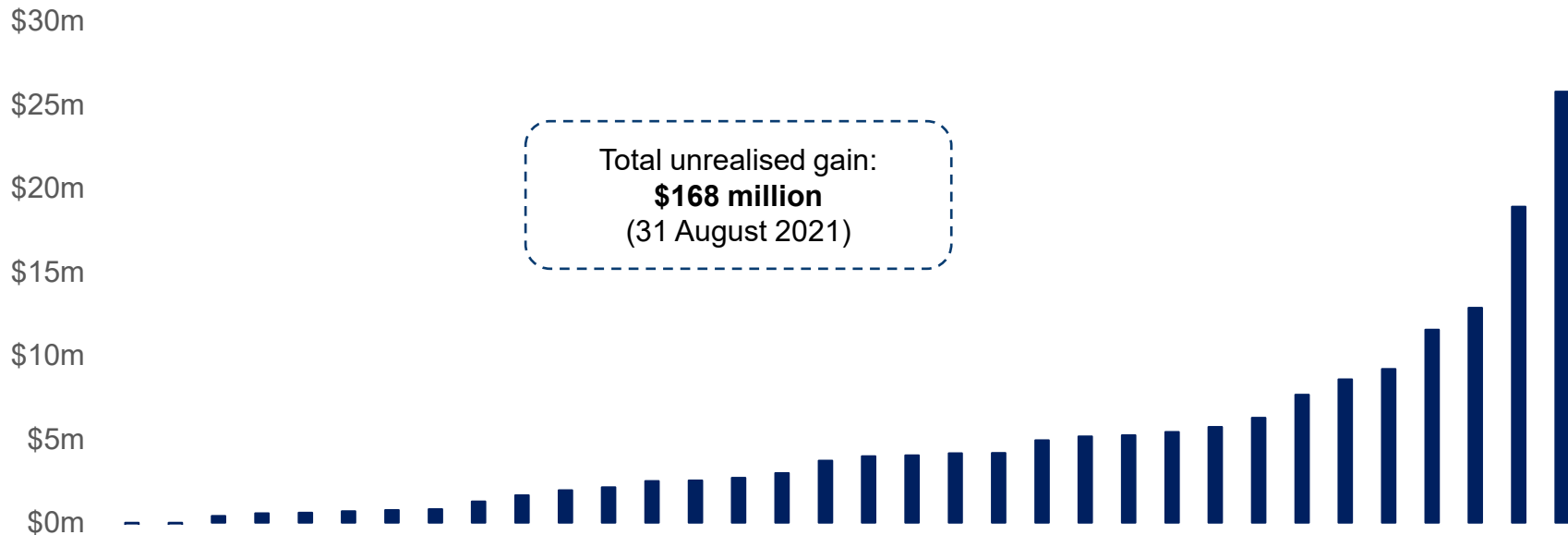
AMCIL's Management Expense Ratio (MER) history



Tax effectiveness

We manage the portfolio with a tax inclusive mindset - crystallising gains creates a tax drag.

AMCIL Investment Portfolio Unrealised Gains/Losses



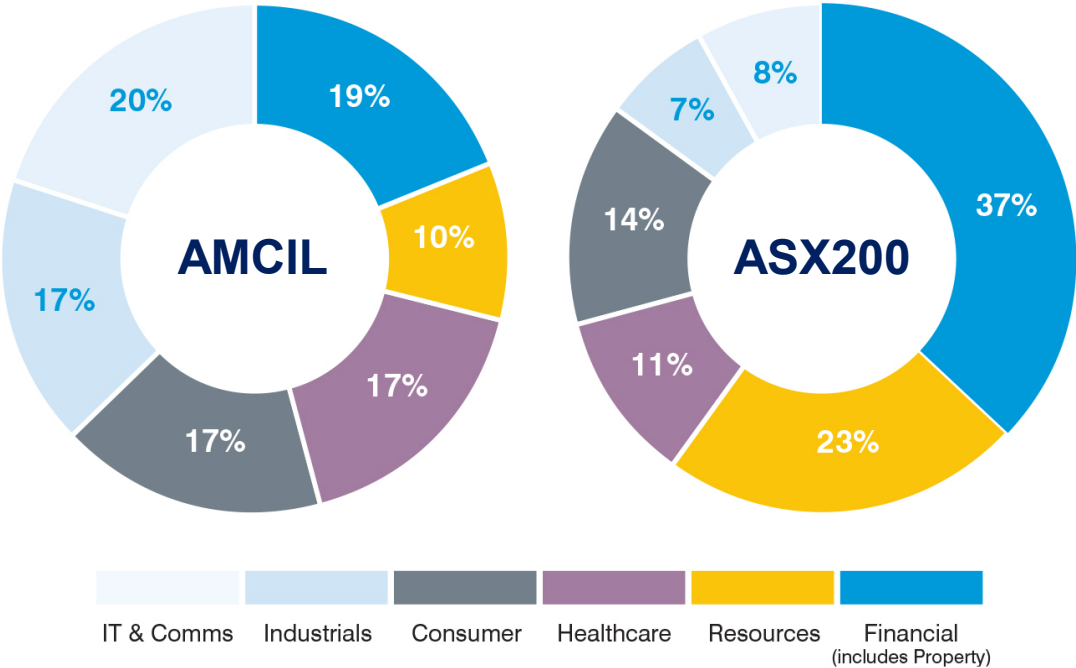


Current Portfolio Perspectives

- Sector diversification
- Company size diversification
- Performance from emerging companies
- Market leadership in the portfolio
- Contributors to strong recent performance
- Recent material transactions

Sector diversification

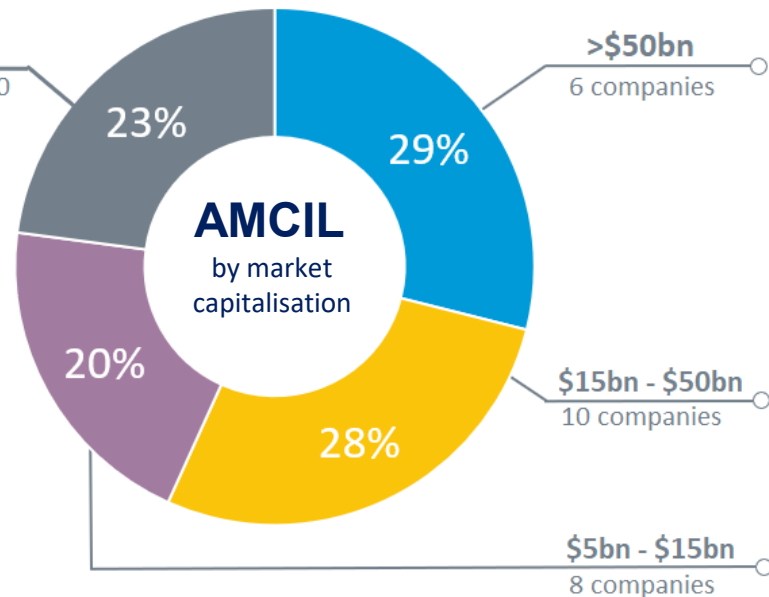
A spread of high quality businesses across different sectors helps us remain long term in our focus.



Size diversification, smaller companies

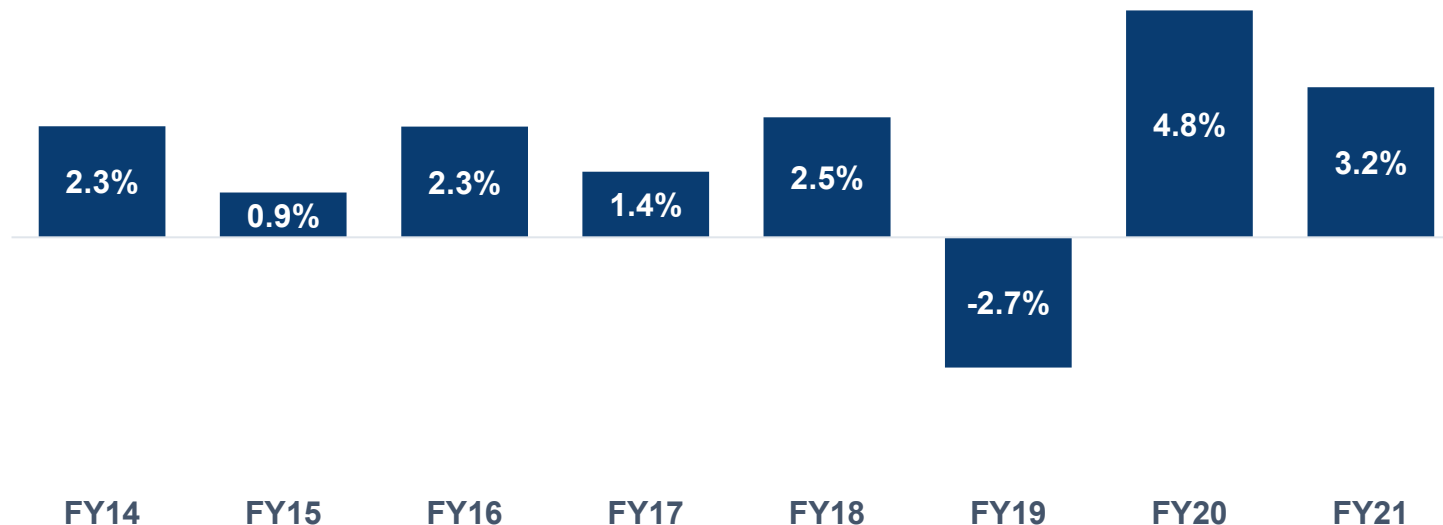
Companies with a market capitalisation of less than \$5 billion

A \$1,000 investment in AMCIL has \$230 in these high quality companies, while a \$1,000 investment in the ASX200 index has only \$4 exposure.



Contribution to AMCIL performance from Non-index holdings

AMCIL has delivered consistently positive excess returns from holdings that are not in the ASX200 benchmark. 15% of the AMCIL portfolio is currently invested in companies that are not in the index.



AMCIL invests in current and emerging market leaders

20%

Leading and emerging consumer brands



Breville



TEMPLE &
WEBSTER



14%

High quality infrastructure assets



4%

Leading online classifieds



AMCIL invests in current and emerging market leaders

16% Global healthcare businesses



11% Global owner driver businesses



4% Platforms with dominant share



9% Emerging software providers to key sectors

Financial

Insurance





Government

Healthcare



Beamtree

Major contributors to strong recent performance

	Cost	Value	Long term Perspective
	\$5.0m	\$30.8m	Recent results providing confidence that Mainfreight's culture led service differentiation is gaining traction in much larger US and European markets.
	\$4.6m	\$16.1m	Very large opportunity in global markets, especially in the US with large OEM (Ford USA) deals and ARB branded store rollout commencing.
 James Hardie	\$3.9m	\$13.1m	Early progress in moving to a market leading consumer brand (attracting higher margins) has been encouraging and will be supportive for growth.
	\$8.8m	\$14.0m	Long term growth underpinned by a high-quality industrial property portfolio and substantial development pipeline in a sector supported by e-commerce tailwinds.

Valuation at 31st August 2021

Recent material transactions

Exited

Trimmed

Investments





Portfolio outlook

Portfolio Outlook

Equity markets

Portfolio

Short term (1-2 years)

Valuations are elevated but are supported by:

- ample liquidity and
- a lack of attractive investments as an alternative to equities.

Strong recent performance of several holdings may dampen near term portfolio returns, our focus remains long term.

Longer term (3 years and beyond)

Elevated valuations are likely to lower future equity market returns vs recent experience.

We remain confident in the relative return potential of our portfolio of high-quality companies.

