



30 January 2024

The Manager  
ASX Market Announcements  
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## **Electronic Lodgement**

### **AMCIL Limited Half Yearly Results Webcast Presentation**

Please find attached the presentation to be given at the Company's half yearly financial results update being held today **Tuesday 30 January 2024 at 3.30pm (AEST)**.

## **Webcast**

To join the webcast please use the following link: [Webcast Link](#) (This link will open directly in your internet browser).

The shareholder presentation material will be made available through our website [www.amcil.com.au](http://www.amcil.com.au).

Yours faithfully

Matthew Rowe  
Company Secretary

ASX Release authorised by the Company Secretary

# Half Year Results

January 2024



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## Results in Summary

# Interim Result Summary – Six months to 31 December 2023

2023

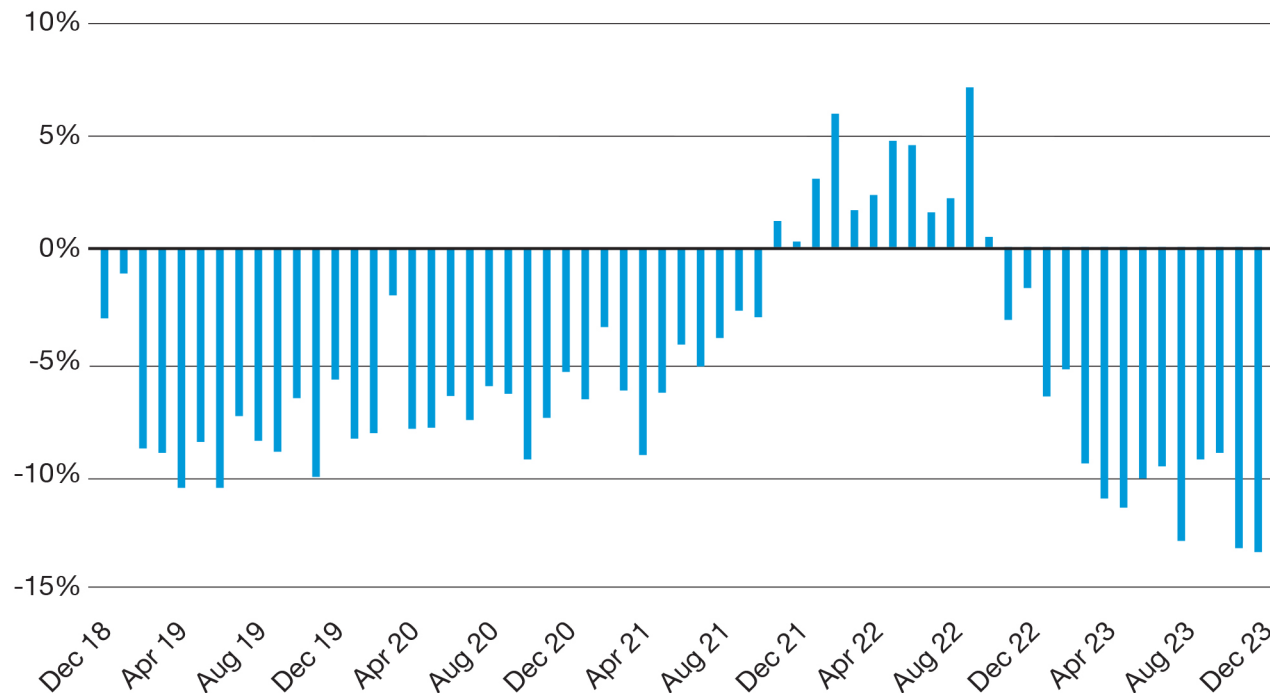
Profit for the Half-Year	\$4.1m	\$4.1 million in 2022
Fully Franked Interim Dividend	1.0¢	1.0 cent in 2022
Total Portfolio Return	11.7% <small>Including franking*</small>	S&P/ASX 200 Accumulation Index including franking* 8.3%

2023

Total Shareholder Return	8.5%	Share price plus dividend including franking*
Management Expense Ratio	0.46%	0.66% in 2022
Total Portfolio	\$369.9m	Including cash at 31 December. \$323.6 million in 2022

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

# Share Price Relative to Net Tangible Asset (NTA)



31 December 2023

NTA: **\$1.18**

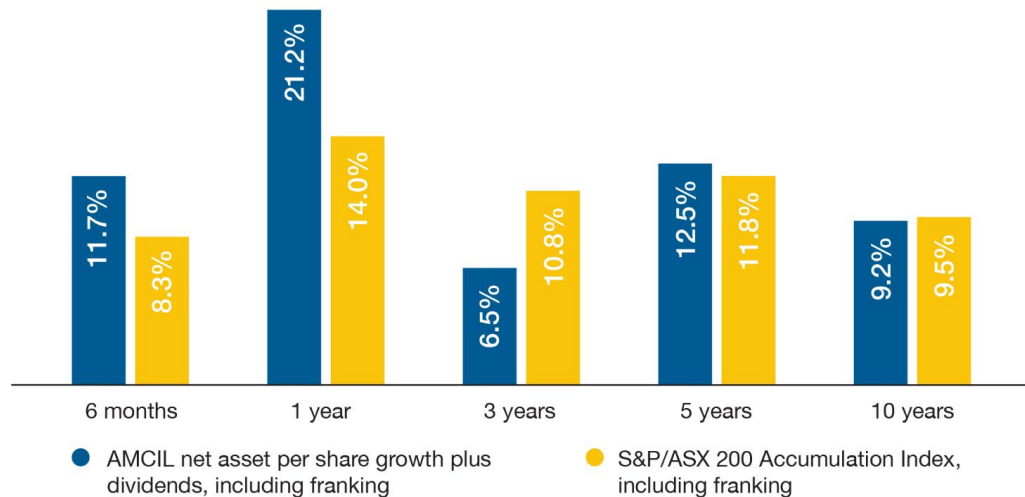
Share price: **\$1.03**



A panoramic view of a city skyline, likely Sydney, Australia. The image shows a mix of modern skyscrapers and older, more ornate buildings. In the foreground, there's a historic building with a clock tower and a large railway yard with many tracks. The sky is blue with some light clouds. A white rectangular box is overlaid on the left side of the image, containing the text "Portfolio Performance and Activity".

## Portfolio Performance and Activity

# Portfolio Performance – Returns to 31 December 2023



## AMCIL's Investment Objectives

- ✓ Attractive returns through strong capital growth in the portfolio over the medium to long term
- ✓ The generation of fully franked dividends.

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

AMCIL on occasions incurs realised capital gains tax on the sale of shares. Not all the of the franking generated from realised capital gains is paid out as dividends and is therefore not included in these performance figures.

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:

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Focused portfolio invested in quality companies where holding size is not determined by the index weighting

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Alignment of interests

- ✓ Comparatively low management cost
  - ✓ No performance fees
  - ✓ Equity ownership by directors and staff
- 



Tax effectiveness from a low turnover, long term investment approach

# A Closer Look at AMCIL's Investment Approach



## Attributes of a high-quality company that we seek:

- Unique assets that are hard to replicate or have an Industry leadership position (or developing one)
- Sustainability of competitive advantage
- Not unduly burdened by external risk factors
- Conservative balance sheets (low debt)
- Consistency of earnings
- Run by effective, passionate management with ownership alignment
- Positive business/operating trends

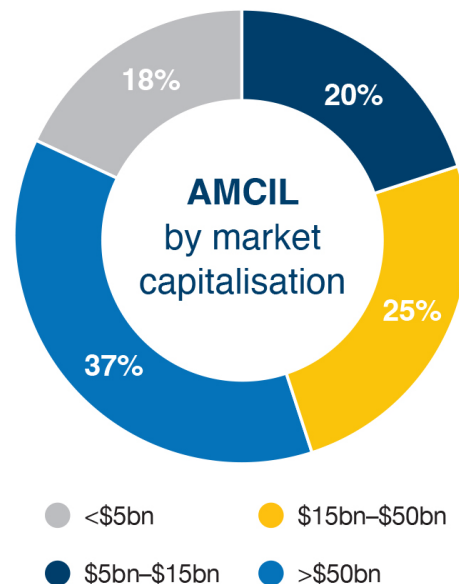
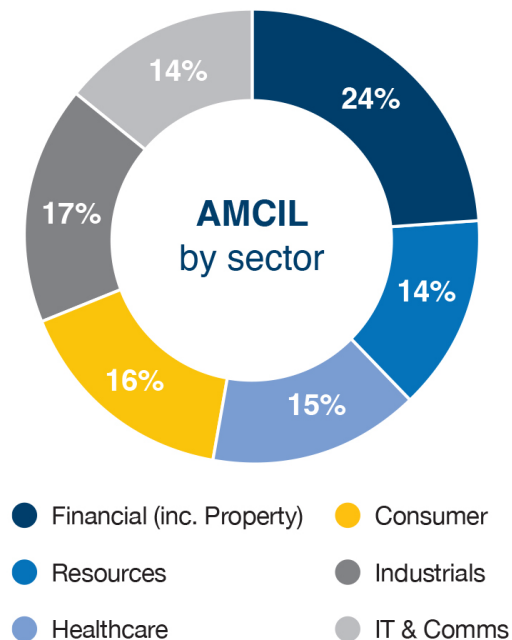
## Why this matters:

- The presence of these factors drives a competitive advantage
- Which leads to high return on capital
- And allows for reinvestment opportunities to drive growth
- Which allows for market share capture – and further enhancement of leadership position
- Which combines to deliver long term shareholder value creation

**We seek to buy these companies when we identify long term value  
And reduce or exit when they no longer meet these characteristics**

# AMCIL's Portfolio Diversification

A spread of high quality of **small and large businesses** operating across **different sectors** and **geographies** gives us long term confidence across a variety of possible equity market and economic conditions.



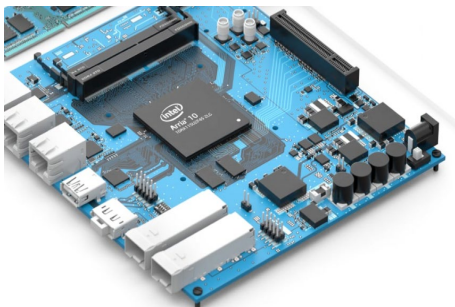
# Recent Portfolio Activity





# Our Investment Philosophy in Practice – New Holdings

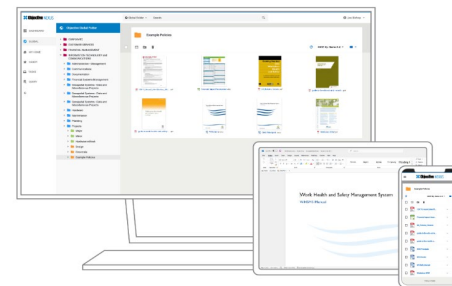
Initiated positions in companies with attractive characteristics:



- ✓ Provider of leading circuit board design software
- ✓ Aligned management
- ✓ Long growth runway
- ✓ High return on capital
- ✓ No debt, high Return on Equity
- ✓ Strong R&D/reinvestment



- ✓ Leading diversified mining company
- ✓ Quality assets
- ✓ Owner driver business
- ✓ Attractive production growth outlook
- ✓ Strong R&D/reinvestment



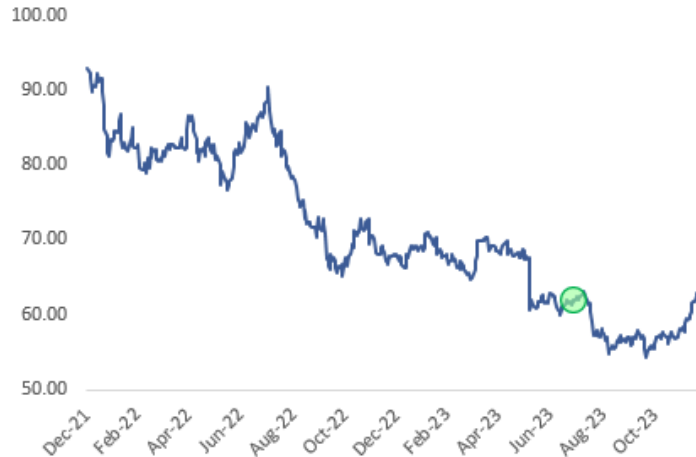
- ✓ Leading provider of software to government and regulated industries
- ✓ Owner driver business
- ✓ Long growth runway
- ✓ Recurring revenue profile
- ✓ No debt
- ✓ Strong R&D/reinvestment

# Our Investment Philosophy in Practice – Recent Transactions

Continue to seek value in quality, out of favour companies:



Green circles indicate purchases by AMCIL during the FY24 First Half Year.



# Our Investment Philosophy in Practice – Recent Transactions

Continue to seek value in quality, out of favour companies:



Green circles indicate purchases by AMCIL during the FY24 First Half Year.



# Our Investment Philosophy in Practice

Established or added to holdings in growing, developing companies with owner driver characteristics:

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**Objective**

**Gentrack**



Maintained conviction where fundamentals are sound:

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- Observed significant dislocation in quality healthcare names due to concerns surrounding the impact of weight-loss drugs.
- AMCIL has maintained substantial positions in **CSL** and **ResMed** through the volatility.

Trimmed holdings where valuation became less appealing:

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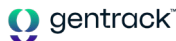




# Portfolio Well Positioned For The Future

AMCIL's portfolio is well placed to navigate a wide range of economic outcomes:

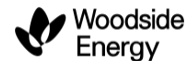
## Growth Companies



## Stalwart Companies



## Income Companies



## 'Asset Play' Companies



A close-up photograph of a person's hands typing on a laptop keyboard. The laptop is silver and open, resting on a wooden desk. The background is blurred, showing other people and office equipment, suggesting a busy workspace. A white rectangular box is overlaid on the left side of the image, containing the word "Outlook".

## Outlook

## Key questions on our minds:

- Inflation is declining, is this sustainable and what are the implications for interest rates?
- Stock valuations have rebounded as interest rate expectations have eased – is this sustainable?
- Is the environment becoming more challenging for companies to generate earnings growth?

**While AMCIL is not immune to external risks, our approach positions the portfolio to weather market volatility:**

Continued focus on **quality companies**

Seeking to add to these companies when we see value

Backing **aligned management teams**

**Share prices are driven by earnings growth in the long term**

**Strong balance sheets** creates resilience and protects against rising interest costs

