

APPENDIX 4D
HALF-YEAR REPORT

1 Company details

| | |
|----------------------------|---|
| Name of entity: | Australia & International Holdings Limited |
| ABN: | 98 009 706 414 |
| Reporting period: | Half-year ended 31-December-2023 |
| Previous reporting period: | Half-year ended 31-December-2022 |

2 Results for announcement to the market

(a)

| Revenue | 31-Dec-23 | 31-Dec-22 | % Change | |
|-----------------------------------|------------------|------------------|-----------------|--------|
| Revenues from ordinary activities | \$83,550 | \$116,385 | Down | 28.21% |
| Other income | | | | |

(b)

| Profit | 31-Dec-23 | 31-Dec-22 | % Change | |
|---|------------------|------------------|-----------------|--------|
| Profit from ordinary activities after tax attributable to the owners of Australia & International Holdings Limited | \$44,885 | \$85,102 | Down | 47.26% |
| Profit for the half-year attributable to the owners of Australia & International Holdings Limited | \$44,885 | \$85,102 | Down | 47.26% |
| Total comprehensive income for the half-year attributable to the owners of Australia & International Holdings Limited | \$173,599 | \$310,118 | Down | 44.02% |

(c) **Dividends**

| 2023 Final dividend | ¢ |
|---|-------------|
| Amount per security | 6.000 cents |
| Franked amount per security (refer point 6. for further detail) | 6.000 cents |

(d) **Comments**

The profit for the company after providing for income tax amounted to \$44,885 (31 December 2022: \$85,102). Revenue and other income for the six months ended 31 December 2023 was \$83,550, which was \$32,835 or 28.2% lower than the prior comparable period, as a result of lower distributions from the investment trusts, which in turn experienced lower dividend income, and also from lower investment disposals and, therefore, lower capital gains flowing through. Expenses for the six months were \$1,906 or 6.1% higher. The income tax expense was \$5,476 higher than the previous year, movements resulted in the after tax profit being \$40,217 or 47.3% lower for the six month period.

The lower profit results in lower distribution income. Comprehensive income from changes in fair value of investments was \$128,714 (31 December 2022: \$225,016), to bring total comprehensive income for the half-year to \$173,599 (31 December 2022: \$310,118).

Refer to the Review of Operations section of the Directors' Report for further comment.

Australia & International Holdings Limited
Half-year report

3 Net tangible assets

| | |
|---|-----------|
| Net tangible asset backing per ordinary security: | ¢ |
| Reporting period | 320 cents |
| Previous corresponding reporting period | 316 cents |

4 Control gained over entities

None

5 Loss of control over entities

None

6 Dividends

| Current period | ¢ |
|---|-------------|
| Dividend amount per security (paid on 09/10/2023) | 6.000 cents |
| Franked amount per security | 6.000 cents |

| Previous corresponding period | ¢ |
|---|-------------|
| Dividend amount per security (paid on 14/10/2022) | 5.500 cents |
| Franked amount per security | 5.500 cents |

The Company's dividend reinvestment plan (DRP) applied to both dividends paid.

7 Details of associates and joint venture entities

None

8 Foreign entities

None

9 Any other significant information

None

10 Audit qualification or review


The accounts were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11 Attachments

The Interim Report of Australia and International Holdings Limited for the half-year ended 31 December 2023 is attached.

12 Signature

Signed:



Christopher Burrell
Director

Date:

6 March 2024
Brisbane

Australia & International Holdings Limited

ABN 98 009 706 414

Interim Financial Report

for the half-year ended 31 December 2023

Australia & International Holdings Limited
Corporate Directory
31 December 2023

| | |
|-----------------------------|---|
| Directors | Roger J Burrell Gregory J Vickery Christopher T Burrell Steven S Pritchard |
| Company secretary | Ian F Davey Saskia R Jo |
| Registered office | Level 4, 24 Little Edward Street Spring Hill QLD 4000 Phone: 61 7 3006 7200 Fax: 61 7 3839 6964 |
| Principal place of business | Level 4, 24 Little Edward Street Spring Hill QLD 4000 |
| Share register | Newcastle Capital Markets Registries Pty Limited 10 Murray Street Hamilton NSW 2303 Telephone: 61 2 4920 2877 Facsimile: 61 2 4920 2878 |
| Auditor | PKF Brisbane Audit Level 2/66 Eagle Street Brisbane QLD 4000 |
| Bankers | DDH Graham Limited 18th Floor, 344 Queen Street Brisbane QLD 4000 |
| Stock exchange listing | Australia & International Holdings Limited shares are listed on the National Stock Exchange (NSX code: AID) |
| Website | http://www.burrell.com.au |

Australia & International Holdings Limited
Directors' Report
For the half-year ended 31 December 2023

The directors present their report, together with the financial statements of Australia & International Holdings Limited (the Company) for the half-year ended 31 December 2023.

Directors

The following persons were directors of Australia & International Holdings Limited during the whole of the half-year and up to the date of this report, unless otherwise stated:

Roger J Burrell
Gregory J Vickery
Christopher T Burrell
Steven S Pritchard

Principal Activities

The Company's principal activity during the half-year consisted of long-term investing in publicly listed Australian and overseas companies and managed funds.

Dividends

Dividends paid or provided for during the half-year were as follows:

| Final dividend | 31-Dec-23 | 31-Dec-22 |
|---|----------------------|----------------------|
| | \$ | \$ |
| Final dividend paid | <u>105,133</u> | <u>91,396</u> |
| Year ended | 30/06/2023 | 30/06/2022 |
| Cents per share | 6 ¢ | 5.5 ¢ |
| Franking % | 100% | 100% |
| Date paid | 9/10/2023 | 14/10/2022 |
| Review of operations | 31-Dec-23 | 31-Dec-22 |
| | \$ | \$ |
| Net profit for the Company for the half year after providing for income tax | <u>44,885</u> | <u>85,102</u> |

Overview

The Company provides investors with a medium to long-term investment vehicle with exposure to Australian and overseas listed equity investments and managed funds. The primary objective is to provide returns from dividends and capital growth.

Australia & International Holdings Limited
Directors' Report
For the half-year ended 31 December 2023

Market Overview

The Australian domestic market delivered gains for the six month period to 31 December 2023. As a result the S&P/ASX200 Accumulation Index (The Index) finished the calendar year very close to its all-time high returning 7.57% from the start of the financial year. Over the twelve month calendar year period, the index returned 12.42%. Markets in December were strong, with the index rising 7.3% in the month as they started to factor in a peak in global interest rates as inflation growth showed signs of weakening. This "Santa Rally" was broad-based with almost every sector posting gains, with the strongest contributors being Health Care, up 9.1%, Materials up 8.8%, Information Technology, up 7.4% and Communication Services, up 7.1%. The Real Estate sector led the way, up 11.5% in December benefitting from the fall in bond yields. The weaker sectors in December were Utilities, up 2.5% and Energy, up 3.4%.

On the global front, the US Federal Reserve Chairman Jerome Powell indicated a monetary policy pivot from a tightening to an easing stance. This was on the back of a trend of slowing inflation with the Fed's preferred measure of inflation, the core PCE Price Index, falling to 3.2% in November, marking its tenth consecutive monthly decline. This steady decline in inflation boosted the market's confidence that measures taken by Central Banks are having the desired effect in curtailing inflationary pressures. Whilst the rally has been strong, we remain vigilant regarding valuations, preferring to focus on company fundamentals such as balance sheet strength, debt levels, pricing power and operating cash flow in an effort to mitigate and manage portfolio risk.

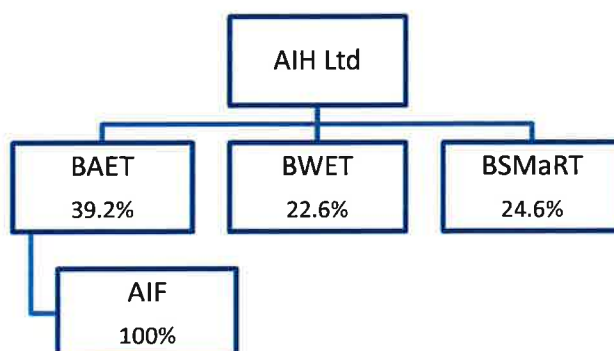
Structure

The Company is structured in order to provide investors with the opportunity to invest in a vehicle that holds positions in a strategically balanced and well-diversified set of investment portfolios. The majority of shareholder funds are invested over a medium to long term period in both Australian and international companies and managed funds. This is facilitated through the Company's investments in the Burrell Australian Equities Trust ("BAET"), the Burrell World Equities Trust ("BWET"), and the Burrell Small-caps, Mid-caps and Resources Trust ("BSMaRT").

BAET, BSMaRT and BWET are all registered managed investment schemes, which are open to both wholesale and retail investors. BAET invests in listed Australian equities, managed funds, and holds 100% of the equity in Australian Index Fund Pty Ltd. BWET invests in listed international equities and managed funds, and may use foreign exchange hedging instruments to hedge its exposure to fluctuations in foreign currencies. BSMaRT holds short-term trading and sector overweight positions in the Australian equities market.

Australia & International Holdings Limited
Directors' Report
For the half-year ended 31 December 2023

As at 31 December 2023, approximately 91.1% of AIH's investment portfolio comprised of investments in BAET, BWET and BSMaRT in the percentages of 55.5%, 24.2% and 11.4% respectively. This was achieved through the following ownership structure, whereby AIH owned 39.2% of the units on issue in BAET, 22.6% of the units on issue in BWET and 24.6% of the units on issue in BSMaRT.



Performance Outcomes

Net Return

The post-tax and pre-tax net returns to shareholders are shown in the following table. These 'net returns' are not directly comparable to publicly reported share price or accumulation indices because they are after costs have been deducted for managing and administering the portfolios and the Company. In the case of the post-tax returns, it is also after an allowance for tax at the rate of 30% has been deducted from operating profits and on the increases in value of the investment portfolios. Further, the return shareholders in AIH received from dividends are mostly franked. As such we look at the 'gross returns' from the individual investment portfolios.

| Net returns to shareholders for the half-year ended | 31-Dec-23 | 31-Dec-22 |
|---|------------------|------------------|
| | % | % |
| Post-tax return | 3.16 | 5.76 |
| Pre-tax return | 2.62 | 6.27 |

Gross Returns

For comparative purposes the international portfolio is benchmarked against the "MSCI" World (excluding Australia) Accumulation Index in local currency; and, the Australian long-term portfolio against the ASX All Ordinaries Accumulation Index. The smallcap, midcap and resources portfolio is more difficult to benchmark because it includes a mix of mid-cap shares and some overweight positions in blue-chip shares. However, we feel that the return from this portfolio is related to the performance of the Australian Small Ordinaries Accumulation Index.

The performances of the individual portfolios that the Company invested in for the half-year ended 31 December 2023 and the comparative period are shown in the table below. These returns are expressed on a pre-tax basis and are defined as the movement for the period in the net asset values of the portfolios.

| | 31-Dec-23 | 31-Dec-22 |
|--|------------------|------------------|
| | % | % |
| Burrell Australian Equities Trust (excl. AIF) | 5.5 | 8.9 |
| Burrell Australian Equities Trust (incl. AIF) | 5.4 | 8.9 |
| Burrell World Equities Trust | -0.5 | 6.5 |
| Burrell Small-cap, Mid-cap and Resources Trust | 4.0 | 13.3 |
| Australian All Ordinaries Accumulation Index | 8.0 | 9.7 |
| Australian Small Ordinaries Accumulation Index | 6.4 | 7.0 |
| MSCI World Index ex Australia (in AUD terms) | 8.1 | 3.5 |

Australia & International Holdings Limited
Directors' Report
For the half-year ended 31 December 2023

The Company looks through to the investment portfolios of BAET, BWET and BSMaRT to see its investments by industry sector:

| | 31-Dec-23 | 31-Dec-22 |
|-----------------------------------|------------------|------------------|
| | % | % |
| Financials | 37.7 | 38.4 |
| Materials | 14.1 | 16.9 |
| Health care | 10.7 | 7.9 |
| Energy | 5.1 | 5.6 |
| Industrials | 7.6 | 6.6 |
| Consumer discretionary | 6.9 | 6.0 |
| Managed funds and LICS | 6.2 | 6.7 |
| Information technology & telecoms | 6.5 | 6.7 |
| Consumer staples | 3.3 | 3.8 |
| Utilities | 1.3 | 1.0 |
| Real estate investment trusts | 0.6 | 0.4 |

The Company's investments on a look-through basis by geographic area are:

| | 31-Dec-23 | 31-Dec-22 |
|------------------------------|------------------|------------------|
| | % | % |
| Australia & New Zealand | 77.9 | 78.6 |
| Americas | 7.5 | 6.3 |
| United Kingdom | 0.3 | 0.2 |
| Europe excl. United Kingdom | 3.4 | 2.5 |
| Asia Pacific excl. Australia | 0.2 | 0.8 |
| Global | 10.7 | 11.6 |

Securities representing 5% or more of the combined investments and trading portfolio as at 31 December 2023 are:

| | 31-Dec-23 | 31-Dec-22 |
|--------------------------------|------------------|------------------|
| | % of portfolio | % of portfolio |
| Commonwealth Bank of Australia | 7.6 | 8.0 |

Net Asset Value per Share

| | 31-Dec-23 | 30-Jun-23 |
|-------------------------------------|------------------|------------------|
| Net Asset Value per share post- tax | \$3.20 | \$3.16 |
| Net Asset Value per share pre- tax | \$3.46 | \$3.43 |

Earnings Per Share

| | 31-Dec-23 | 31-Dec-22 |
|--|------------------|------------------|
| Earnings Per Share based on the net operating result (cents) | 2.56 ¢ | 5.07 ¢ |

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the entity during the financial half-year.

Australia & International Holdings Limited
Directors' Report
For the half-year ended 31 December 2023

Matters subsequent to the end of the financial half-year

The ongoing conflicts in Ukraine and Gaza along with tensions in the broader middle-east continue to pose potential significant threats to energy prices and supply chains as well as investor confidence. The timing of now-expected rate cuts continue to drive markets as Central Banks have communicated that they are to be “data dependent” in their policy making decisions. This may see the first potential rate cuts pushed back to the second half of the calendar year as wage inflation remains strong with unemployment levels still near all-time lows. Along with this, the 2024 US Election cycle will start to ramp up with the potential for political upheaval towards the end of the calendar year. Corporate earnings to be announced in February will be key to giving Investors confidence about the outlook for the economy for the year ahead.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

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 6.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Christopher T Burrell
Director



Roger J Burrell
Director

6 March 2024
Brisbane

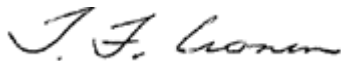
**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
AUSTRALIA & INTERNATIONAL HOLDINGS LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2023, 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.



PKF BRISBANE AUDIT



TIMOTHY CRONIN
PARTNER

6 MARCH 2024
BRISBANE

Australia & International Holdings Limited
Index to the condensed financial statements
For the half-year ended 31 December 2023

Contents

| | Page |
|--|------|
| Financial report | |
| Statement of profit or loss and other comprehensive income | 8 |
| Statement of financial position | 9 |
| Statement of changes in equity | 10 |
| Statement of cash flows | 11 |
| Notes to the financial statements | 12 |
| Directors' declaration | 18 |
| Independent auditor's report | 19 |

General information

The financial report covers Australia & International Holdings Limited as an individual entity. The financial report is presented in Australian dollars, which is Australia & International Holdings Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Australia & International Holdings Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4, 24 Little Edward Street
Brisbane QLD 4000

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 6 March 2024. The directors have the power to amend and reissue the financial report.

Australia & International Holdings Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023

| | Note | 31-Dec-23 | 31-Dec-22 |
|---|-------------|-----------------------|-----------------------|
| | | \$ | \$ |
| Continuing operations | | | |
| Revenue | 4 | 83,550 | 116,385 |
| Expenses | | | |
| Accounting and audit fees | | (8,214) | (7,810) |
| Legal expenses | | (2,980) | (1,998) |
| Listing fees | | (5,144) | (4,963) |
| Managed portfolio service fees | | (1,704) | (1,814) |
| Secretarial expenses | | (6,545) | (6,237) |
| Stock exchange fees | | (7,368) | (6,955) |
| Other expenses | | (1,060) | (1,332) |
| Profit before income tax expense | | <u>50,535</u> | <u>85,276</u> |
| Income tax expense | | <u>(5,650)</u> | <u>(174)</u> |
| Profit after income tax expense for the half-year attributable to the owners of Australia & International Holdings Limited | | 44,885 | 85,102 |
| Other comprehensive income | | | |
| <i>Items that will not be reclassified to profit or loss</i> | | | |
| Unrealised changes in the value of equity investments at fair value | | (57,709) | 182,771 |
| Realised net fair value gain(loss) on equity investments at fair value | | 186,423 | 42,245 |
| Other comprehensive income for the half-year, net of tax | | <u>128,714</u> | <u>225,016</u> |
| Total comprehensive income for the half-year attributable to the owners of Australia & International Holdings Limited | | <u><u>173,599</u></u> | <u><u>310,118</u></u> |
| | | Cents | Cents |
| Basic earnings per share | 10 | 2.56 ¢ | 5.07 ¢ |
| Diluted earnings per share | 10 | 2.56 ¢ | 5.07 ¢ |

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Australia & International Holdings Limited
Statement of financial position
As at 31 December 2023

| | Note | 31-Dec-23 \$ | 30-Jun-23 \$ |
|--------------------------------------|------|------------------|------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 5 | 17,563 | 180,449 |
| Prepayments | | 7,368 | - |
| Trade and other receivables | | 76,780 | 124,641 |
| Total current assets | | <u>101,711</u> | <u>305,090</u> |
| Non-current assets | | | |
| Financial assets | 6 | 6,010,362 | 5,743,657 |
| Total non-current assets | | <u>6,010,362</u> | <u>5,743,657</u> |
| Total assets | | <u>6,112,073</u> | <u>6,048,747</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | | 2,373 | 3,302 |
| Provision for income tax | | 30,919 | 25,269 |
| Total current liabilities | | <u>33,292</u> | <u>28,571</u> |
| Non-current liabilities | | | |
| Deferred tax liability | | 453,362 | 478,094 |
| Total non-current liabilities | | <u>453,362</u> | <u>478,094</u> |
| Total liabilities | | <u>486,654</u> | <u>506,665</u> |
| Net assets | | <u>5,625,419</u> | <u>5,542,082</u> |
| Equity | | | |
| Issued capital | 7 | 4,292,866 | 4,277,995 |
| Reserves | | 971,616 | 842,902 |
| Retained profits | | 360,937 | 421,185 |
| Total equity | | <u>5,625,419</u> | <u>5,542,082</u> |

*The above statement of financial position
should be read in conjunction with the accompanying notes*

Australia & International Holdings Limited
Statement of changes in equity
For the half-year ended 31 December 2023

| | Note | Contributed equity \$ | Other Reserves \$ | Retained profits \$ | Total equity \$ |
|--|------|-----------------------------|-------------------------|---------------------------|-----------------------|
| Balance at 1 July 2022 | | 4,017,129 | 586,860 | 451,504 | 5,055,493 |
| Profit after income tax (expense)/benefit for the half-year | | - | - | 85,102 | 85,102 |
| Other comprehensive income for the half-year, net of tax | | - | 225,016 | - | 225,016 |
| Total comprehensive income for the half-year | | - | 225,016 | 85,102 | 310,118 |
| <i>Transactions with owners in their capacity as owners:</i> | | | | | |
| Contributions of equity, net of transaction costs | | 247,740 | - | - | 247,740 |
| Dividends paid | 8 | - | - | (91,396) | (91,396) |
| Balance at 31 December 2022 | | <u>4,264,869</u> | <u>811,876</u> | <u>445,210</u> | <u>5,521,955</u> |
| | Note | Contributed equity \$ | Other Reserves \$ | Retained profits \$ | Total equity \$ |
| Balance at 1 July 2023 | | 4,277,995 | 842,902 | 421,185 | 5,542,082 |
| Profit after income tax (expense)/benefit for the half-year | | - | - | 44,885 | 44,885 |
| Other comprehensive income for the half-year, net of tax | | - | 128,714 | - | 128,714 |
| Total comprehensive income for the half-year | | - | 128,714 | 44,885 | 173,599 |
| <i>Transactions with owners in their capacity as owners:</i> | | | | | |
| Contributions of equity, net of transaction costs | 7 | 14,871 | - | - | 14,871 |
| Dividends paid | 8 | - | - | (105,133) | (105,133) |
| Balance at 31 December 2023 | | <u>4,292,866</u> | <u>971,616</u> | <u>360,937</u> | <u>5,625,419</u> |

*The above statement of changes in equity
should be read in conjunction with the accompanying notes*

Australia & International Holdings Limited
Statement of cash flows
For the half-year ended 31 December 2023

| | Note | 31-Dec-23 | 31-Dec-22 |
|---|------|----------------------|-----------------------|
| | | \$ | \$ |
| Cash flows from operating activities | | | |
| Dividends received | | 9,684 | 9,450 |
| Interest received | | 1,868 | 1,901 |
| Trust distributions received from related parties | | 119,857 | 137,829 |
| Payments to suppliers | | (40,381) | (40,062) |
| Income taxes paid | | - | (23) |
| | | <u>91,028</u> | <u>109,095</u> |
| Net cash from operating activities | | | |
| Cash flows from investing activities | | | |
| Payments for financial assets | | (370,732) | (126,897) |
| Proceeds from sale of financial assets | | 208,009 | 47,795 |
| | | <u>(162,723)</u> | <u>(79,102)</u> |
| Net cash (used in)/from investing activities | | | |
| Cash flows from financing activities | | | |
| Proceeds from the issue of shares | | 14,871 | 247,740 |
| Dividends paid | | (106,062) | (90,939) |
| | | <u>(91,191)</u> | <u>156,801</u> |
| Net cash from/(used in) financing activities | | | |
| Net increase in cash and cash equivalents | | (162,886) | 186,794 |
| Cash and cash equivalents at the beginning of the half-year | | <u>180,449</u> | <u>113,574</u> |
| Cash and cash equivalents at the end of the half-year | 5 | <u><u>17,563</u></u> | <u><u>300,368</u></u> |

*The above statement of cash flows
should be read in conjunction with the accompanying notes*

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2023

Note 1. Significant accounting policies

Statement of compliance

These general purpose financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Australia & International Holdings Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2023, together with any public announcements made during the following half-year.

Basis of preparation

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the year ended 30 June 2023. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Investments in Associates

AASB 128 – Investments in Associates

This accounting standard is applied in accounting for investments in entities where the investor has significant influence, which is presumed if the investor holds 20% or more of the voting power of the investee, unless it can be shown otherwise. Investments in associates are normally accounted for in the financial statements by applying the equity method of accounting whereby the investment is recognised at cost and adjusted for thereafter for the post acquisition change in the Company's share of the net assets of the associate entity.

Investments in the Trusts

At the end of the half-year the Company held investments in the Burrell Australian Equities Trust, the Burrell World Equities Trust and the Burrell Smallcaps Midcaps and Resources Trust ("the Trusts") representing 39.2%, 22.6% and 24.6% respectively of the units on issue of each trust. This would normally mean that the investments by the Company in these entities be accounted for by adopting the AASB 128 *Investments in Associates* Accounting Standard. However, the directors have considered the nature of the company's investment in the Trusts and determined the Company does not have significant influence. Accordingly, the Company, as an investor, has adopted the accounting treatment under AASB 9 and recorded the investments as 'financial assets at fair value through other comprehensive income'. This has been done because all three trusts are investment vehicles which invest in the shares of listed companies and managed funds and these assets held by the trusts are accounted for as 'financial assets at fair value through other comprehensive income' assets. Therefore, the Company has 'looked through' to the nature of its underlying assets and applied the same accounting treatment to maintain consistency and avoid confusion to the readers of these financial statements. It should be noted that the effect on the net assets of the Company under equity accounting and the current treatment is the same.

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2023

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future half-years.

Note 3. Operating segments

The Company is predominantly invested in the Burrell Australian Equities Trust, the Burrell World Equities Trust, and the Burrell Smallcaps Midcaps and Resources Trust, who in turn invest the majority of their funds in companies listed on the Australian and international stock exchanges and selected managed funds. The Company's allocation of investments and the performance of these investments are in line with the investment portfolios of the three trusts and it follows that an appropriate categorisation of segments for reporting purposes is into: Australian large-cap long-term shares; Australian small and midcap shares; and overseas long-term shares. The Australian long term portfolio is made up of blue chip and quality shares in companies in the ASX All Ordinaries Index, whilst the Australian mid cap and small cap portfolio comprises shares in companies outside of the top 100 companies in the same index. The overseas portfolio consists of shareholdings in stocks traded on stock exchanges with similar corporate governance regimes as Australia. This portfolio is primarily made up of shares in companies operating in the USA, UK, Europe and Asia.

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2023

Note 3. Operating segments (continued)

Operating segment information

| 31 December 2023 | Australian Large-cap Long-Term Shares \$ | Australian Small-Mid- cap Shares \$ | Overseas Long-Term Shares \$ | Intersegment eliminations/ unallocated \$ | Total \$ |
|--|---|--|---|--|---------------------|
| Revenue | | | | | |
| Dividend income | 9,684 | - | - | - | 9,684 |
| Interest revenue | 1,868 | - | - | - | 1,868 |
| Trust distributions from related parties | 58,930 | 12,131 | 937 | - | 71,998 |
| Total revenue | 70,482 | 12,131 | 937 | - | 83,550 |
| Segment result | | | | | |
| Profit/(loss) before income tax benefit | 70,482 | 12,131 | 937 | (33,015) | 50,535 |
| Income tax expense | 70,482 | 12,131 | 937 | (33,015) | 50,535 |
| Profit after income tax benefit | | | | | (5,650) |
| | | | | | 44,885 |
| Assets | | | | | |
| Segment assets | 3,899,384 | 706,610 | 1,481,148 | 24,931 | 6,112,073 |
| Intersegment eliminations | | | | | - |
| Total assets | | | | | 6,112,073 |
| Liabilities | | | | | |
| Segment liabilities | 325,510 | (4,911) | 132,763 | 33,292 | 486,654 |
| Total liabilities | | | | | 486,654 |

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2023

Note 3. Operating segments (continued)

| | Australian Large-cap Long-Term Shares | Australian Small-Mid- cap Shares | Overseas Long-Term Shares | Intersegment eliminations/ unallocated | Total |
|--|--|--|---------------------------------|--|------------------|
| 31 December 2022 | \$ | \$ | \$ | \$ | \$ |
| Revenue | | | | | |
| Dividend income | 9,450 | - | - | - | 9,450 |
| Interest revenue | 1,901 | - | - | - | 1,901 |
| Trust distributions from related parties | 74,731 | 14,467 | 15,836 | - | 105,034 |
| Total revenue | 86,082 | 14,467 | 15,836 | - | 116,385 |
| Segment result | 86,082 | 14,467 | 15,836 | (31,109) | 85,276 |
| Profit/(loss) before income tax benefit | 86,082 | 14,467 | 15,836 | (31,109) | 85,276 |
| Income tax benefit | | | | | (174) |
| Profit after income tax benefit | | | | | 85,102 |
| Assets | | | | | |
| Segment assets | 3,669,923 | 707,703 | 1,321,707 | 309,321 | 6,008,654 |
| Intersegment eliminations | | | | | - |
| Total assets | | | | | 6,008,654 |
| Liabilities | | | | | |
| Segment liabilities | 355,063 | 2,265 | 107,469 | 21,902 | 486,699 |
| Total liabilities | | | | | 486,699 |

Note 4. Revenue

| | 31-Dec-23 \$ | 31-Dec-22 \$ |
|--|-----------------|-----------------|
| Dividends | 9,684 | 9,450 |
| Interest | 1,868 | 1,901 |
| Trust distributions from related parties | 71,998 | 105,034 |
| Revenue | 83,550 | 116,385 |

Note 5. Current assets - cash and cash equivalents

| | 31-Dec-23 \$ | 30-Jun-23 \$ |
|---------------------------|-----------------|-----------------|
| Cash and cash equivalents | 17,563 | 180,449 |

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2023

Note 6. Non-current assets - financial assets

| | 31-Dec-23 | 30-Jun-23 |
|----------------------------------|------------------|------------------|
| | \$ | \$ |
| Non-Current | | |
| Equity investments at fair value | 6,010,362 | 5,743,657 |
| | <u>6,010,362</u> | <u>5,743,657</u> |

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous period are set out below:

| | | |
|-------------------------------------|------------------|------------------|
| Opening fair value | 5,743,657 | 5,223,190 |
| Additions | 370,732 | 220,592 |
| Disposals | (21,586) | (5,550) |
| Revaluation increments/(decrements) | (82,441) | 305,425 |
| Closing fair value | <u>6,010,362</u> | <u>5,743,657</u> |

Note 7. Equity - issued capital

| | 31-Dec-23 | 30-Jun-23 | 31-Dec-23 | 30-Jun-23 |
|------------------------------|------------------|------------------|------------------|------------------|
| | Shares | Shares | \$ | \$ |
| Ordinary shares - fully paid | <u>1,758,005</u> | <u>1,752,673</u> | <u>4,292,866</u> | <u>4,277,995</u> |

Movements in ordinary share capital

| | Date | No. of shares | Issue price | \$ |
|----------------------------|-------------|------------------|-------------|------------------|
| Balance | 30 Jun 2023 | 1,752,673 | | 4,277,995 |
| Dividend reinvestment plan | 9 Oct 2023 | 5,332 | \$3.10 | 16,597 |
| DRP cost | | | | (1,726) |
| Balance | 31 Dec 2023 | <u>1,758,005</u> | | <u>4,292,866</u> |

Note 8. Equity - dividends

Dividends

Final dividend

| | 31-Dec-23 | 31-Dec-22 |
|---------------------|----------------|---------------|
| | \$ | \$ |
| Final dividend paid | <u>105,133</u> | <u>91,396</u> |

| | | |
|-----------------|------------|------------|
| Year ended | 30/06/2023 | 30/06/2022 |
| Cents per share | 6 ¢ | 5.5 ¢ |

| | | |
|------------|-----------|------------|
| Franking % | 100% | 100% |
| Date paid | 9/10/2023 | 14/10/2022 |

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2023

Note 9. Events after the reporting period

The ongoing conflicts in Ukraine and Gaza along with tensions in the broader middle-east continue to pose potential significant threats to energy prices and supply chains as well as investor confidence. The timing of now-expected rate cuts continue to drive markets as Central Bankers have communicated that they are to be “data dependent” in their policy making decisions. This may see the first potential rate cuts pushed back to the second half of the calendar year as wage inflation remains strong with unemployment levels still near all-time lows. Along with this, the 2024 US Election cycle will start to ramp up with the potential for political upheaval towards the end of the calendar year. Corporate earnings to be announced in February will be key to giving Investors confidence about the outlook for the economy for the year ahead.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 10. Earnings per share

| | 31-Dec-23 | 31-Dec-22 |
|--|------------------|------------------|
| | \$ | \$ |
| Profit after income tax attributable to the owners of Australia & International Holdings Limited | <u>44,885</u> | <u>85,102</u> |
| | Number | Number |
| Weighted average number of ordinary shares used in calculating basic earnings per share | <u>1,755,078</u> | <u>1,678,394</u> |
| | <u>1,755,078</u> | <u>1,678,394</u> |
| | Cents | Cents |
| Basic earnings per share | 2.56 ¢ | 5.07 ¢ |
| Diluted earnings per share | 2.56 ¢ | 5.07 ¢ |

Note 11. Contingencies

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

Australia & International Holdings Limited
Directors' declaration

To the Members of Australia & International Holdings Limited

In accordance with a resolution of the directors of Australia & International Holdings Limited ("the company"), the directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 17, are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134 - Interim Financial Reporting, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - b. giving a true and fair view of the entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the directors



Christopher T Burrell
Director



Roger J Burrell
Director

Brisbane
6 March 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF AUSTRALIA & INTERNATIONAL HOLDINGS LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Australia & International Holdings Limited ("the company"), which comprises the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other 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 half-year financial report of Australia & International Holdings Limited is not in accordance with the *Corporations Act 2001* including:-

- (a) giving a true and fair view of the company's financial position as at 31 December 2023, and of its financial performance for the half-year ended on that date; and
- (b) complying with the Australian 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*. 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 the Code.

Independence

In conducting our review, we have complied with the auditor independence requirements of the *Corporations Act 2001*. In accordance with the *Corporations Act 2001*, we have given the directors of the company a written Auditor's Independence Declaration.

Responsibility of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Regulations 2001* 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.



Auditor's Responsibilities for the Review of the 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 2023 and 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.

A stylized, handwritten signature of the letters 'PKF' in black ink.

PKF BRISBANE AUDIT

A handwritten signature in black ink that reads 'T. F. Cronin'.

TIMOTHY CRONIN

PARTNER

6 MARCH 2024

BRISBANE