



# Diversified United Investment Limited

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## APPENDIX 4D FOR THE HALF YEAR ENDED 31 DECEMBER 2024

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- Results for Announcement to the Market
- Media Release
- Financial Statements
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## Results for announcement to the market

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

The report is based on audit reviewed financial statements. A copy of the auditor's review report can be found on page 16.

- Revenue from ordinary activities was \$23.0 million, a rise of 1.2% from the prior corresponding period.
- Profit after tax was \$18.5 million, up 4.2% 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 decrease in the fair value of unlisted managed fund investments of \$34,000 after tax (previous corresponding period an increase of \$214,000 after tax) and special dividends received of \$220,000 after tax (previous corresponding period \$196,000 after tax). Excluding these items profit after tax rose 5.6%<sup>1</sup>.
- Earnings per share based on profit after tax rose 4.9% to 8.6 cents (previous corresponding period 8.2 cents). Excluding fair value movements on unlisted managed fund investments and special dividends received, earnings per share rose 6.3%<sup>1</sup> to 8.5 cents (previous corresponding period 8.0 cents).
- The Pre-tax Net Tangible Asset ("Pre-tax NTA") backing of the Company's shares at 31 December 2024 was \$6.20 per share (30 June 2024 \$5.83). The Pre-tax NTA backing calculation is 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 21 March 2025. The record date for determining entitlement to the dividend is 3 March 2025.
- 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 4 March 2025.

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



21 February 2025

## **ASX Announcement**

### **Financial Results and Dividend Announcement for the half year ended 31 December 2024**

The Directors make the following report concerning the Company's performance and interim dividend.

#### **Market review and performance**

Despite macroeconomic uncertainty, the Australian share market continued to move higher during the half year primarily driven by an expansion in valuations. The S&P/ASX 200 Accumulation Index rose 6.9% through the period, with the Banks and Technology 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 7.9%. 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 2024 was \$18.5 million (previous corresponding period: \$17.8 million). Profit after tax includes special income items<sup>1</sup> which were a gain of \$186,000 (previous corresponding period: gain of \$410,000). Excluding these items revenue rose 3.1% and statutory profit after tax rose 5.6%<sup>2</sup>.

Revenues received during the period were similar to that of the prior corresponding period resulting from a net increase in investment income received from the portfolio and a small fair value loss on unlisted investments compared to a gain in the prior period.

Operating expenses were 2% higher which were more than offset by much lower net interest 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> Includes special dividends and fair value movements on unlisted investments.

<sup>2</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 3 March 2025, to be paid on 21 March 2025. The comparable 2024 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 its listing in 1991.

## **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 4 March 2025.

## **Outlook**

We see the Australian economy growing slowly reflecting low productivity, lower commodity prices and regulations inhibiting investment projects. We expect inflation to moderate and interest rates to move marginally lower during the course of the year.

The share market is at record high levels, and is being buoyed by a strong US economy, excitement in the US on leading technology companies and the expectation of further easing in interest rates by Central Banks. We are cautious in respect to the short-term outlook, but remain confident that equities are a sound long term investment. Since 31 December 2024 we have fully repaid our borrowings and have adequate liquidity to avail ourselves of attractive investment opportunities as they emerge.

# **DIVERSIFIED UNITED INVESTMENT LIMITED**

**ABN 33 006 713 177**

**Interim Financial Report  
for the six months ended 31 December 2024**

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# Directors' Report

## for the six months ended 31 December 2024

The Directors of Diversified United Investment Limited present their Directors' Report together with the financial report for the period ended 31 December 2024 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:

Charles Goode AC	Non-executive Chairman, appointed September 1991
Anthony Burgess	Non-executive Director, appointed September 2008
Stephen Hiscock	Non-executive Director, appointed November 2011
Andrew Larke	Non-executive Director, appointed March 2015
Andrew Sisson AO	Non-executive Director, appointed April 2022, resigned December 2024

#### Company Secretary

James Pollard	Company Secretary, appointed February 2020
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### 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 15-25% 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 2024 Australian equities accounted for 77.1%, international equities 20.3% and cash and short-term receivables (net of pending settlements) 2.6% of the market value of the portfolio. The foreign exchange currency exposure is currently unhedged.

# Directors' Report (continued)

## for the six months ended 31 December 2024

Portfolio turnover for the period to 31 December 2024 was 7.7%. The largest acquisitions and disposals during the period were:

Acquisitions		Disposals	
APA Group <sup>(1)</sup>	\$5.6M	Perpetual <sup>(2)</sup>	\$19.9M
		Sonic Healthcare <sup>(3)</sup>	\$13.9M
		Commonwealth Bank <sup>(2)</sup>	\$13.6M
		Ramsay Health Care <sup>(3,4)</sup>	\$11.3M
		Woodside <sup>(2,4)</sup>	\$8.4M

(1) New position.

(2) Partially disposed of holding.

(3) Fully disposed of holding.

(4) Net of purchases and sales.

At 31 December 2024, the Company had total borrowing facilities available of \$100.0 million drawn to \$10.0 million (30 June 2024: \$140.0 million, drawn to \$77.5 million).

### Performance

For the period to 31 December 2024, 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 7.9%, compared to the S&P/ASX 200 Accumulation Index increase of 6.9%.

Including the benefit of franking credits, the Company's accumulation return for the period to 31 December 2024 was an increase of 8.6% compared to an increase of 7.6% 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 Aristocrat, Computershare and ResMed, and the Company's allocation to international equities. Performance was held back by overweight holdings in CSL, Woodside and Perpetual.

### Financial results

Profit after tax for the period was \$18.5 million (previous corresponding period \$17.8 million).

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 \$186,000 after tax (previous corresponding period gain of \$410,000).

Profit after tax for the period excluding special income items was \$18.3 million (previous corresponding period \$17.4 million).

The weighted average number of ordinary shares for the period was 215.8 million compared to 217.4 million in the previous corresponding period.

# Directors' Report (continued)

## for the six months ended 31 December 2024

Earnings per share was 8.6 cents including special income items (previous corresponding period 8.2 cents) or was 8.5 cents per share excluding special income items (previous corresponding period 8.0 cents).

### Net Tangible Asset backing

The Pre-tax NTA backing of the Company's shares at 31 December 2024 was \$6.20 per share (30 June 2024 \$5.83). 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 interim 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 \$5.06 per share (30 June 2024 \$4.79).

### Borrowings

Key information in relation to the Company's borrowings is provided below:

	31 December 2024	30 June 2024
Bank facilities available	\$100.0 million	\$140.0 million
Amount drawn	\$10.0 million	\$77.5 million
Cash on hand, net receivables and pending settlements	\$35.6 million	\$11.9 million
Net debt as a proportion of the portfolio excluding cash	-	4.9%
Interest expense coverage by profit before interest and tax	18.3 times	8.7 times

### Management expense ratio

At 31 December 2024, annualised operating expenses (excluding finance costs) were 0.12% of the average market value of the investment portfolio (previous corresponding period 0.13%).

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 0.16% (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 2024 dividend	9.0	19,413	100%	17 September 2024
<b>Declared after end of period</b>				
Interim 2025 dividend	7.0	15,068	100%	21 March 2025

### On-market share buyback

The Company has an on-market share buyback capability in place which provides the Company the ability to purchase its own shares on-market, with any shares bought back being cancelled.

Cancelling these shares when they have been bought back at a discount to pre-tax NTA increases the pre-tax NTA of all remaining shares on issue.

# Directors' Report (continued)

## for the six months ended 31 December 2024

During the period, 888,482 shares were purchased and subsequently cancelled by the Company through its on-market share buyback at a total cost of \$4.7 million (previous corresponding period: no shares were bought back).

### 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.

### 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 2024.

### 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  
21 February 2025



# 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 2024 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  
21 February 2025

# Statement of Profit or Loss and Other Comprehensive Income

for the six months ended 31 December 2024

	Note	December 2024 \$'000	December 2023 \$'000
Revenue from investment portfolio		22,961	22,699
Fair value movements on unlisted managed funds		(49)	306
Administration and other expenses		(823)	(809)
Finance expenses		(1,210)	(2,704)
Profit before tax		20,879	19,492
Income tax expense	8	(2,364)	(1,723)
<b>Profit after tax</b>		<b>18,515</b>	<b>17,769</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss:			
Revaluation of the investment portfolio for the period		81,247	52,245
Provision for tax expense on revaluation of the investment portfolio for the period		(23,592)	(15,994)
<b>Other comprehensive profit after tax</b>		<b>57,655</b>	<b>36,251</b>
<b>Total comprehensive profit</b>		<b>76,170</b>	<b>54,020</b>
Basic and diluted earnings per share (cents)	4	8.6	8.2

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements set out on pages 10 to 14.

# Balance Sheet

as at 31 December 2024

	Note	December 2024 \$'000	June 2024 \$'000
<b>Assets</b>			
Cash and cash equivalents		31,638	3,794
Receivables		3,952	8,112
Other assets		108	92
Current assets		35,698	11,998
Investment portfolio	7	1,313,149	1,325,562
Non-current assets		1,313,149	1,325,562
<b>Total assets</b>		<b>1,348,847</b>	<b>1,337,560</b>
<b>Liabilities</b>			
Borrowings – interest bearing	10	10,000	-
Payables		216	667
Current tax payable		3,732	664
Current liabilities		13,948	1,331
Borrowings – interest bearing	10	-	77,500
Net deferred tax liability	9	246,738	224,931
Non-current liabilities		246,738	302,762
<b>Total liabilities</b>		<b>260,686</b>	<b>303,762</b>
<b>Net assets</b>		<b>1,088,161</b>	<b>1,033,798</b>
<b>Equity</b>			
Issued capital	6	452,581	454,975
Reserves		635,580	578,823
<b>Total equity</b>		<b>1,088,161</b>	<b>1,033,798</b>

The Balance Sheet is to be read in conjunction with the Notes to the Financial Statements set out on pages 10 to 14.

# Statement of Changes in Equity

as at 31 December 2024

	Issued capital \$'000	Revaluation Reserve \$'000	Realisation Reserve \$'000	Retained earnings \$'000	Total equity \$'000
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 on revaluation	-	(15,994)	-	-	(15,994)
Net realised gains on disposals	-	(4,618)	4,618	-	-
Tax expense on disposals	-	1,385	(1,385)	-	-
Transfer fair value movements on unlisted managed funds to					
Revaluation Reserve	-	306	-	(306)	-
Tax expense on fair value movements	-	(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>
As at 1 July 2024	454,975	504,594	(19,488)	93,717	1,033,798
Total comprehensive income					
Profit after tax	-	-	-	18,515	18,515
Revaluation of investment portfolio	-	81,247	-	-	81,247
Tax expense on revaluation	-	(23,592)	-	-	(23,592)
Net realised gains on disposals	-	(7,393)	7,393	-	-
Tax expense on disposals	-	2,217	(2,217)	-	-
Transfer fair value movements on unlisted managed funds to					
Revaluation Reserve	-	(49)	-	49	-
Tax benefit on fair value movements	-	15	-	(15)	-
	-	52,445	5,176	18,549	76,170
Transactions with shareholders					
Dividend Reinvestment Plan	2,332	-	-	-	2,332
Dividends paid	-	-	-	(19,413)	(19,413)
On-market share buyback	(4,726)	-	-	-	(4,726)
	(2,394)	-	-	(19,413)	(21,807)
<b>As at 31 December 2024</b>	<b>452,581</b>	<b>557,039</b>	<b>(14,312)</b>	<b>92,853</b>	<b>1,088,161</b>

The Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements set out on pages 10 to 14.

# Statement of Cash Flows

as at 31 December 2024

	Note	December 2024 \$'000	December 2023 \$'000
<b>Cash flows from operating activities</b>			
Interest received		278	121
Dividends and trust distributions received		23,685	23,756
Foreign income received		2,848	1,646
Other income		10	7
Administration and other expenses paid		(858)	(711)
Finance costs paid		(1,649)	(2,639)
Income taxes paid		(774)	(368)
<b>Net cash from operating activities</b>		<b>23,540</b>	<b>21,812</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of investments		104,818	14,175
Purchases of investments		(11,207)	(16,477)
<b>Net cash from / (used in) investing activities</b>		<b>93,611</b>	<b>(2,302)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		35,000	39,000
Repayment of borrowings		(102,500)	(35,500)
On-market share buyback		(4,726)	-
Dividends paid net of Dividend Reinvestment Plan		(17,081)	(17,465)
<b>Net cash used in financing activities</b>		<b>(89,307)</b>	<b>(13,965)</b>
Net increase in cash held		27,844	5,545
Cash and cash equivalents at 1 July		3,794	4,119
<b>Cash and cash equivalents at 31 December</b>		<b>31,638</b>	<b>9,664</b>

The Statement of Cash Flows in Equity is to be read in conjunction with the Notes to the Financial Statements set out on pages 10 to 14.

# Notes to the Financial Statements

for the six months ended 31 December 2024

## 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 2024 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 2024.

This Interim Financial Report was approved by the Board of Directors on 21 February 2025.

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 2024.

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.

## 4. Earnings per share

	December 2024 Cents	December 2023 Cents
Basic and diluted earnings per share	8.6	8.2
Earnings per share excluding special income items	8.5	8.0

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

Special income items include:

- Net fair value movements on unlisted managed funds, which were a loss of \$34,000 after tax (previous corresponding period gain of \$214,000 after tax), and
- Special dividends received, which were \$220,000 after tax (previous corresponding period \$196,000 after tax).

# Notes to the Financial Statements

for the six months ended 31 December 2024

## 4. Earnings per share (continued)

The basic earnings per share for the period is calculated on a weighted average adjusted number of ordinary shares of 215,794,894 (previous corresponding period 217,404,138) taking into account the shares issued in the dividend reinvestment plan and shares cancelled as part of the Company's on-market buyback.

## 5. Dividends

Dividends recognised in the current period by the Company are:

	December 2024 \$'000	December 2023 \$'000
2024 final dividend of 9.0 cents per share (2023: 9.0 cents) fully franked paid on 17 September 2024	19,413	19,544

Since 31 December 2024, the Directors have declared the following dividend:

2025 interim dividend of 7.0 cents per share (2024: 7.0 cents) fully franked payable on 21 March 2025	15,068	15,231
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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 2024.

## 6. Issued Capital

	December 2024 \$'000	June 2024 \$'000
Issued and paid-up share capital 215,255,488 ordinary fully paid shares (30 June 2024: 215,696,292)	452,581	454,975
<b>Movements in issued capital</b>		
Balance at beginning of the period	454,975	462,497
Shares issued:		
Dividend Reinvestment Plan <sup>(1)</sup>	2,332	3,969
On-market share buyback <sup>(2)</sup>	(4,726)	(11,491)
	<b>452,581</b>	<b>454,975</b>

(1) In respect of the final dividend paid in September 2024, 447,678 ordinary shares were issued at \$5.22 each.

(2) In respect of the on-market share buyback, 888,482 shares were purchased at an average price of \$5.31 during the period. Transactions costs associated with the on-market share buyback were \$3,000.

# Notes to the Financial Statements

for the six months ended 31 December 2024

## 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 2024, the Company's Level 1 investments totalled \$1,290,706,000 (30 June 2024 \$1,303,070,000) and the Company's Level 2 investments totalled \$22,443,000 (30 June 2024 \$22,492,000).

### Fixed interest borrowings

At 31 December 2024, the Company did not have any fixed interest borrowings (30 June 2024 nil).

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

## 8. Taxation

	December 2024 \$'000	December 2023 \$'000
<b>Income tax and other adjustments</b>		
Current income tax expense	(2,407)	(1,727)
Prior year over provision of income tax	43	4
<b>Income Tax expense</b>	<b>(2,364)</b>	<b>(1,723)</b>

# Notes to the Financial Statements

for the six months ended 31 December 2024

## 9. Net deferred tax assets and liabilities

	December 2024 \$'000	June 2024 \$'000
Provision for tax on net unrealised gains on investments	246,396	224,695
Tax benefit of capital losses carried forward	-	(234)
Other	342	470
<b>Net deferred tax liabilities</b>	<b>246,738</b>	<b>224,931</b>

## 10. Borrowings

	December 2024 \$'000	June 2024 \$'000
<b>Current</b>		
Loan facilities drawn - Secured	10,000	-
<b>Non-current</b>		
Loan facilities drawn - Secured	-	77,500
	<b>10,000</b>	<b>77,500</b>

The total face value of the drawn facilities as at period end was \$10.0 million (30 June 2024 \$77.5 million). The liabilities are recorded at the face value of the amount drawn.

At 31 December 2024 the market value of investments secured against the loan facilities was \$60.8 million (30 June 2024 \$321.8 million).

## 11. Segment Reporting

The Company operates as an investment company in Australia.

At 31 December 2024, the allocation of the investment portfolio was as follows:

	December 2024		June 2024	
	\$'000	%	\$'000	%
Australian equities	1,040,116	77.1	1,049,880	78.5
International equities	273,115	20.3	275,682	20.6
Cash and receivables, net pending settlements	35,590	2.6	11,906	0.9
	<b>1,348,821</b>	<b>100.0</b>	<b>1,337,468</b>	<b>100.0</b>

Income received during the period grouped by each investment allocation was as follows:

	December 2024		December 2023	
	\$'000	%	\$'000	%
Australian equities	20,397	88.8	20,387	89.8
International equities	2,284	10.0	2,191	9.7
Cash and receivables, net pending settlements	277	1.2	121	0.5
Non-portfolio income	10	-	-	-
	<b>22,968</b>	<b>100.0</b>	<b>22,699</b>	<b>100.0</b>

# Notes to the Financial Statements

for the six months ended 31 December 2024

## 11. Segment Reporting (continued)

### Significant investments

For the period ended 31 December 2024, dividends received from Commonwealth Bank made up 10.9% of total investment revenue (previous corresponding period 10.6%) and dividends from BHP Group made up 9.7% of total investment revenue (previous corresponding period 11.0%).

As at 31 December 2024, CSL comprised 11.8% of the total value of the investment portfolio including cash (30 June 2024 12.5%) and Commonwealth Bank comprised 10.2% of the total value of the investment portfolio including cash (30 June 2024 9.5%).

## 12. Contingent Liabilities and Capital Commitments

There were no contingent liabilities or capital commitments as at 31 December 2024.

## 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 2024.

## 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 2024

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 14, 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 2024 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  
21 February 2025



# 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 2024 and of its performance for the half-year 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 2024;
- 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 including selected explanatory notes; and
- The Directors' Declaration.

## 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 2024 and its performance for the half-year 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  
21 February 2025