

Australia & International Holdings Limited

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NSX Release

2020 AGM

Chairman Address – AIH

The Profit after income tax for the financial year ended 30 June 2020 was \$117,177 and after allowing for unrealised changes in the value of equity investments at fair value, a loss of \$476,122 was recorded. Both these results were subject to the unusual circumstances surrounding the current pandemic which has had severe economic impact subsequently suppressing dividends and causing falls in equity markets.

AIH has a long-term investment horizon, so much of the fall in fair value might be expected to be offset during the 2020/2021 financial year. Mindful of the lower dividend levels pertaining at this time, the Board declared a final dividend of 4.5 cents per share fully franked, which was paid in October 2020. An interim dividend of 6 cents fully franked was paid earlier in April 2020.

The Net Asset Value per share stood at \$2.73 at 30 June 2020. At 12 November, the Net Asset Value was \$2.87, reflecting the portfolios positive response to the more favourable conditions emerging, including results for human trials for a number of leading pandemic vaccine alternatives.

Many leading economies are undertaking unprecedented stimulus measures to dampen the damage of the pandemic. This has had some worthwhile flow through to consumer and business confidence.

In the last few months, a number of popular momentum growth stock appear to have reached overvalued positions. Against this, the market segments beaten down by the uncertainties surrounding employment, housing values etc., are now showing some good signs of possible upside.

Australia has weathered the pandemic challenges reasonably well. However, until a vaccine regime/s is in place worldwide, life and commerce of the style and substance of 2018 will remain unattainable. Our portfolio will therefore need to be managed with eyes to many issues as opportunities present in what will remain a volatile environment.

Roger Burrell

18 November 2020