

3 October 2023

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

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Electronic Lodgement

Mirrabooka Investments Limited 2023 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

Matthew Rowe Company Secretary

Authorised for release by the Company Secretary

Annual General Meeting

October 2023





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ABN: 31 085 290 928



Our Purpose and Approach



Our Investment Approach

What We Look For When Investing

Business Quality

Attractive, sustainable return

Attractive, sustainable return on capital prospects

No impediments to continued growth

Financial Strength

Balance sheet providing resilience and reinvestment potential

Returns supported by cash flow

Management

Act like a substantial shareholder, and often are

Experienced, effective, passionate

Approach to Managing the Portfolio

Buy with a medium to long term view

Pay fair value for quality, wary of overpaying

Holdings often grow with increased conviction or price dips

Sell when investment case adversely changes

Monitor holdings for excessive valuations to manage risk

Maintain a spread of holdings; enhancing consistency of returns

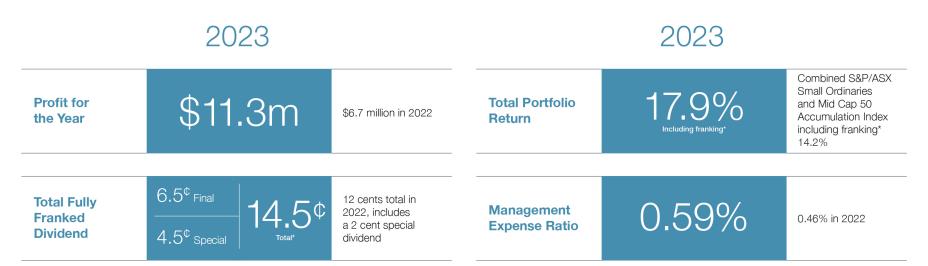




Financial Year in Summary



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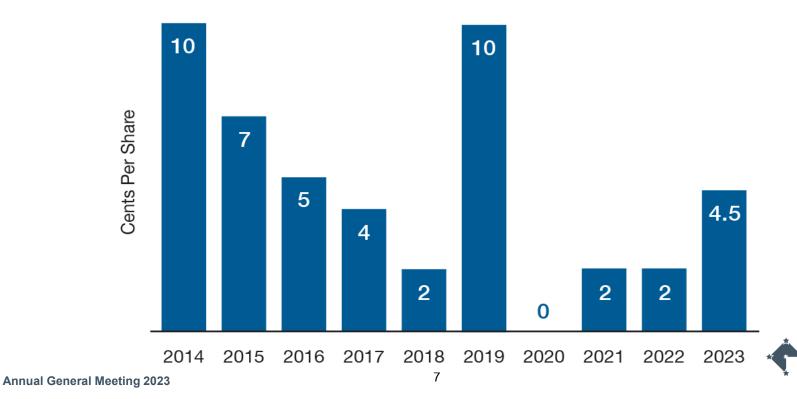
^{*} Assumes an investor can take full advantage of the franking credits.



[#] Includes 3.5 cent interim dividend.

Franked income plays an important role in our shareholder returns – over the past 10 years 46.5 cents of fully franked special dividends have been paid

These special dividends are in addition to the normal dividend of 10 cents per share fully franked paid in each of these years



Franked income plays an important role in our shareholder returns



Fully franked ordinary dividends

\$1.00

Fully franked special dividends

46.5c

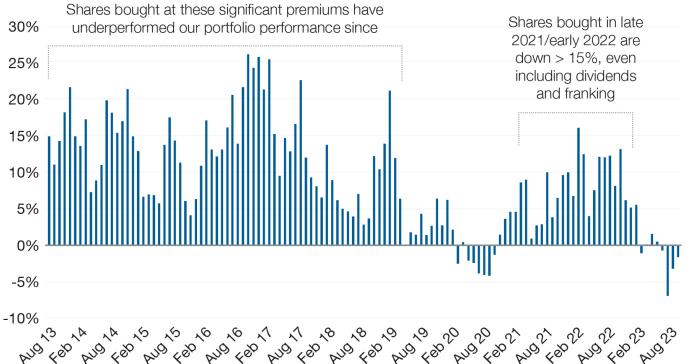
The franking credits on these dividends are worth **62.8c***

On a pre-tax basis, the Mirrabooka dividend stream has been worth \$2.09 per share over the past 10 years.



Share Price Premium/Discount to NTA

A significant share price premium following strong short term portfolio performance is a time to be wary.



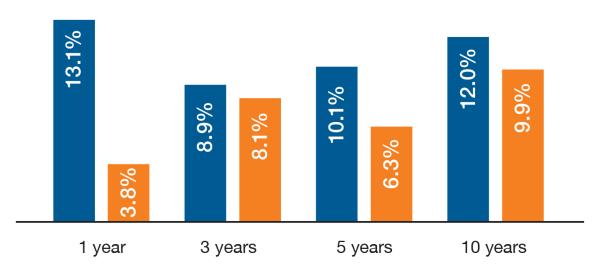




Portfolio Performance



Portfolio Performance – Per Annum Returns to 31 August 2023

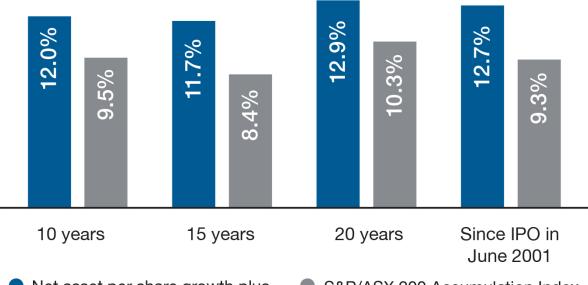


- Net asset per share growth plus dividends, including franking
- S&P/ASX Mid Cap 50 and Small Ordinaries Accumulation Indices, including franking

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



Portfolio Performance Relative to the ASX 200 Index – Per Annum Returns to 31 August 2023



Net asset per share growth plus dividends, including franking

Past performance is not indicative of future performance.



S&P/ASX 200 Accumulation Index, including franking

^{*} Assumes an investor can take full advantage of the franking credits. Mirrabooka'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.

Last year's reassurance around portfolio returns played out well





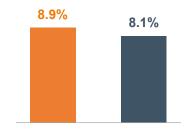


Recent portfolio performance*: it's been unusually volatile over the last 3 years

Mirrabooka Returns Relative to the Benchmark



3 years to August 2023 (per annum)



But overall returns for the 3 years have been consistent with history...



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

And this volatility has created opportunities

Value added from our portfolio transactions over the 3 years to August 2023

\$388 mil of purchases

\$10 mil share price appreciation

\$12 mil dividends received

\$329 mil of sales

\$17 mil share price depreciation

\$9 mil

dividends foregone

\$27 mil capital value benefit

income benefit

\$30 mil net upgrade in portfolio value (pre tax)

Biggest winners

Gentrack



ipd group





Biggest losers







Most valuable sales









The Mirrabooka Portfolio



Mirrabooka Top 20 Holdings – 31 August 2023

Company	% of Portfolio	Ownership Period	Company	у	% of Portfolio	Ownership Period
• macquarie	5.2%	6.5 yrs	11* netwea	lth	2.4%	6 yrs
carsales	4.1%	7yrs	12* reece	*	2.4%	17 yrs
MANTATION	4.1%	8 yrs	13* @ eq c	gers omotive	2.4%	10 yrs
ARB	4.1%	13 yrs	14 JUB GRO	OUP	2.4%	17 yrs
‰ idp	3.0%	2.5 yrs	15* TEMPLE WEBSTE	ි ER	2.3%	3.5 yrs
 JamesHardie	2.8%	5 yrs	16 Fisher&	Paykel ICARE	2.3%	9 yrs
Breville	2.7%	6 yrs	17 Alack	kland ort	2.2%	3.5 yrs
REA Group	2.7%	3.5 yrs	18 ipdgr	roup	2.1%	2 yrs
Equity Trustees	2.5%	18 yrs	19 Genti	rack	2.1%	1 yr
ALS ALS	2.5%	18 yrs	²⁰ HU i	B ²⁴	2.0%	8 yrs

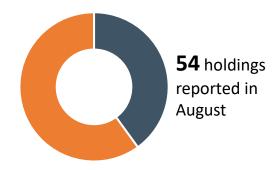
^{*} Indicates that options were outstanding against part of the holding.

Note: REA, IDP Education and James Hardie have been held in previous periods.

Annual General Meeting 2023



An interesting feature of the latest reporting season was the strength of dividends across our portfolio holdings





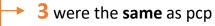
27 increased their dividend on the prior corresponding period (pcp)

- 14 increased by more than 20%
- 6 increased by 10-20%
- 7 increased by 0-10%









6 were **lower** than pcp

Largest falls













Outlook and recent portfolio activity



Reporting Season observations and outlook

Themes of the recent reporting season:

- Interest rates
 - Increases being felt in company debt costs
 - But not yet as significantly in consumer demand as has been feared
- Inflation becoming more mixed
 - Capex inflation widespread, particularly in the resources sector
 - Supply chain pressures easing freight rates, some inputs costs have normalized
 - Wage inflation remains elevated but labour availability improving
- Future drivers of revenue growth may be changing price rises still occurring but moderating, volume growth will increasingly be key
- There continues to be less quantitative profit guidance issued than was the case pre COVID.



Portfolio Outlook – How are we currently investing?

- Valuation of the highest quality, highest growth companies is looking stretched again.
- We have call options written against part of our holdings in a number of these companies:







We are seeking better relative medium term value opportunities (mindful not to trade off too much quality).

igo

We have recently found these in:







Region

Resilient income



Resources companies with strong growth prospects



Underappreciated asset value



Less discovered microcaps



