



Australian Equities, Enhanced Yield

Appendix 4D Statement for the Half-Year Ending 31 December 2024

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This half-year report is presented under listing rule 4.2A and should be read in conjunction with the Company's 2024 Annual Report.

This announcement was authorised for release by the Board of Djerriwarrh Investments Limited.

Djerriwarrh Investments Limited ABN 38 006 862 693

Results for Announcement to the Market

The reporting period is for the half year ended 31 December 2024 with the prior corresponding period being the half year ended 31 December 2023.

The half year financial report has been reviewed by the Company's auditors.

- > The interim dividend has been set at 7.25 cents per share fully franked, the same as the corresponding period last year. It will be paid on 24 February 2025 to ordinary shareholders on the register on 31 January 2025. There is no conduit foreign income component of the dividend and none of the interim dividend is sourced from taxable capital gains.
- > Based on the interim dividend declared and the final dividend paid, the dividend yield including franking on the net asset backing is 6.4%. This represents an enhanced yield of 1.9 percentage points higher than that available from the S&P/ASX 200 Index when franking is included.
- > The portfolio return for the six months to 31 December 2024 including franking was 4.4%. The S&P/ASX 200 Accumulation Index return including franking over the corresponding period was 7.6%. The 12-month portfolio return to 31 December 2024 including franking was 8.5%, whereas the S&P/ASX 200 Accumulation Index return over the corresponding period including franking was 12.7%.

Djerriwarrh's relative underperformance over these periods was impacted by the underweight position in the Banking sector which produced very strong returns over the calendar year as bank valuations rose to historically high levels. This meant there were a number of call options exercised during the period in the major banks, and we considered valuations did not warrant reinvestment at these high prices. In addition, given high valuations evident across many parts of the market, Djerriwarrh had a net cash position which also detracted from relative performance.
- > The Net Operating Result for the half year was \$21.0 million, 4.3% down from \$21.9 million in the previous corresponding period. This is the figure Directors have considered when setting the dividend. It excludes the impact of unrealised open option positions and is considered a better measure of the Company's income from its investment activities.
- > Profit for the half year (including unrealised gains or losses on open option positions) was \$21.4 million, up 67.0% from \$12.8 million in the previous corresponding period due to the movement in the open options positions.
- > Total Revenue was \$18.8 million, 3.5% down from \$19.5 million in the previous corresponding period. This includes dividends and distributions received from the Company's investments but excludes trading and option income and capital gains on investments.
- > The final dividend for the 2024 financial year was 8.0 cents per share, fully franked, and it was paid to shareholders on 26 August 2024.
- > A Dividend Reinvestment Plan (DRP) and Dividend Substitution Share Plan (DSSP) are available; the price will be set at a **nil** discount to the Volume Weighted Average Price of the Company's shares traded on the ASX and Cboe automated trading systems over the five trading days after the shares trade ex-dividend. Notices of participation in the DRP and the DSSP need to be received by the share registry by 5 pm (AEDT) on 3 February 2025. The shares trade ex-dividend on 30 January 2025. All shares issued under the DRP and DSSP will rank equally with existing shares.
- > Net tangible assets per share before any provision for deferred tax on the unrealised gains or losses on the long-term investment portfolio as at 31 December 2024 were \$3.39 (before allowing for the interim dividend), up from \$3.33 (also before allowing for the interim dividend) at the end of the previous corresponding period.
- > The Company will be providing an update on these results via a webcast for shareholders on Monday 20 January 2025 at 3.30 p.m. (AEDT). Details are on the website at djerri.com.au.

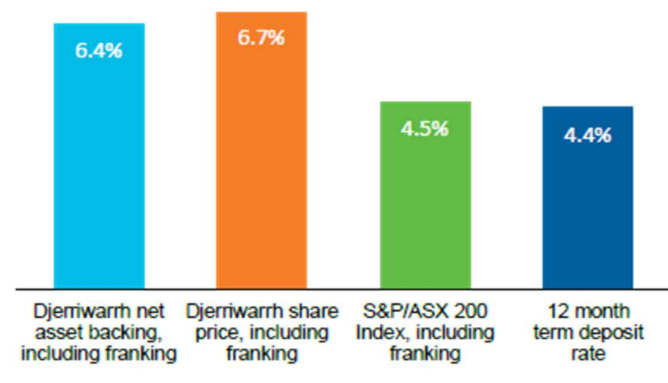
Enhanced Fully Franked Dividend Yield Remains Well Ahead of the ASX 200 Index

Half Year Report to 31 December 2024

Djerriwarrh seeks to provide shareholders with a total return comprising an enhanced level of fully franked income that is higher than is available from the S&P/ASX 200 together with long term capital growth, delivered at a low cost. The enhanced yield is achieved through a bias to investing in companies with higher dividend income, produced over the short and long term, as well as using option strategies to generate additional income.

The interim dividend has been maintained at 7.25 cents per share fully franked. Based on the interim dividend declared and final dividend paid, the dividend yield on the current net asset backing represents an enhanced yield of 1.9 percentage points higher than that available from the S&P/ASX 200 Index.

Yield at 31 December 2024 (based on the interim dividend declared and final dividend paid)



* Assumes an investor can take full advantage of the franking credits. S&P/ASX 200 Index is the historic yield and 70 per cent franked. Figures for Djerriwarrh are based on the interim dividend and final dividend paid. In total 15.25 cents per share fully franked.

The portfolio return for the six months to 31 December 2024 including franking was 4.4%. The S&P/ASX 200 Accumulation Index return including franking over the corresponding period was 7.6%. The 12-month portfolio return to 31 December 2024 including franking was 8.5%, whereas the S&P/ASX 200 Accumulation Index return over the corresponding period including franking was 12.7%.

In the current highly valued market, we have allowed many options positions to be exercised and have maintained a net cash position during the period. These factors have all impacted relative portfolio returns but we have been able to maintain a significant fully franked yield ahead of the market which is a key objective of Djerriwarrh.

Half Year Profit was \$21.4 million, up from \$12.8 million in the corresponding period last year. Key components of this result are:

- > revenue was \$18.8 million, down from \$19.5 million in the corresponding period last year,
- > income from option activity was \$7.5 million, down from \$9.4 million in the corresponding period last year, and
- > impact of net unrealised gains (before tax) from open option positions produced a gain of \$0.7 million, whereas last half year this figure was a loss of \$13.0 million. These unrealised gains and losses can arise when prices on the underlying stocks decrease/increase in value, but often reduce as options approach expiry.

Net Operating Result for the six months to 31 December 2024 (which excludes the impact of open option positions and is therefore a better measure of the Company's income from its investment activities) was \$21.0 million, down from \$21.9 million in the corresponding period last year.



Profit and Interim Dividend

The level of dividend declared each period is determined by taking into consideration the Net Operating Result (which is made up of the dividends received from the companies that Djerriwarrh invests in, as well as the income generated from option strategies) and a prudent distribution of realised capital gains when available. The Company believes the Net Operating Result, which excludes the valuation impact of open option positions, is a better measure of Djerriwarrh's income from its investment activities.

The Net Operating Result per share for the six months to 31 December 2024 was 8.0 cents per share, versus 8.4 cents per share in the corresponding period last year.

Dividend income was down 8% to \$17.9 million during the period. This was primarily due to a smaller portfolio size this period as we decided to retain some of our sale proceeds, primarily from option exercises, in cash given the high level of valuations evident across the market. These portfolio adjustments are discussed in the section below. The largest contributors to our dividend income this period were BHP, Woodside Energy Group, Telstra, Transurban, Woolworths Group and Region Group. Special dividends were received from our holdings in Woolworths Group, JB Hi-Fi, Mirrabooka Investments and AMCIL.

Option income generated for the half year was \$7.5 million, down 21% in comparison to \$9.4 million generated in the corresponding period last year. The largest contributors to option income this period were BHP, Transurban Group, CSL, Macquarie Group, Woolworths Group and the major banks.

Offsetting the lower dividend and option income were higher deposit revenue and lower finance expenses, both of which resulted from the portfolio's net cash position during the period.

An interim dividend of 7.25 cents per share fully franked has been declared, the same as the corresponding period last year. This dividend is fully covered by Net Operating Profit per share, and no realised capital gains were distributed during the half year.

Based on the interim dividend declared and final dividend paid, the dividend yield on the current net asset backing is 4.5%, and 6.4% grossed up for franking credits (assuming a shareholder can take full advantage of the franking credits). Based on the net asset backing and including franking this represents an enhanced yield of 1.9 percentage points higher than that available from the S&P/ASX 200 Index.

Portfolio Performance

Djerriwarrh's total portfolio return for the six months to 31 December 2024 including franking was 4.4%. The S&P/ASX 200 Accumulation Index return including franking was 7.6%.


The more significant contributors (including dividends and option income) to Djerriwarrh's portfolio performance over the six-month period were Telstra, Transurban Group, Macquarie Group, Westpac Banking Group and Coles Group.

For the year to 31 December 2024, the total portfolio return including franking was 8.5%, whereas the S&P/ASX 200 Accumulation Index including franking over the corresponding period was 12.7% (see attached performance table on page 9).

Djerriwarrh's relative underperformance over these periods was impacted by the underweight position in the Banking sector which produced very strong returns over the calendar year as bank valuations rose to historically high levels. This meant there were a number of call options exercised during the period in the major banks and Macquarie Group, and we considered valuations did not warrant reinvestment at these high prices.

Option Activity

Option income decreased 21% to \$7.5 million. \$7.2 million of option income came from call option positions, with put options contributing \$0.3 million.



The financial year began with call option coverage of 29%, just below the bottom end of our normal range of 30% to 40%. We then increased the portfolio's call option coverage in late July and early August, taking it to 34% in response to the rising S&P/ASX 200 Index.

The market's strong performance from mid-August saw us run high call option coverage of between 40% to 45% for the remainder of the calendar year. In particular, we wrote a high level of call options against our holdings in the major banks and Macquarie Group. This saw us generate a good level of option income, but it reduced our exposure to the strongly rising share market.

We finished the calendar year with call option coverage of 41%. This means we enter the second half of financial year 2025 with a good amount of option income premium in the book.

In terms of our overall option strategy, our goal remains to write single stock options against companies held in the portfolio to generate additional income. This assists Djerriwarrh in meeting its enhanced yield objective. We also limit our overall call option coverage of the portfolio in order to achieve long term capital growth.

The level of option income generated each year will largely be a result of our option coverage levels, option premium prices (largely dependent on market volatility levels and interest rates) and the exercise prices at which we write the options.

Portfolio Adjustments

During the period a large portion of our holdings in a number of companies were sold as a result of call option exercises on the back of share price strength. This included Macquarie Group, Commonwealth Bank, Westpac, National Australia Bank and JB Hi-Fi.

We consider each of these companies to be high quality but expensive in terms of valuation, particularly the banks which are trading at historically high valuations. Therefore, we chose not to buy these stocks back following the option exercises. While we still have a position in these companies, our holdings are significantly lower today when compared with six and twelve months ago.

During the period we completely exited the position in Mineral Resources given the disappointing corporate governance practices that have emerged.

We were also active sellers of our small remaining holdings in Ramsay Health Care and FINEOS Corporation, both of which have been disappointing investments.


The capital realised from the option exercises and active sales was primarily used to invest in what we consider to be high-quality companies trading at attractive prices. Some capital was also retained, meaning we have a higher cash balance compared to 12 months ago.

We took the opportunity during this period to significantly increase the size of both Rio Tinto and BHP in our portfolio due to their attractive valuations, particularly their high fully franked dividend yields. We judge these two large mining companies to be high quality in terms of their assets, management and balance sheets. Both of these companies have traditionally been core holdings for our portfolio.

We also added to our holdings in Coles Group, Newmont Corporation, CSL, Woolworths Group, Woodside Energy Group, Cochlear and Transurban Group.

Ampol (formerly known as Caltex) was the only new holding added to the portfolio during the period. Ampol is Australia's leading vertically integrated energy company. It operates businesses across convenience retail in Australia and New Zealand, as well as the refining, supply and marketing of fuel.

We believe that Ampol is a better business today compared to five years ago. The earnings mix is better, the balance sheet is solid, the quality of the network has improved and the management team has demonstrated good capital allocation and discipline. Ampol primarily offers our portfolio an attractive level of dividend income, especially if trading conditions in its refining business improve from the current cyclically low levels.



Overall, we see this portfolio activity as a continuation of our portfolio strategy to maintain a diversified portfolio of high-quality companies that can deliver Djerriwarrh the appropriate balance between income and growth.

Outlook

Despite a year full of concerns around inflation, interest rates and geopolitical conflicts, the market had another strong year in 2024. Only a weak December prevented the market from closing at all-time high levels for the S&P/ASX 200 Index. We think this leaves the market looking expensive, especially against long-term averages for the market's Price to Earnings ratio and Dividend Yield.

In this context we are currently defensively positioned. We enter the calendar year 2025 with call option coverage at 41%, above the top end of our typical 30 to 40% call option coverage range. Alongside this we have only one put option position, and we have a significant net cash position on the balance sheet.

In terms of our Option Income, the options book is in good shape. The high level of call option coverage means we have a significant amount of option income already in the books for the second half of financial year 2025. Despite the market's strong recent performance, we have a modest amount of our call option exposure 'in the money', meaning that at current share prices, these positions are in line to be exercised on their maturity dates. This would result in some further selling in our investment portfolio.

In terms of our Dividend Income, current market expectations are for overall dividend levels to be flat to slightly down for financial year 2025. The changes made to our portfolio during the last six months mean that our dividend income is more reliant on the major miners and industrial companies such as supermarkets and telcos. We are significantly less reliant on the major banks for our dividend income.

Despite the short-term uncertainties about the direction of economies and financial markets, we continue to believe that owning a diversified portfolio of high-quality companies can produce an attractive level of income and capital growth over the long term, thereby enabling us to meet Djerriwarrh's enhanced yield objective.

Please direct any enquiries to:

Mark Freeman
Managing Director
(03) 9225 2101

Geoff Driver
General Manager
(03) 9225 2102

20 January 2025



Major Transactions in the Investment Portfolio

Acquisitions	Cost (\$'000)
Rio Tinto	27,098
BHP	19,089
Ampol	14,016
Coles Group	10,100
Newmont Corporation	10,029

Disposals	Proceeds (\$'000)
Macquarie Group*	33,312
Commonwealth Bank of Australia*	22,932
Westpac Banking Corporation*	18,676
National Australia Bank*	8,902
JB Hi-Fi*	7,676

*because of the exercise of call options

New Companies Added to the Portfolio

Ampol

Companies Exited from the Portfolio

Ramsay Health Care

FINEOS Corporation

Mineral Resources

Top 20 Investments Valued at Closing Prices at 31 December 2024

Includes investments held in both the investment and trading portfolios.

Value at Closing Prices at 31 December 2024

		Total Value \$ Million	% of the Portfolio
1	BHP*	90.8	10.6%
2	CSL*	73.6	8.6%
3	Telstra Group*	66.2	7.7%
4	Transurban Group*	58.5	6.8%
5	Woolworths Group*	50.1	5.9%
6	Rio Tinto*	41.7	4.9%
7	Woodside Energy Group*	40.8	4.8%
8	EQT Holdings	32.1	3.7%
9	Coles Group*	30.8	3.6%
10	Region Group*	24.3	2.8%
11	Macquarie Group*	21.1	2.5%
12	ASX*	20.5	2.4%
13	Auckland International Airport *	19.6	2.3%
14	Wesfarmers*	18.3	2.1%
15	Mirvac Group*	16.7	1.9%
16	Mainfreight*	16.5	1.9%
17	National Australia Bank*	14.5	1.7%
18	Mirrabooka Investments	14.2	1.7%
19	Computershare*	13.3	1.6%
20	Ampol*	13.0	1.5%
Total		676.6	

As percentage of total portfolio value (excludes cash) **79.1%**

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

Portfolio Performance to 31 December 2024

Performance Measures to 31 December 2024	6 Months	1 Year	3 Years % pa	5 Years % pa	10 Years % pa
Portfolio Return – Net Asset Backing Return Including Dividends Reinvested	3.4%	6.4%	3.9%	5.0%	5.2%
S&P/ASX 200 Accumulation Index	6.9%	11.4%	7.4%	8.1%	8.5%
Portfolio Return – Net Asset Backing Gross Return Including Dividends Reinvested*	4.4%	8.5%	5.9%	7.0%	7.7%
S&P/ASX 200 Gross Accumulation Index*	7.6%	12.7%	8.9%	9.4%	10.0%

* Incorporates the benefit of franking credits for those who can fully utilise them.

Past performance is not indicative of future performance.



DJERRIWARRH INVESTMENTS LIMITED

ABN 38 006 862 693

**HALF-YEAR REPORT
31 DECEMBER 2024**

COMPANY PARTICULARS

Djerriwarrh Investments Limited (DJW)

ABN 38 006 862 693

DJW is a Listed Investment Company. As such it is an investor in equities and similar securities on the stock market primarily in Australia.

Directors: Graham B. Goldsmith AO, Chairman
Catherine M. Brenner
Bruce R. Brook
Kathryn J. Fagg AO
Rebecca J. McGrath
Geoffrey I. Roberts
Mark Freeman, Managing Director

Company Secretaries: Matthew J. Rowe
Andrew J. B. Porter

Auditor: PricewaterhouseCoopers, Chartered Accountants

Country of incorporation: Australia

Registered office: Level 21
101 Collins Street
Melbourne, Victoria 3000

Contact Details: Mail Address: Level 21, 101 Collins Street, Melbourne, Victoria 3000
Telephone: (03) 9650 9911
Facsimile: (03) 9650 9100
Email: invest@djerri.com.au
Internet address: djerri.com.au
For enquiries regarding net asset backing (as advised each month to the Australian Securities Exchange):
Telephone: 1800 780 784 (toll free)

Share Registrar: MUFG Corporate Markets (AU) Limited
Mail Address: Locked Bag A14, Sydney South, NSW, 1235

DJW Shareholder enquiry line: 1300 135 403 (Aus)

E-mail: djerri@cm.mpms.mufg.com
Facsimile: (02) 9287 0303
Internet: au.investorcentre.mpms.mufg.com

For all enquiries relating to shareholdings, dividends (including participation in the Dividend Reinvestment Plan and Dividend Substitution Share Plan (DSSP)) and related matters, please contact the share registrar as above.

Securities Exchange Code:

DJW Ordinary shares

DIRECTORS' REPORT

This report in relation to the half-year to 31 December 2024 is presented by the Directors of Djerriwarrh Investments Limited ('the Company') in accordance with a resolution of Directors.

Directors

The following persons were directors of the Company during the half-year and up to the date of this report:

G.B. Goldsmith AO (appointed Director April 2013, appointed Chairman October 2022)
R.M. Freeman (appointed January 2018)
C.M. Brenner (appointed August 2024)
B.R. Brook (appointed August 2021)
K.J. Fagg AO (appointed May 2014)
R.J. McGrath (appointed January 2024)
G.I. Roberts (appointed July 2022)
A.J.M. Williams (appointed May 2010, retired October 2024)

Company operations and results

Overview

Djerriwarrh seeks to provide an enhanced level of fully franked income that is higher than what is available from the S&P/ASX 200. The enhanced dividend yield is achieved through a bias to investing in higher dividend yielding companies, as well as using option strategies to generate additional income and realised capital gains. The use of options will typically reshape the profile of returns producing more immediate income at the expense of potential capital growth.

Performance Indicators and Outcomes

The profit of the Company for the half-year to 31 December 2024, which includes the unrealised gains or losses on open option positions in the options written portfolio, was \$21.4 million, up 67% from \$12.8 million in the previous corresponding period due to the movement in the open options position.

Djerriwarrh's net operating result for the half-year was \$21.0 million, down from \$21.9 million or 4.3% over the corresponding period last year. This operating result is made up primarily of dividends received from the investment portfolio, option income and revenue from the trading portfolio. In the opinion of Directors, this is a better measure of the Company's income from investment activities as it excludes the impact of open option positions.

The portfolio return for the 6 months (measured by change in the net asset backing per share plus dividends reinvested) was 3.4% compared to the return of the S&P/ASX 200 Accumulation Index for the same period which was 6.9%. Djerriwarrh's return is after management expenses and taxation whilst the index returns do not include these charges.

The Board has declared a fully franked interim dividend of 7.25 cents per share, the same as the previous corresponding period.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 14.

Rounding of amounts to nearest thousand dollars

The Company is of a kind referred to in the ASIC Corporations' (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the "rounding off" of amounts in the directors' report and financial report. Unless specifically stated otherwise, amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Instrument.

This report is made in accordance with a resolution of the directors.



G. B. Goldsmith AO
Chairman
Melbourne

20 January 2025



Auditor's Independence Declaration

As lead auditor for the review of Djerriwarrh Investments Limited for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, reading 'Kate L Logan'.

Kate L Logan
Partner
PricewaterhouseCoopers

Melbourne
20 January 2025

INCOME STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	Half-year 2024 \$'000	Half-year 2023 \$'000
Dividends and distributions		17,934	19,440
Revenue from deposits and bank bills		864	46
Total revenue		18,798	19,486
Net gains on trading portfolio		83	11
Income from options written portfolio		7,463	9,393
Income from operating activities	3	26,344	28,890
Finance costs		(817)	(2,833)
Administration expenses		(2,084)	(1,935)
Share of net profit from Associate	12	4	117
Operating result before income tax expense		23,447	24,239
Income tax expense*		(2,480)	(2,334)
Net operating result for the half-year		20,967	21,905
Net unrealised gains/(losses) on open options positions		673	(12,955)
Deferred tax on open options positions*		(202)	3,886
		471	(9,069)
Profit for the half-year		21,438	12,836
		Cents	Cents
Basic earnings per share	9	8.14	4.90
		\$'000	\$'000
* Total Tax (Expense)/Credit		(2,682)	1,552

This Income Statement should be read in conjunction with the accompanying notes

STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Half-Year to 31 December 2024			Half-Year to 31 December 2023		
	Revenue	Capital	Total	Revenue	Capital	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Profit for the half-year	20,967	471	21,438	21,905	(9,069)	12,836
Other Comprehensive Income						
<i>Items that will not be recycled through the Income Statement</i>						
Gains for the period on equity securities in the investment portfolio	-	12,465	12,465	-	55,577	55,577
Tax on above	-	(4,498)	(4,498)	-	(17,350)	(17,350)
Total other comprehensive income ¹	-	7,967	7,967	-	38,227	38,227
Total comprehensive income ²	20,967	8,438	29,405	21,905	29,158	51,063

¹ Net capital gains not accounted through the Income Statement.

² This is the company's Net Return for the half-year, which includes the net operating result plus the net realised and unrealised gains or losses on the Company's investment portfolio and net gains/(losses) on open options positions.

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

BALANCE SHEET AS AT 31 DECEMBER 2024

		31 Dec 2024 \$'000	30 June 2024 \$'000
	Note		
Current assets			
Cash		49,835	43,132
Receivables		2,958	9,755
Trading portfolio		372	289
Total current assets		53,165	53,176
Non-current assets			
Investment portfolio		859,518	844,729
Shares in associate		1,775	1,773
Total non-current assets		861,293	846,502
Total assets		914,458	899,678
Current liabilities			
Payables		72	72
Tax payable		5,256	2,378
Borrowings – bank debt		10,000	10,000
Options sold	4	4,575	3,915
Total current liabilities		19,903	16,365
Non-current liabilities			
Deferred tax liabilities - investment portfolio	5	15,601	14,923
Deferred tax liabilities - other		234	234
Total non-current liabilities		15,835	15,157
Total liabilities		35,738	31,522
Net Assets		878,720	868,156
Shareholders' equity			
Share Capital	6	762,591	760,610
Revaluation Reserve		43,930	54,411
Realised Capital Gains Reserve	7	(19,242)	(37,690)
Retained Profits		91,441	90,825
Total shareholders' equity		878,720	868,156

This Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Half-Year to 31 December 2024	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the half-year		760,610	54,411	(37,690)	90,825	868,156
Dividends paid	8	-	-	-	(20,822)	(20,822)
Shares issued under Dividend Reinvestment Plan	6	2,123	-	-	-	2,123
Shares bought back	6	(131)				(131)
Share Issue Costs	6	(11)	-	-	-	(11)
Total transactions with shareholders		1,981	-	-	(20,822)	(18,841)
Profit for the half-year		-	-	-	21,438	21,438
Other Comprehensive Income						
Net gains for the period on equity securities in the investment portfolio		-	7,967	-	-	7,967
Other Comprehensive Income for the half-year		-	7,967	-	-	7,967
Transfer to Realised Capital Gains Reserve of net cumulative gains on investments sold		-	(18,448)	18,448	-	-
Total equity at the end of the half-year		762,591	43,930	(19,242)	91,441	878,720

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Half-Year to 31 December 2023	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the half-year		756,573	47,673	(69,601)	90,760	825,405
Dividends paid	8	-	-	-	(20,064)	(20,064)
Shares issued under Dividend Reinvestment Plan		2,112	-	-	-	2,112
Share Issue Costs		(10)	-	-	-	(10)
Total transactions with shareholders		2,102	-	-	(20,064)	(17,962)
Profit for the half-year		-	-	-	12,836	12,836
Other Comprehensive Income						
Net gains for the period on equity securities in the investment portfolio		-	38,227	-	-	38,227
Other Comprehensive Income for the half-year		-	38,227	-	-	38,227
Transfer to Realised Capital Gains Reserve of net cumulative gains on investments sold		-	(4,516)	4,516	-	-
Total equity at the end of the half-year		758,675	81,384	(65,085)	83,532	858,506

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Half-year 2024 \$'000 INFLOWS/ (OUTFLOWS)	Half-year 2023 \$'000 INFLOWS/ (OUTFLOWS)
Cash flows from operating activities		
Sales from trading portfolio	-	-
Purchases for trading portfolio	-	-
Interest received	864	46
Proceeds from selling options	9,514	9,269
Payment for closing out options	(719)	(444)
Dividends and distributions received	19,949	22,520
	<u>29,608</u>	<u>31,391</u>
Administration expenses	(2,080)	(1,985)
Finance costs paid	(813)	(2,817)
Taxes paid	(3,630)	(1,862)
Net cash inflow/(outflow) from operating activities	<u>23,085</u>	<u>24,727</u>
Cash flows from investing activities		
Sales from investment portfolio	149,829	91,053
Purchases for investment portfolio	(147,370)	(75,772)
Net cash inflow/(outflow) from investing activities	<u>2,459</u>	<u>15,281</u>
Cash flows from financing activities		
Proceeds from borrowing	-	55,500
Repayment of borrowings	-	(77,500)
Share Issue	-	-
Share buybacks	(131)	-
Share Issue costs	(11)	(10)
Dividends paid	(18,699)	(17,951)
Net cash inflow/(outflow) from financing activities	<u>(18,841)</u>	<u>(39,961)</u>
Net increase/(decrease) in cash held	6,703	47
Cash at the beginning of the half-year	43,132	789
Cash at the end of the half-year	<u>49,835</u>	<u>836</u>

This cash flow statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

1. Basis of preparation of half-year financial report

This general purpose half-year financial report has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This half-year financial report does not include all the notes of the type normally included in an annual financial report. This report should be read in conjunction with the 2024 Annual Report and public announcements made by the Company during the half-year, in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

In the interests of transparency in its reporting, the Company uses the phrase “market value” in place of the AASB terminology “fair value for actively traded securities.”

2. Financial reporting by segments

The Company operates as a Listed Investment Company in Australia. It has no reportable business or geographic segments.

(a) Segment information provided to the Board

The internal reporting provided to the Board for the Company’s assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards, except that net assets are reviewed both before and after the effects of capital gains tax on investments (as reported in the Company’s Net Tangible Asset announcements to the ASX).

The Board considers the Company’s operating result after tax to be a key measure of the Company’s performance. This amount excludes the impact of unrealised gains/losses on open options and reconciles to the Company’s profit before tax as follows:

	Half-year 2024 \$'000	Half-year 2023 \$'000
Net Operating Result after income tax expense	20,967	21,905
Net gains/(losses) (after tax) on open options positions	471	(9,069)
Profit for the half-year after tax	21,438	12,836
Add : Total Tax Expense/(Credit)	2,682	(1,552)
Profit for the half-year before tax	24,120	11,284

In addition, the Investment Committee regularly reviews the net asset value per share both before and after provision for deferred tax on the unrealised gains or losses in the Company’s long-term investment portfolio. The relevant amounts as at 31 December 2024 and 31 December 2023 were as follows:

	2024	2023
Net tangible asset backing per share	\$	\$
Before Tax	3.39	3.33
After Tax	3.33	3.27

(b) Other segment information

Revenues from external parties are derived from the receipt of dividend, distribution and interest income, and income arising on the trading portfolio and realised income from the options portfolio.

The Company is domiciled in Australia and the Company's income is derived predominantly from Australian entities or entities that have a listing on the Australian Securities Exchange. The Company has a diversified portfolio of investments, with only one investment (2023 : none) comprising more than 10% of the Company's revenue, excluding income from the trading and options written portfolios – BHP (13.6%).

3. Income from operating activities	Half-year 2024 \$'000	Half-year 2023 \$'000
Income from operating activities is comprised of the following:		
Dividends & distributions		
• securities held in investment portfolio	17,929	19,436
• securities held in trading portfolio	5	4
	<u>17,934</u>	<u>19,440</u>
Interest income		
• deposits and income from bank bills	864	46
	<u>864</u>	<u>46</u>
Net gains/(losses) and write downs		
• realised gains from trading portfolio sales	-	-
• realised gains on options written portfolio	7,463	9,393
• unrealised gains/(losses) in trading portfolio	83	11
	<u>7,546</u>	<u>9,404</u>
Income from operating activities	<u>26,344</u>	<u>28,890</u>

4. Current liabilities – options sold

As at balance date there were call options outstanding which potentially required the Company, if they were all exercised, to deliver securities to the value of \$378.5 million (30 June 2024: \$263.9 million). As at balance date there were put options outstanding which potentially required the Company to purchase securities to the value of \$3.0m (30 June 2024: \$11.9 million potential purchases). The total income for the half-year on the options written portfolio of \$7.5 million (Half-Year to 31 December 2023: \$9.4 million) plus the unrealised gain on the open options position of \$0.7 million (Half-Year to 31 December 2023 : \$13.0 million loss) was a pre-tax net gain of \$8.2 million (Half-Year to 31 December 2023: loss of \$3.6 million).

5. Deferred tax liabilities

In accordance with AASB 112 *Income Taxes*, a deferred tax liability has been recognised for Capital Gains Tax on the unrealised gains in the investment portfolio at current tax rates (30%) totalling \$15.6 million (30 June 2024 : \$14.9 million).

6. Shareholders' equity – share capital

Movements in Share Capital of the Company during the half-year were as follows:

Date	Details	Notes	Number of shares '000	Issue price \$	Paid-up Capital \$'000
01/07/2024	Opening Balance		262,992		760,610
26/08/2024	Dividend Reinvestment Plan	(i)	696	3.05	2,123
26/08/2024	Dividend Substitution Share Plan	(ii)	72	3.05	n/a
Various	Share buyback	(iii)	(43)		(131)
Various	Other share costs		-		(11)
31/12/2024	Balance		263,717		762,591

- (i) The Company has a Dividend Reinvestment Plan ("DRP") under which shareholders can elect to have all or part of their dividend payment reinvested in new ordinary shares.
- (ii) The Company has a Dividend Substitution Share Plan ("DSSP") under which some shareholders elected to forego all or part of their dividend payment and receive shares instead. Pricing of the new DSSP shares was done on the same basis as the DRP.
- (iii) The Company has an on-market buyback plan in place. During the period, 42,995 shares were bought back at an average price of \$3.04.

7. Realised Capital Gains Reserve

	Half-year 2024 \$'000			Half-year 2023 \$'000		
	Taxable realised gains (net of tax)	Difference between tax and accounting costs	Total	Taxable realised gains (net of tax)	Difference between tax and accounting costs	Total
Opening balance at 1 July	515	(38,205)	(37,690)	(4,715)	(64,886)	(69,601)
Dividends paid	-	-	-	-	-	-
Cumulative taxable realised gains for period	12,733	9,535	22,268	5,342	700	6,042
Tax on above	(3,820)	-	(3,820)	(1,526)	-	(1,526)
	<u>9,428</u>	<u>(28,670)</u>	<u>(19,242)</u>	<u>(899)</u>	<u>(64,186)</u>	<u>(65,085)</u>

This reserve records gains or losses after applicable taxation arising from disposal of securities in the investment portfolio. The difference between tax and accounting costs is a result of realised gains or losses being accounted for on an average cost basis, whilst taxable gains or losses are made based on the specific cost of the actual stock sold – i.e. on a parcel selection basis. These differences also include non-taxable realised gains or losses, e.g. losses under off-market buy-backs.

Since inception, the Company has paid out approximately \$170 million of fully-franked dividends from the realised capital gains reserve. No dividends have been paid from the realised capital gains reserve during the current year or the previous year.

8. Dividends	Half-year 2024 \$'000	Half-year 2023 \$'000
Dividends (fully franked) paid during the period	20,822 (8.0 cents per share)	20,064 (7.75 cents per share)

Dividends not recognised at period end	2024
	\$'000

Since the end of the half-year the Directors have declared an interim dividend of 7.25 cents per share fully franked. The aggregate amount of the proposed interim dividend expected to be paid on 24 February 2025, but not recognised as a liability at the end of the half-year is

19,119

9. Earnings per Share

	Half-year 2024	Half-year 2023
	Number	Number
Weighted average number of ordinary shares used as the denominator	263,489,903	262,024,887
Basic earnings per share	\$'000	\$'000
Net profit for half-year	21,438	12,836
	Cents	Cents
Basic earnings per share	8.14	4.90
Net operating result per share	\$'000	\$'000
Net operating result for half-year	20,967	21,905
	Cents	Cents
Net operating result per share	7.96	8.36

As at 31 December 2024, there were no dilutive instruments on issue, and therefore the diluted earnings per share and net operating result per share figure is the same as basic earnings and net operating result per share.

10. Events subsequent to balance date

Since 31 December 2024 to the date of this report there has been no event of which the Directors are aware which has had a material effect on the Company or its financial position.

11. Contingencies

At balance date Directors are not aware of any material contingent liabilities or contingent assets other than those already disclosed elsewhere in the financial report.

12. Associated Entity

The Company owns 25% of Australian Investment Company Services Ltd ("AICS").

AICS provides administration services to the Company and to other Listed Investment Companies in Australia.

The profit of AICS is to a large extent determined by the level of vesting of incentives to executives and staff. This will have significant variability from year to year but incentives will generally be higher the better the level of returns to shareholders when compared to the S&P/ASX 200 Index.

DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 15 to 26 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance, as represented by the results of the operations, changes in equity and cash flows, for the half-year ended on that date; 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.

This declaration is made in accordance with a resolution of the Directors.



G. B. Goldsmith AO
Chairman
Melbourne

20 January 2025



Independent auditor's review report to the members of Djerriwarrh Investments Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Djerriwarrh Investments Limited (the Company) which comprises the balance sheet as at 31 December 2024, the statement of comprehensive income, statement of changes in equity, cash flow statement and income statement for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Djerriwarrh Investments Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year 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 half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year 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.


PricewaterhouseCoopers



Kate L Logan
Partner

Melbourne
20 January 2025