



# Diversified United Investment Limited

## APPENDIX 4D FOR THE HALF YEAR ENDED 31 DECEMBER 2023

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- Results for Announcement to the Market
- Media Release
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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 \$22.7 million, a fall of 11.9% from the prior corresponding period.
- Profit after tax was \$17.8 million, down 15.6% from the prior corresponding period.
- Profit after tax excludes net realised gains and losses which are transferred directly to the Realisation Reserve under the accounting standards.
- Profit after tax includes a net increase in the fair value of unlisted managed fund investments of \$214,000 after tax (previous corresponding period decrease of \$554,000 after tax) and special dividends received of \$196,000 after tax (previous corresponding period \$350,000 after tax). Excluding these items profit after tax fell 18.3%<sup>1</sup>.
- Earnings per share based on profit after tax fell 16.3% to 8.2 cents (previous corresponding period 9.8 cents). Excluding fair value movements on unlisted managed fund investments and special dividends received, earnings per share fell 19.2%<sup>1</sup> to 8.0 cents.
- The Pre-tax Net Tangible Asset ("Pre-tax NTA") backing of the Company's shares at 31 December 2023 was \$5.62 per share (30 June 2023 \$5.40). 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 7.0 cents per share fully franked (previous corresponding period 7.0 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.

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<sup>1</sup> Additional non-IFRS information.



15 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 5.8%. 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

Profit after tax for the half year ended 31 December 2023 was \$17.8 million (previous corresponding period: \$21.0 million). Profit after tax includes special income items which were a gain of \$410,000 (previous corresponding period: loss of \$203,000). Excluding these items revenue fell 11.8% and statutory profit after tax declined 18.3%<sup>1</sup>.

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

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.

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<sup>1</sup> Additional non-IFRS information.

## **Dividends and franking**

The Directors have declared an interim dividend of 7.0 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 7.0 cents per share fully franked at 30%.

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 1992.

## **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 have a resilient economy which is weathering a slowdown in China, inflation, higher interest rates, restrained consumption expenditure and increasing community demands on government expenditure.

With the share market near its all-time high, we are cautious in respect to the short-term outlook but remain confident that equities are a sound long-term investment.

# **DIVERSIFIED UNITED INVESTMENT LIMITED**

**ABN 33 006 713 177**

**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 Diversified United Investment Limited present their Directors' Report together with the financial report for the period ended 31 December 2023 and the auditor's review report thereon.

### Board and Management

#### Board of Directors

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

Name	Period of Directorship
Charles Goode AC (Chairman)	Appointed September 1991
Anthony Burgess	Appointed September 2008
Stephen Hiscock	Appointed November 2011
Andrew Larke	Appointed March 2015
Andrew Sisson AO	Appointed April 2022

### Operating and Financial Review

#### About the Company

The principal activity of the Company is to take a medium to long-term view and to invest in Australian equities, listed property trusts and international equities (through exchange traded index funds and unlisted managed funds). The target range for allocation to international equities is 10-20% of the portfolio. Investments may also be made from time to time in interest bearing securities and convertible notes.

The Directors have sought to invest in a diversified portfolio of equity and managed fund 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 financial period.

At 31 December 2023 Australian equities accounted for 80.4%, international equities 18.6% and cash and short-term receivables (net of pending settlements) 1.0% of the market value of the portfolio. The foreign exchange currency exposure is currently unhedged.

Portfolio turnover for the period to 31 December 2023 was 1.1%. The largest acquisitions and disposals during the period were:

Acquisitions		Disposals	
Resmed <sup>(1)</sup>	\$12.3M	Vanguard US Total Market <sup>(2)</sup>	\$5.1M
National Australia Bank <sup>(1)</sup>	\$4.1M	Vanguard Information Technology <sup>(2)</sup>	\$5.0M
		Westpac Banking Corporation <sup>(2)</sup>	\$4.1M

(1) Additions to existing positions.

(2) Partially disposed of holding.

# Directors' Report (continued)

## for the six months ended 31 December 2023

At 31 December 2023, the Company had total borrowing facilities available of \$160 million drawn to \$93.5 million (30 June 2023: \$180 million, drawn to \$90 million).

### 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 5.8%, compared to the S&P/ASX 200 Accumulation Index increase of 7.6%.

Including the benefit of franking credits, the Company's accumulation return for the period to 31 December 2023 was an increase of 6.6% 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 Rio Tinto, Reece and CAR Group and an underweight allocation to lithium miners. Performance was held back by overweight holdings in Transurban, CSL and Woodside, and the Company's allocation to international equities.

### Financial results

Profit after tax for the period was \$17.8 million (previous corresponding period \$21.0 million). Revenues received during the period were lower than the prior corresponding period primarily due to lower dividend payouts from BHP, Rio Tinto and Woodside, as a result of softer commodity prices and increased costs.

Profit after tax includes certain items which are non-recurring or capital in nature, including special dividends, capital gains distributed by managed funds and fair value movements on unlisted managed funds in which the Company invests (collectively referred to as "special income items"). Special income items received during the period was a gain of \$410,000 after tax (previous corresponding period loss of \$203,000).

Profit after tax for the period excluding special income items was \$17.4 million (previous corresponding period \$21.2 million).

The weighted average number of ordinary shares for the period was 217.4 million compared to 215.3 million in the previous corresponding period.

Earnings per share was 8.0 cents per share excluding special income items (previous corresponding period 9.9 cents) or was 8.2 cents including special income items (previous corresponding period 9.8 cents).

### Net Tangible Asset backing

The Pre-tax NTA backing of the Company's shares at 31 December 2023 was \$5.62 per share (30 June 2023 \$5.40). 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, and before estimated tax on net unrealised gains and losses, and before provision for the Company's final dividend.

The Company is a long-term investor and does not intend disposing of its total portfolio. If, however, estimated tax on net unrealised portfolio gains were to be deducted, the NTA backing would be \$4.66 per share (30 June 2023 \$4.50).



# 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	\$160 million	\$180 million
Amount drawn	\$93.5 million	\$90 million
Cash on hand, net receivables and pending settlements	\$13.1 million	\$10.8 million
Net debt as a proportion of the portfolio excluding cash	6.2%	6.3%
Interest expense coverage by profit before interest and tax	8.2 times	9.2 times

## Management expense ratio

At 31 December 2023, annualised operating expenses (excluding finance costs) were 0.13% of the average market value of the investment portfolio (previous corresponding period 0.12%).

Including the management fees of the international Exchange Traded Funds and managed funds in which the Company was invested during the period, the expense ratio was 0.17% (previous corresponding period 0.17%).

## 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
<b>Declared during the period</b>				
Final 2023 dividend	9.0	19,544	100%	19 September 2023
<b>Declared after end of period</b>				
Interim 2024 dividend	7.0	15,231	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 Australian equities and international equities (through exchange traded index funds and some unlisted managed funds) for long-term capital growth and current income.

# Directors' Report (continued)

for the six months ended 31 December 2023

## 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.

## 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

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  
15 February 2024



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

To the Directors of Diversified United Investment Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Diversified United Investment 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

A handwritten signature in blue ink that reads 'Luke Sullivan'.

Luke Sullivan  
*Partner*

Melbourne  
15 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		22,699	25,764
Fair value movements on unlisted managed funds		306	(791)
Administration and other expenses		(809)	(795)
Finance expenses		(2,704)	(2,718)
Profit before tax		19,492	21,460
Income tax expense	8	(1,723)	(414)
<b>Profit after tax</b>		<b>17,769</b>	<b>21,046</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss:			
Revaluation of the investment portfolio for the period		52,245	45,788
Provision for tax expense on revaluation of the investment portfolio for the period		(15,994)	(14,073)
<b>Other comprehensive profit after tax</b>		<b>36,251</b>	<b>31,715</b>
<b>Total comprehensive profit</b>		<b>54,020</b>	<b>52,761</b>
Basic and diluted earnings per share (cents)	4	8.2	9.8

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
<b>Assets</b>			
Cash and cash equivalents		9,664	4,119
Receivables		3,406	6,720
Other assets		96	99
<b>Current assets</b>		<b>13,166</b>	<b>10,938</b>
Investment portfolio	7	1,306,797	1,252,086
<b>Non-current assets</b>		<b>1,306,797</b>	<b>1,252,086</b>
<b>Total assets</b>		<b>1,319,963</b>	<b>1,263,024</b>
<b>Liabilities</b>			
Payables		867	695
Current tax payable		1,650	29
Borrowings – interest bearing	10	16,000	-
<b>Current liabilities</b>		<b>18,517</b>	<b>724</b>
Borrowings – interest bearing	10	77,500	90,000
Net deferred tax liability	9	210,603	195,512
<b>Non-current liabilities</b>		<b>288,103</b>	<b>285,512</b>
<b>Total liabilities</b>		<b>306,620</b>	<b>286,236</b>
<b>Net assets</b>		<b>1,013,343</b>	<b>976,788</b>
<b>Equity</b>			
Issued capital	6	464,576	462,497
Reserves		548,767	514,291
<b>Total equity</b>		<b>1,013,343</b>	<b>976,788</b>

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

as at 31 December 2023

	Issued capital \$'000	Revaluation Reserve \$'000	Realisation Reserve \$'000	Retained earnings \$'000	Total equity \$'000
As at 1 July 2022	446,415	373,278	(13,540)	85,368	891,521
Total comprehensive income					
Profit after tax	-	-	-	21,046	21,046
Revaluation of investment portfolio	-	45,788	-	-	45,788
Tax expense	-	(14,073)	-	-	(14,073)
Net realised losses on disposals	-	3,745	(3,745)	-	-
Tax benefit	-	(1,118)	1,118	-	-
Transfer fair value movements on unlisted managed funds to					
Revaluation Reserve	-	(791)	-	791	-
Tax benefit	-	237	-	(237)	-
	-	33,788	(2,627)	21,600	52,761
Transactions with shareholders					
Dividend Reinvestment Plan	2,406	-	-	-	2,406
Share Purchase Plan	11,772	-	-	-	11,772
Dividends paid	-	-	-	(19,236)	(19,236)
	14,178	-	-	(19,236)	(5,058)
<b>As at 31 December 2022</b>	<b>460,593</b>	<b>407,066</b>	<b>(16,167)</b>	<b>87,732</b>	<b>939,224</b>
As at 1 July 2023	462,497	440,113	(18,269)	92,447	976,788
Total comprehensive income					
Profit after tax	-	-	-	17,769	17,769
Revaluation of investment portfolio	-	52,245	-	-	52,245
Tax expense	-	(15,994)	-	-	(15,994)
Net realised gains on disposals	-	(4,618)	4,618	-	-
Tax expense	-	1,385	(1,385)	-	-
Transfer fair value movements on unlisted managed funds to					
Revaluation Reserve	-	306	-	(306)	-
Tax expense	-	(92)	-	92	-
	-	33,232	3,233	17,555	54,020
Transactions with shareholders					
Dividend Reinvestment Plan	2,079	-	-	-	2,079
Dividends paid	-	-	-	(19,544)	(19,544)
	2,079	-	-	(19,544)	(17,465)
<b>As at 31 December 2023</b>	<b>464,576</b>	<b>473,345</b>	<b>(15,036)</b>	<b>90,458</b>	<b>1,013,343</b>

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.

# Statement of Cash Flows

as at 31 December 2023

	Note	December 2023 \$'000	December 2022 \$'000
<b>Cash flows from operating activities</b>			
Interest received		121	122
Dividends and trust distributions received		23,756	26,058
Foreign income received		1,646	2,262
Other income		7	9
Administration and other expenses paid		(711)	(612)
Finance costs paid		(2,639)	(2,534)
Income taxes paid		(368)	(830)
<b>Net cash from operating activities</b>		<b>21,812</b>	<b>24,475</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of investments		14,175	26,367
Purchases of investments		(16,477)	(26,985)
<b>Net cash used in investing activities</b>		<b>(2,302)</b>	<b>(618)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		39,000	-
Repayment of borrowings		(35,500)	(21,230)
Share Purchase Plan		-	11,772
Dividends paid net of Dividend Reinvestment Plan		(17,465)	(16,830)
<b>Net cash used in financing activities</b>		<b>(13,965)</b>	<b>(26,288)</b>
Net increase / (decrease) in cash held		5,545	(2,431)
Cash and cash equivalents at 1 July		4,119	5,338
<b>Cash and cash equivalents at 31 December</b>		<b>9,664</b>	<b>2,907</b>

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

Diversified United Investment Limited (the 'Company') is a for-profit Company domiciled in Australia.

The Annual Financial Report of the Company as at and for the year ended 30 June 2023 is available on the Company's website at [www.dui.com.au](http://www.dui.com.au).

### 2. Statement of Compliance

The Interim Financial Report is a general purpose financial report which has been prepared in accordance with 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 15 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 Interim 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 to current liabilities for the period ended 31 December 2023 of \$5.4 million arises due to \$16 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 liquidity 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.

### 4. Earnings per share

	December 2023 Cents	December 2022 Cents
Basic and diluted earnings per share	8.2	9.8
Earnings per share excluding special income items	8.0	9.9

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



# Notes to the Financial Statements

## for the six months ended 31 December 2023

### 4. Earnings per share (continued)

Special income items include:

- Net fair value movements on unlisted managed funds, which were a gain of \$214,000 after tax (previous corresponding period loss of \$553,000 after tax), and
- Special dividends received, which were \$196,000 after tax (previous corresponding period \$350,000 after tax).

The basic earnings per share for the period is calculated on a weighted average adjusted number of ordinary shares of 217,404,138 (previous corresponding period 215,327,083) 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 9.0 cents per share (2022: 9.0 cents) fully franked paid on 19 September 2023	19,544	19,236

Since 31 December 2023, the Directors have declared the following dividend:

2024 interim dividend of 7.0 cents per share (2023: 7.0 cents) fully franked payable on 15 March 2024	15,231	15,174
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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 217,592,818 ordinary fully paid shares (30 June 2023: 217,158,853)	464,576	462,497
<b>Movements in issued capital</b>		
Balance at beginning of the period	462,497	446,415
Shares issued:		
Dividend Reinvestment Plan <sup>(1)</sup>	2,079	4,310
Share Purchase Plan	-	11,772
	<b>464,576</b>	<b>462,497</b>

(1) In respect of the final dividend paid in September 2023, 433,965 ordinary shares were issued at \$4.80 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 \$1,283,982,000 (30 June 2023 \$1,229,577,000) and the Company's Level 2 investments totalled \$22,815,000 (30 June 2023 \$22,509,000).

### Fixed interest borrowings

At 31 December 2023, the Company did not have any fixed interest borrowings (30 June 2023 nil).

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

## 8. Taxation

	December 2023 \$'000	December 2022 \$'000
<b>Income tax and other adjustments</b>		
Current income tax expense	(1,727)	(772)
Prior year over provision of income tax	4	169
Other	-	189
<b>Income Tax expense</b>	<b>(1,723)</b>	<b>(414)</b>

# 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
Provision for tax on net unrealised gains on investments	210,346	195,401
Tax benefit of capital losses carried forward	-	(331)
Other	257	442
<b>Net deferred tax liabilities</b>	<b>210,603</b>	<b>195,512</b>

## 10. Borrowings

	December 2023 \$'000	June 2023 \$'000
<b>Current</b>		
Loan facilities drawn - Secured	16,000	-
<b>Non-current</b>		
Loan facilities drawn - Secured	77,500	90,000
	<b>93,500</b>	<b>90,000</b>

The total face value of the drawn facilities as at period end was \$93.5 million (30 June 2023 \$90 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 \$350.1 million (30 June 2023 \$363.3 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 Diversified United Investment Limited ("the Company"):

- (a) The Financial Statements and Notes set out on pages 6 to 13, are in accordance with the Corporations Act 2001, including:
  - (i) 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
  - (ii) complying with Australian Accounting Standard 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) 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  
15 February 2024



# Independent Auditor's Review Report

To the shareholders of Diversified United Investment Limited

## Conclusion

We have reviewed the accompanying **Interim Financial Report** of Diversified United Investment 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 Diversified United Investment 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  
15 February 2024