



Dear shareholder,

Mirrabooka was founded by our inaugural Chairman Terry Campbell AO with an \$85 million capital raising conducted by JB Were & Son in April 1999. The stated objectives in our founding prospectus remain unchanged:

- to support and invest in small and medium sized companies listed on the Australian and New Zealand Stock Exchanges;
- to provide medium to long term investment gains through holding core investments in selected companies; and
- to provide attractive dividend returns to investors.

We're pleased to share some investment highlights of our first 25 years.

### Superior Long-term Investment Returns

Mirrabooka has consistently delivered long-term portfolio outperformance, with attractive outcomes achieved for both income and growth focussed shareholders.

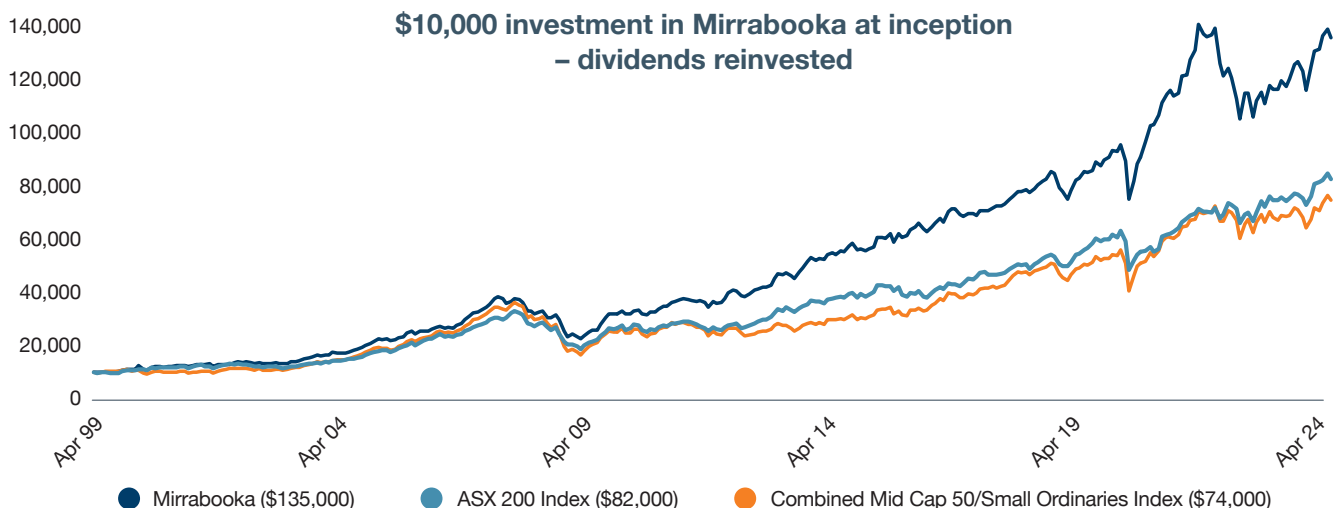
To compare Mirrabooka's performance to industry standard benchmarks, we adjust our returns to a pre-tax basis by adding back the franking credits distributed to our shareholders.

### Annual Return Since Inception in April 1999 (reinvestment of dividends and franking)

Mirrabooka	12.4% pa
ASX Mid/Smallcap Index	8.4% pa
ASX200 Index	9.7% pa

The compound return benefits of our portfolio outperformance are meaningful when measured over 25 years.

To illustrate, a \$10,000 investment in Mirrabooka in April 1999, which assumes reinvestment of dividends and the refund of franking credits\*, compares with benchmark indices as follows:



\* Note – Mirrabooka's portfolio performance figures (table above) are presented pre-tax to align with benchmarks and peer funds, which assumes the reinvestment of franking credits. The chart above (\$10,000 invested) depicts the more likely accumulation investment scenario for Mirrabooka and benchmarks – reinvestment of dividends but franking benefits received in cash. This approach relatively penalises Mirrabooka due to the significant tax we've paid on capital gains. Figures excludes participation in capital raisings by Mirrabooka since inception.

## Attractive Fully Franked Dividends

Mirrabooka has paid a total of \$2.625 per share in fully franked dividends to shareholders over 25 years, an average of 10.5 cents per share each year.

Mirrabooka's average dividend yield, calculated against net asset backing, has been superior to benchmark indices as we have supplemented the dividends that we receive on our portfolio with realised capital gains.

	Mirrabooka	Combined ASX Mid/ Smallcap Index	ASX200 Index
Average dividend yield	<b>5.1%</b>	3.9%	4.3%
Average franking %	<b>100%</b>	58%	76%
Yield grossed up for franking	<b>7.3%</b>	4.9%	5.7%



This dividend policy has produced:

- Consistent ordinary dividends totalling \$2.11 per share (with no reductions recorded) – despite the pressures experienced in the GFC and COVID-19 pandemic, when income from share market indices reduced significantly.
- Significant special dividends totalling 51.5 cents per share – paid when our franking credit reserves have grown beyond the requirement to sustain consistent ordinary dividends.

### Cost Effective Portfolio Management

As an internally managed investment portfolio, all of Mirrabooka's costs are reflected in our performance figures. As we have grown, the benefits of scale have been enjoyed by all shareholders.

Mirrabooka's management expense ratio (management expenses expressed as a % of portfolio value) has fallen from 1.20% pa to 0.59% pa over our 25 year history.

### Well Supported by Shareholders

A commonly cited risk in investing in Listed Investment Companies (LICs) is that shares can trade at a persistent discount to fair value, as measured by the company's net asset backing.

Mirrabooka has a history of being well supported in the equity market. On average, our shares have traded at a premium to net asset backing of 2% since listing.

### The Future

As we look forward to the next 25 years, we remain committed to uncovering compelling emerging listed Australian companies, while maintaining long term investment in high-quality growing businesses. We remain particularly focussed on continuing to build relationships with outstanding executives and business founders, the likes of which have driven our most successful investments to date.

We thank you for your ongoing support of Mirrabooka.

**Greg Richards**  
Chairman