



22 February 2024

The Manager
ASX Market Announcements
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Electronic Lodgement

AMCIL Limited
Half Year Review to 31 December 2023

Dear Sir / Madam

Please find attached the Half Year Review to 31 December 2023 that is being sent to shareholders.

Yours faithfully

A handwritten signature in grey ink, appearing to read 'M Rowe', written over a light grey horizontal line.

Matthew Rowe
Company Secretary

Release authorised by Matthew Rowe, Company Secretary

A Focused Portfolio
of Australian and
New Zealand Companies



Half-Year Review
to 31 December
2023



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.

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Half-Year in Summary

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 Six-Month Portfolio Return	11.7% Including franking*	S&P/ASX 200 Index including franking* 8.3%
Total Six-Month Shareholder Return	8.5%	Share price plus dividend, including franking*
Management Expense Ratio (Annualised)	0.46%	0.64% in 2022
Total Portfolio (Including Cash) at 31 December 2023	\$369.9m	\$323.6 million in 2022

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

About the Company

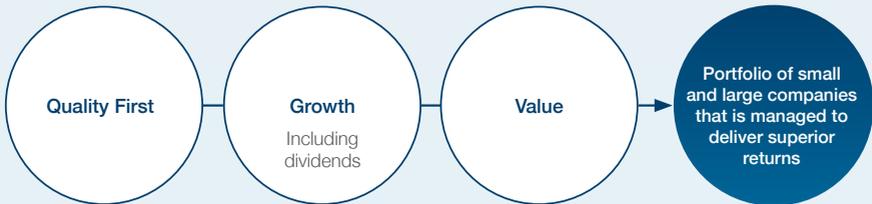
AMCIL manages a focused portfolio covering large and small companies in the Australian equity market. As a result, small companies by market size can have an equally important impact on portfolio returns as larger companies in the Australian market.

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

Investment Philosophy

Our investment philosophy is built on taking a medium to long term view on companies in a diversified portfolio with an emphasis on identifying and investing in quality companies that are likely to sustainably grow their earnings and dividends over this timeframe.

Quality in this context is an outcome of our assessment of the following factors:

1. We prefer companies that have a leadership position or are developing one within the industry in which they operate. This will often mean we are investing in a unique set of assets with competitive advantages that produces attractive returns on invested capital.
2. As a long term, tax aware investor we seek to be in companies that have a long term sustainable business model, with low risk of disruption. This helps to ensure portfolio turnover remains low. The analysis may consider technological disruption, environmental issues, including the impact of climate change, and social risks as all of these factors can have a material impact on the assessment of a company's long term sustainability.
3. We consider how a company's business can be potentially impacted by influences outside the control of management such as change in government regulation and/or policy.
4. We are attracted to companies with outstanding management teams and boards with strong governance processes, whose interests are

closely aligned with shareholders, and act in the best interest of all their stakeholders, including their employees, customers, suppliers and wider communities. We consider matters including safety, diversity, social impacts, environmental impact, and modern slavery where material or appropriate in the context of that company. We regularly review and meet with companies to ensure ongoing alignment with our investment frameworks. Our process may include an assessment of the board in terms of their past performance, history of capital allocation, level of accountability, mix of skills, relevant experience and succession planning. We also consider a company's degree of transparency and disclosure.

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 take input from proxy advisers but conduct our own evaluation of the merits of any resolution. We vote on all company resolutions as part of our regular engagement with the companies in the portfolio and our voting record is on the company's website. We actively engage with companies when we are concerned about resolutions that are not aligned with shareholders' interests. We seek to stay engaged with the companies and satisfy ourselves that any issues are taken seriously and worked through constructively. Ideally we seek to remain invested to influence a satisfactory outcome for stakeholders.

About the Company

continued

5. We prefer companies with more stable income flows. We are wary of companies that have large, inconsistent profit streams.
6. We like our companies to be financially strong and the assessment of the balance sheet and the degree to which the company is self-funding is critical in our analysis. Cash generation is also an important consideration.

Analysis of the above factors helps to inform us of the structure of the industry and a company's sustainable competitive position as well as the quality of the people running the business, strength of the balance sheet and consistency of earnings. Within this analysis some key financial metrics are considered. These include return on capital employed, return on equity, the level of gearing in the balance sheet, margins and free cash flow generation.

Alongside the assessment of quality is an analysis of the ability of companies to grow earnings over time, which ultimately should drive dividend growth.

Recognising value is also an important aspect of sound long term investing. Short term measures such as the price earnings ratio, price to book or price to sales may be of some value but aren't necessarily strong predictors of future performance. Our assessment of value tries to capture the opportunity a business has to prosper and thrive over the medium to long term.

Reporting of social and environmental issues will be influenced by the development of standards by the International Sustainability Standards Board (ISSB). Their potential introduction in Australia should enable AMCIL over time to better make informed decisions on these issues based on company disclosures arising from these standards. Assessment of commitments and plans by companies to reach net zero by 2050 may also be considered having regard to several factors. These include the industry in which they operate, progress against their plans, their broader contribution to social good in addressing the challenge of reducing global carbon emissions, and the impact on their value if they fail to achieve their stated goals. In applying external data for benchmarking*, our most recent assessment of the carbon intensity of AMCIL's portfolio showed that it is considerably less than the S&P/ASX 200 Index.

In building the investment portfolio with the principles outlined, we believe we can offer investors a portfolio of quality companies structured to deliver total returns ahead of the Australian equity market over the long term.

* Data provided by ISS ESG. Portfolio at 30 June 2023.



— Review of Operations and Activities —

Profit and Interim Dividend

Profit for the half-year was \$4.1 million, down 0.6 per cent from the previous corresponding period.

Revenue from operating activities was \$4.9 million, down 4.9 per cent from \$5.2 million in the previous corresponding period. The fall was primarily as a result of the decline (as expected) in dividends received from BHP.

The Board declared an interim dividend of 1 cent per share fully franked, the same as last year's interim dividend.

The management expense ratio for AMCIL is 0.46 per cent (annualised), with no additional fees. The figure for the corresponding period last year was 0.64 per cent. The decrease was driven by reduced costs (following the refund of a charge from the services company, AICS) and the increase in the value of the portfolio in comparison to the corresponding period last year.

Market and Portfolio Performance

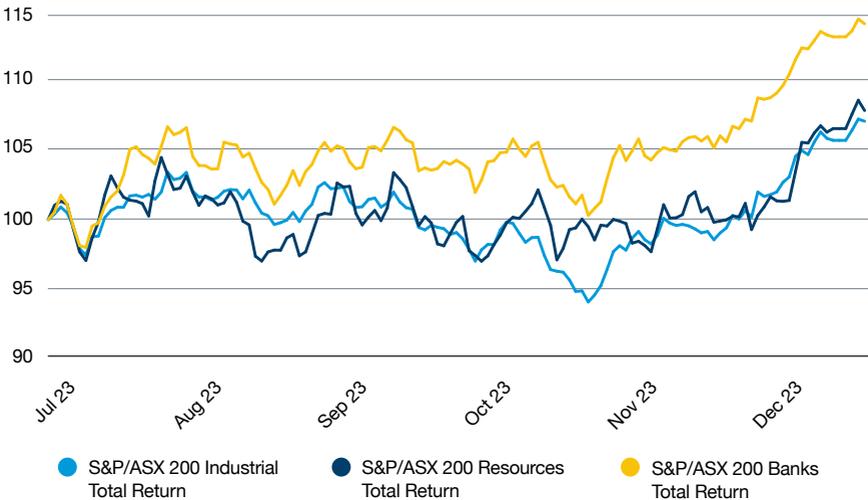
The Australian share market performance over the six months continued to be heavily influenced by the course of inflation and the consequent market expectations about the direction of interest rates moving into the 2024 calendar year.

The S&P/ASX 200 Accumulation Index delivered a return of 8.3 per cent over the six months to 31 December 2023 including the benefit of franking. In some ways this was a surprising outcome given the large negative falls experienced by the market in the early stages of the six-month period. Best-performing sectors were those highly sensitive to interest rates being banks, real estate and consumer discretionary.

AMCIL's portfolio was up 11.7 per cent over this period including the benefit of franking.

Several quality companies that are large positions in the portfolio experienced a significant increase in share prices over the period. This was in response to the underlying quality of their results announced through the period, which were subsequently reinforced by better-than-expected updates at their AGMs. In addition, valuations across the market rose in response to the perception that global interest rates have peaked because of diminishing inflation growth. Holdings that benefited from these dynamics include James Hardie Industries, CAR Group, ARB Corporation, Goodman Group and REA Group.

Figure 1: Key Sector Market Returns, Six Months to 31 December 2023



Source: FactSet



Review of Operations and Activities

continued

This dynamic extended to the 12-month portfolio performance, which was up 21.2 per cent including franking in comparison to the S&P/ASX 200 Accumulation Index, which was up 14.0 per cent including franking over this period.

The long term performance of the portfolio, which is better aligned with the Company's investment timeframes, was 9.2 per cent per annum for the 10 years to 31 December 2023. This compares with the Index return over the same period of 9.5 per cent per annum. Both of these figures include the benefit of franking. AMCIL's performance numbers are after costs.

Adjustments to the Portfolio

Our approach in AMCIL is to buy a focused portfolio of companies that pass our quality criteria at times when value is on offer. These opportunities can arise under various circumstances, for example when there is short term bad news in the companies themselves or more generally across the market, when the growth potential of a company is not fully reflected in its valuation despite having strong share price momentum, or when companies raise capital for attractive reinvestment opportunities.

In looking to construct the portfolio, AMCIL has always had a strong position in larger stable companies that while not having the highest expected growth rates still provide attractive returns when purchased at the right price.

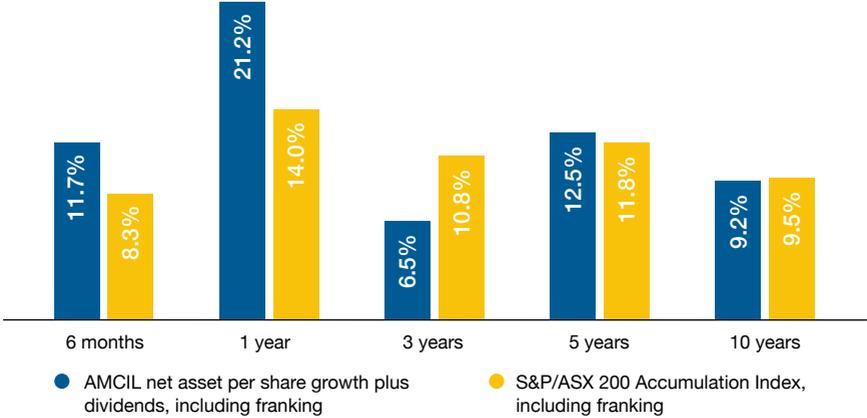
The sell-off in health care stocks following the emergence of diabetic drug GLP-1 for use as a successful weight loss treatment gave us the opportunity to add to the holding in ResMed. This is a good example of this approach, where we felt valuation dislocated from fundamental fair value.

We also took advantage of share price weakness in National Australia Bank to add to this position at a price that offers a very attractive fully franked divided yield.

New companies added during the six months to 31 December 2023 were Altium, Mineral Resources and Objective Corporation. These are examples of 'owner driver' companies, where the CEO has significant share ownership and a strong entrepreneurial approach to achieving profitable growth. IPD Group was the other new stock added to the portfolio and this was done through participation in its share placement.

The most material sales in the half-year were in Medibank Private, as the share price ran up to a point where it was appropriate to recycle capital from this position to pursue attractive buying opportunities elsewhere in the market; and FINEOS Corporation, as the investment thesis has not matched our original expectations. There was also a trimming of positions in James Hardie Industries and Woolworths Group, as portfolio positions became larger than wanted from a risk management perspective as share prices increased. They remain in our top 20 holdings given the quality of their respective franchises and industry positions.

Figure 2: Portfolio Performance to 31 December 2023, 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.



Review of Operations and Activities

continued

Share Price Performance

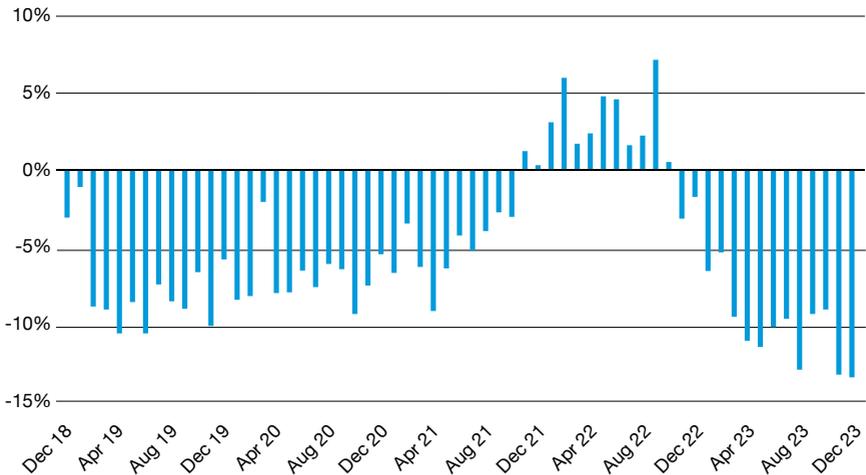
Figure 3 highlights where AMCIL's share price was trading relative to the net asset backing at 31 December 2023. Over the six-month period the share price has moved from a discount of 9.9 per cent at 30 June 2023 to a discount of 13.1 per cent to net asset backing by 31 December 2023. This movement has meant the share price return of 8.5 per cent including franking was behind the portfolio return of 11.7 per cent including franking for this six-month period.

Outlook

Despite the many geopolitical uncertainties at present, the main theme driving markets as we enter the second half of the financial year appears to be the ongoing outlook for inflation and interest rates globally.

With expectations of interest rates easing over the course of the next 12 months in response to falling rates of inflation, market valuations have already rebounded strongly.

Figure 3: Share Price Relative to Net Asset Backing



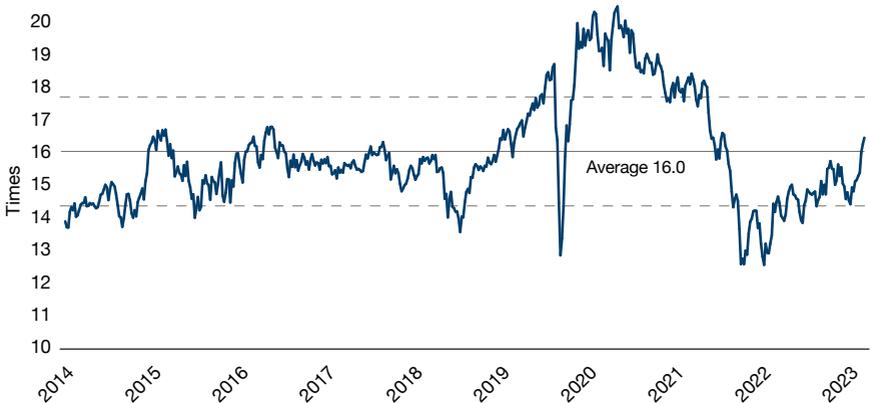
This leaves us a little cautious, as the impact of previous interest rate rises at this point does appear to have significantly affected economic activity.

The outlook for corporate earnings in the upcoming company reporting season will therefore be closely monitored.

In an environment of higher costs and anticipated subdued economic activity

many companies are likely to be tested. Despite the immediate caution that these conditions generate, we view the long term prospects of many of our preferred portfolio holdings as relatively strong, with the ability to generate attractive returns and market share gains through challenging economic conditions a key consideration in our portfolio construction.

Figure 4: S&P/ASX 200 Price Earnings Ratio as an Indicator of Market Valuation



Source: FactSet

Top 20 Investments

As at 31 December 2023

Includes investments held in both the investment and trading portfolios.

Value at Closing Prices at 29 December 2023

		Total Value \$ Million	% of the Portfolio
1	CSL	35.3	9.7
2	Wesfarmers*	22.1	6.1
3	BHP*	21.7	6.0
4	Macquarie Group	19.6	5.4
5	Transurban Group	17.2	4.7
6	Goodman Group*	16.2	4.5
7	Mainfreight	16.0	4.4
8	CAR Group*	13.8	3.8
9	Macquarie Technology Group	13.8	3.8
10	James Hardie Industries*	13.6	3.7
11	Westpac Banking Corporation	12.5	3.5
12	National Australia Bank*	10.6	2.9
13	ARB Corporation*	10.2	2.8
14	Commonwealth Bank of Australia*	8.7	2.4
15	REA Group*	8.7	2.4
16	ResMed	8.6	2.4
17	Reece*	8.5	2.3
18	EQT Holdings	8.2	2.3
19	Woolworths Group	7.8	2.2
20	Netwealth Group	7.5	2.1
Total		280.8	

As percentage of total portfolio value (excludes cash)

77.4%

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

Income Statement

For the Half-Year Ended 31 December 2023

	Half-Year 2023 \$'000	Half-Year 2022 \$'000
Dividends and distributions	4,810	4,974
Revenue from deposits and bank bills	122	214
Net gains/(losses) on trading and options portfolios	279	320
Total income	5,211	5,508
Finance costs	(65)	(46)
Administration expenses	(797)	(1,070)
Profit before income tax expense	4,349	4,392
Income tax (expense)/credit	(262)	(282)
Profit for the half-year	4,087	4,110
	Cents	Cents
Earnings per share	1.30	1.32

Balance Sheet

As at 31 December 2023

	31 Dec 2023 \$'000	30 June 2023 \$'000
Current assets		
Cash	7,272	4,954
Receivables	473	1,386
Trading portfolio	1,533	-
Total current assets	9,278	6,340
Non-current assets		
Investment portfolio	361,846	341,359
Deferred tax assets	2,378	786
Total non-current assets	364,224	342,145
Total assets	373,502	348,485
Current liabilities		
Payables	117	141
Options written portfolio	714	260
Tax payable	237	286
Total current liabilities	1,068	687
Non-current liabilities		
Deferred tax liabilities – investment portfolio	37,998	27,597
Total non-current liabilities	37,998	27,597
Total liabilities	39,066	28,284
Net assets	334,436	320,201
Shareholders' equity		
Share capital	226,067	223,819
Revaluation reserve	69,018	48,181
Realised capital gains reserve	13,143	26,080
Retained profits	26,208	22,121
Total shareholders' equity	334,436	320,201

Summarised Statement of Changes in Equity

For the Half-Year Ended 31 December 2023

	Half-Year 2023 \$'000	Half-Year 2022 \$'000
Total equity at the beginning of the half-year	320,201	300,970
Dividends paid	(12,319)	(7,651)
Shares issued – Dividend Reinvestment Plan	2,259	1,449
Costs of share issues	(11)	(7)
Total transactions with shareholders	(10,071)	(6,209)
Profit for the half-year	4,087	4,110
Revaluation of investment portfolio	29,146	6,882
Provision for tax on revaluation	(8,927)	(2,132)
Revaluation of investment portfolio (after tax)	20,219	4,750
Total comprehensive income for the half-year	24,306	8,860
Realised gains/(losses) on securities sold	(2,092)	582
Tax on realised gains or losses on securities sold	1,474	591
Net realised gains/(losses) on securities sold	(618)	1,173
Transfer from revaluation reserve to realised gains reserve	618	(1,173)
Total equity at the end of the half-year	334,436	303,621

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

Holdings of Securities

As at 31 December 2023

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 and posted to AMCIL's website: amcil.com.au).

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

Code	Name	Principal Activity	Number Held 2023 '000	Market Value 2023 \$'000
AIA*	Auckland International Airport	Owner and operator of New Zealand's largest airport. It operates through the following segments: aeronautical, retail and property	898	7,288
ALQ	ALS	Provider of analytical laboratory services to mining, life sciences, energy and industrial clients	550	7,068
ALU	Altium	Developer and provider of software solutions for the design and manufacture of printed circuit boards (PCBs) which are used in most electronic devices	70	3,280
ARB*	ARB Corporation	Manufacturer and distributor of four-wheel drive vehicle accessories in Australia and internationally	285	10,238
ASX	ASX	Operator of Australia's largest securities exchange	69	4,329
BHP*	BHP	Diversified international resources company	432	21,715

Code	Name	Principal Activity	Number Held 2023 '000	Market Value 2023 \$'000
BMT	Beamtree Holdings	Healthcare company that provides clinical decision support software known as 'Rippledawn', which automates human decision-making processes in health care organisations	10,045	2,361
BRG	Breville Group	Manufacturer and wholesaler of electrical consumer products	210	5,718
CAR*	CAR Group	Largest online automotive classifieds business in Australia. It also has interests in leading online automotive classified businesses in Brazil, South Korea, Malaysia, Indonesia, Thailand and Mexico	446	13,807
CBA*	Commonwealth Bank of Australia	Banking services	78	8,746
COH	Cochlear	Provider of implantable hearing solutions, operating throughout the Americas, Europe and Asia Pacific. Its products include cochlear, bone conduction and acoustic implants	16	4,898

Holdings of Securities

As at 31 December 2023 continued

Code	Name	Principal Activity	Number Held 2023 '000	Market Value 2023 \$'000
CPU*	Computershare	Provides stock registration and transfer services to companies listed on various stock markets globally, as well as providing technology services for stock exchanges, investor services for shareholders and employee share plan management and the provision of bankruptcy, class action and mortgage servicing activities for various corporate clients globally	187	4,429
CSL	CSL	Biopharmaceutical company that researches, develops, manufactures and markets products to treat and prevent serious human medical conditions	123	35,330
DMP	Domino's Pizza Enterprises	Largest international master franchise owner of the Domino's pizza brand with operations in Australia, Europe and Asia	81	4,771
EQT	EQT Holdings	Provider of private client, trustee, estate administration and funds management services	323	8,224
FPH	Fisher & Paykel Healthcare Corporation	Designer, manufacturer and marketer of a range of medical devices used in respiratory care and the treatment of obstructive sleep apnoea	230	5,021

Code	Name	Principal Activity	Number Held 2023 '000	Market Value 2023 \$'000
GMG*	Goodman Group	Engages in the development, owning and management of industrial property and business space in Australia and overseas	640	16,169
GTK	Gentrak	Produces software for the electricity, gas and water utilities industries	868	5,370
IEL	IDP Education	Provider of international English language testing, student placement and English language teaching services	267	5,338
IPG	IPD Group	Services the electrical industry with a focus on power distribution, power monitoring, industrial control, renewables and services	318	1,533
JHX*	James Hardie Industries	Building materials company focused on fibre cement products, predominantly in the United States	244	13,568
MAQ	Macquarie Technology	Provider of voice and telecommunication services as well as data hosting and co-location services to businesses and government customers	201	13,779
MFT	Mainfreight (NZX listed)	Provider of managed warehousing and international and domestic freight forwarding services	249	16,006

Holdings of Securities

As at 31 December 2023 continued

Code	Name	Principal Activity	Number Held 2023 '000	Market Value 2023 \$'000
MIN	Mineral Resources	Diversified resources company with operations in lithium, iron ore, energy and mining services	44	3,045
MKT	Marketplacer (unlisted)	Software company that provides the technology and infrastructure needed to establish and maintain online marketplaces for retail and B2B customers	977	487
MQG	Macquarie Group	Diversified financial services business operating in banking, financial advisory, investment and funds management services	107	19,584
NAB*	National Australia Bank	Banking services	350	10,624
NWL	Netwealth Group	Diversified financial services company providing independent investment platform services to institutional, corporate and retail clients	488	7,515
OCL	Objective Corporation	Provider of information technology software and services	87	1,084
REA*	REA Group	Leading digital media business focusing on online property portals in Australia and overseas	48	8,694

Code	Name	Principal Activity	Number Held 2023 '000	Market Value 2023 \$'000
REH*	Reece	Distributor and retailer of plumbing, building and hardware supplies	381	8,510
RMD	ResMed	Developer, manufacturer and distributor of medical equipment for treating, diagnosing and managing sleep-disordered breathing and other respiratory disorders	337	8,561
STO	Santos	An Australian energy company that engages in the exploration, development, transportation and marketing of natural gas	640	4,864
TCL	Transurban Group	Developer and operator of electronic toll roads in Australia and overseas	1,256	17,217
TPW	Temple & Webster	Operator of an online retailer of furniture and homewares. It provides lifestyle products from Australian and international designers	360	3,143
WBC	Westpac Banking Corporation	Banking and wealth management services	548	12,549
WDS	Woodside Energy Group	Engages in the exploration, evaluation, development and production of hydrocarbon and oil and gas properties	141	4,379

Holdings of Securities

As at 31 December 2023 continued

Code	Name	Principal Activity	Number Held 2023 '000	Market Value 2023 \$'000
WES*	Wesfarmers	Diversified conglomerate with retailing operations in department stores, home improvement and office supplies. The group also operates businesses involved in lithium mining, energy, chemicals, fertilisers and industrial and safety products	389	22,150
WOW	Woolworths Group	Operator of general merchandise consumer stores and supermarkets in Australia and New Zealand	210	7,812
WTC	WiseTech Global	Developer and provider of software solutions to the global logistics industry	17	1,281
XRO	Xero	Developer of cloud-based accounting software for small and medium-sized businesses in New Zealand, Australia, the United Kingdom and the United States	20	2,190
Total				362,665

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

Major Transactions in the Investment Portfolio

Acquisitions	Cost (\$'000)
ResMed	3,323
Altium	3,098
Mineral Resources	3,084
National Australia Bank	2,027

Disposals	Proceeds (\$'000)
Medibank Private [#]	7,391
James Hardie Industries	4,608
FINEOS Corporation [#]	3,642
Woolworths Group	2,417

[#] Complete disposal.

New Companies Added to the Portfolio

Altium

Mineral Resources

Objective Corporation

IPD Group

Company Particulars

AMCIL Limited (AMCIL)

ABN 57 073 990 735

Directors

Rupert Myer AO, Chairman
Mark Freeman, Managing Director
Jodie Auster
Roger Brown
Paula Dwyer
Michael Hirst
Jonathan 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

Securities Exchange Code

AMH Ordinary shares

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.

Shareholder Meetings

Melbourne Shareholder Meeting

Time 11.30am
Date Wednesday 13 March 2024
Venue ZINC Federation Square
Swanston Street and
Flinders Street
Melbourne

Canberra Shareholder Meeting

Time 11.30am
Date Friday 15 March 2024
Venue Rex Hotel Ballroom
150 Northbourne Avenue
Braddon

Sydney Shareholder Meeting

Time 11.30am
Date Monday 18 March 2024
Venue Marble Room
Radisson Blu Plaza Hotel
27 O'Connell Street
Sydney

Brisbane Shareholder Meeting

Time 11.30am
Date Tuesday 19 March 2024
Venue Sky Room
Brisbane Convention
and Exhibition Centre
Corner Merivale and
Glenelg Streets
South Bank
Brisbane

Perth Shareholder Meeting

Time 11.30am
Date Monday 25 March 2024
Venue Swan Room
Parmelia Hilton
14 Mill Street
Perth

Adelaide Shareholder Meeting

Time 11.30am
Date Tuesday 26 March 2024
Venue Panorama Rooms
Adelaide Convention Centre
North Terrace
Adelaide

