



15 February 2021

The Manager
ASX Market Announcements
Australian Securities Exchange
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Electronic Lodgement

**Mirrabooka Investments Limited
Half Year Review to 31 December 2020**

Dear Sir / Madam

Please find attached the Half Year Review to 31 December 2020 that is being sent to shareholders.

Yours faithfully

Matthew Rowe
Company Secretary

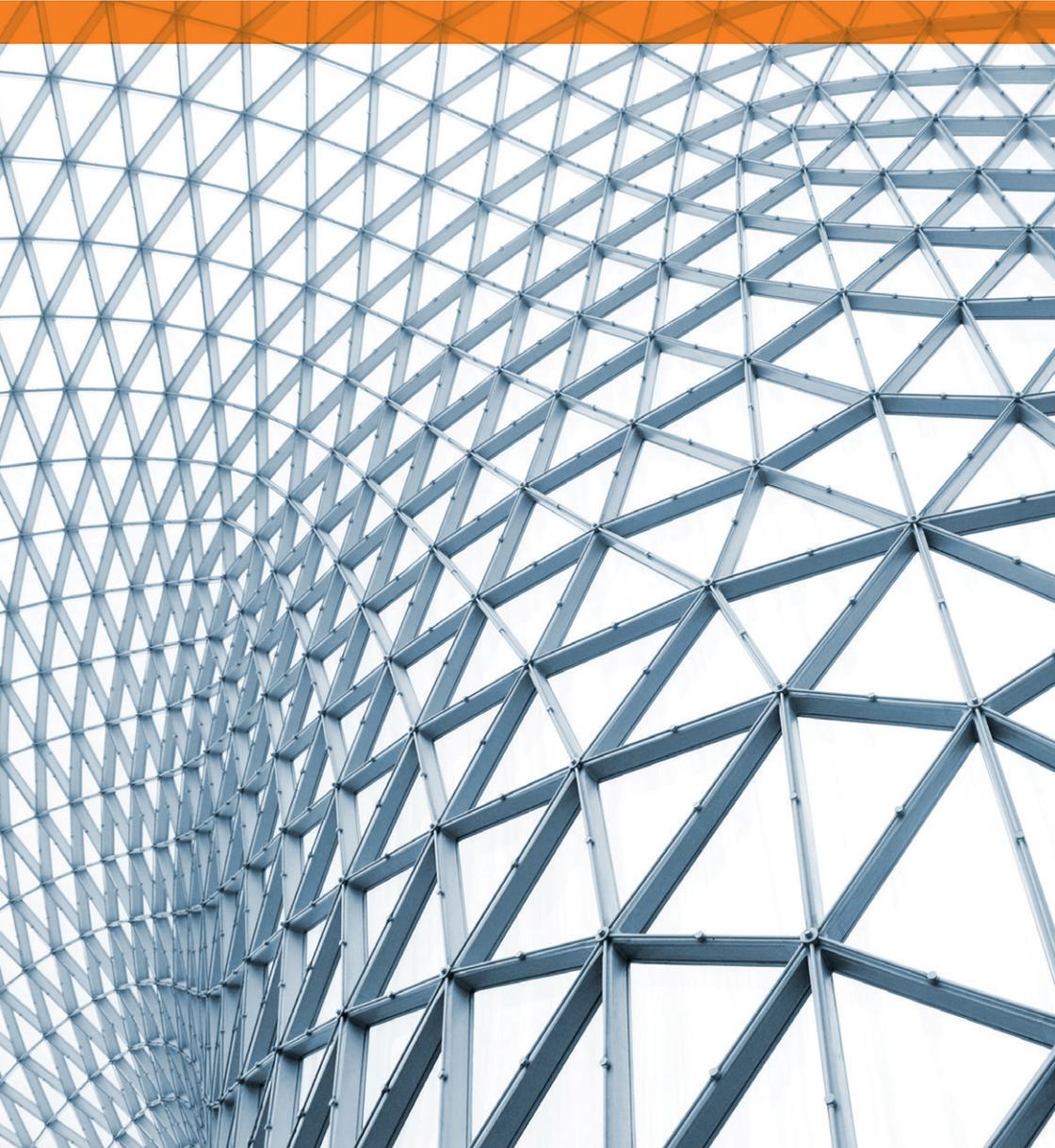
Release authorised by Matthew Rowe, Company Secretary



MIRRABOOKA
Investments Limited

Finding opportunities
in small and medium-
sized companies

Half-Year Review to
31 December 2020



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MIRRABOOKA IS A LISTED INVESTMENT COMPANY SPECIALISING IN INVESTING IN SMALL AND MEDIUM-SIZED COMPANIES LOCATED WITHIN AUSTRALIA AND NEW ZEALAND. OUR GENERAL DEFINITION OF SMALL AND MEDIUM-SIZED COMPANIES IS THOSE COMPANIES WHICH FALL OUTSIDE THE S&P/ASX 50 LEADERS INDEX.

Half-Year in Summary

2020

Profit for the Half-Year	\$3.4m	Down 22.8% from 2019
Fully Franked Interim Dividend	3.5¢	3.5 cents in 2019
Net Asset Backing at 31 December 2020	\$3.11	\$2.54 in 2019
6 Month Total Portfolio Return	33.0% Including franking*	Combined S&P/ASX Small Ordinaries and Mid Cap 50 Accumulation Indices including franking* 21.9%
Share Price at 31 December 2020	\$3.25	\$2.70 in 2019
6 Month Total Shareholder Return	43.2%	Share price plus dividend
Management Expense Ratio (Annualised)	0.46%	0.53% in 2019
Total Portfolio (Including Cash) at 31 December 2020	\$511.9m	\$415.3 million in 2019

* Assumes an investor can take full advantage of the franking credits.

About the Company

Mirrabooka is a listed investment company specialising in investing in small and medium-sized companies located within Australia and New Zealand. Our general definition of small and medium-sized companies is those companies which fall outside the S&P/ASX 50 Leaders Index.

Investment Objectives

The Company aims to provide medium to long term investment gains through holding core investments in selected small and mid-sized companies.

To provide attractive fully franked dividend returns.

What We Look For When Investing

Business Quality

Attractive, sustainable return on capital prospects

No impediments to continued growth

Financial Strength

Balance sheet providing resilience and reinvestment potential

Returns supported by cash flow

Management

Act like a substantial shareholder, and often are

Experienced, effective, passionate

Approach to Managing the Portfolio

Buy with a medium to long-term view

Pay fair value for quality; wary of overpaying

Holdings often grow with increased conviction or price dips

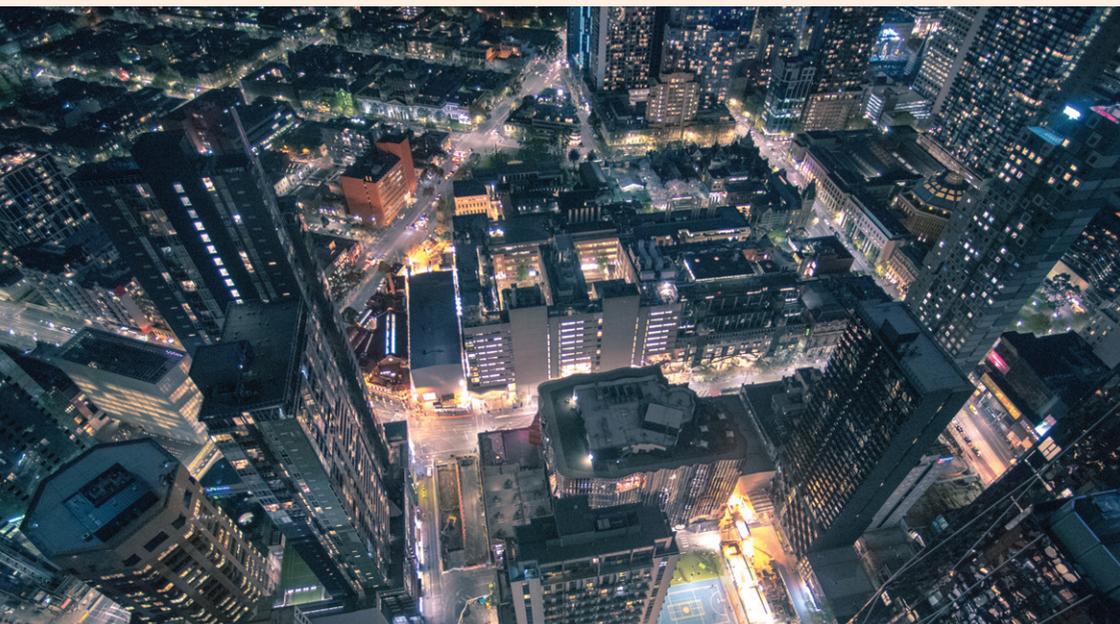
Sell when investment case adversely changes

Monitor holdings for excessive valuations to manage risk

Maintain a spread of holdings; enhancing consistency of returns

As a long-term investor, Environmental, Social and Governance (ESG) analysis is integrated into Mirrabooka's investment framework:

- Mirrabooka will seek to invest in companies that have strong governance and risk management processes that include environmental and social risks.
- The remuneration structures proposed and used by the boards of the companies in which Mirrabooka invests are assessed as we are seeking remuneration plans and outcomes that align with Mirrabooka's (and Mirrabooka's own investors) interests as long-term shareholders.
- Mirrabooka supports engagement with its investee companies on these issues, and will vote as shareholders accordingly.



Review of Operations and Activities

Profit and Dividend

The half-year profit was \$3.4 million, down from \$4.4 million in the corresponding period last year. The fall in profit was due primarily to a reduced contribution from investment income as many companies lowered or suspended dividend payments. Adjustments made to the portfolio through the period produced after-tax realised gains of \$15.3 million. In the corresponding period, last year, after-tax realised gains were \$11.6 million.

The interim dividend has been maintained at 3.5 cents per share fully franked. This dividend was sourced entirely from taxable capital gains, on which the Company has paid or will pay tax. The amount of the pre-tax attributable gain on this portion of the dividend, known as an 'LIC capital gain', is therefore 5.0 cents per share. These LIC capital gains allows some shareholders to claim a tax deduction in their tax return.

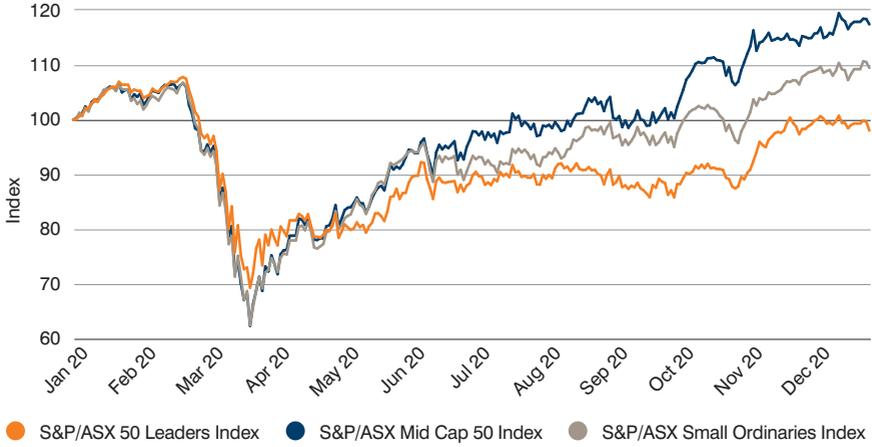
Market and Portfolio Returns

In the disruption caused by the COVID-19 pandemic during the year, investors factored in significant downside risk at the height of the crisis, with smaller companies unsurprisingly facing an even more uncertain outlook.

With various government and central bank measures beginning to take effect in the second quarter of the 2020 calendar year, the supportive demand backdrop that this provided saw small and mid-cap companies rally more sharply than larger ASX listed companies (Figure 1). As confidence grew around various vaccine developments, and the expected continuance of very low interest rates the market recovery continued further over the six months to 31 December 2020. This was particularly evident as many shorter term focused investors rotated from companies whose revenues increased through the COVID-19 environment (i.e. online retailing), to companies that had been most negatively impacted by the pandemic (i.e. travel).



Figure 1: Small and Mid Cap 50 Sector Performance Versus 50 Leaders
– 12 Months to 31 December 2020



Source: FactSet



Review of Operations and Activities

continued

Reflective of the quality of the portfolio, Mirrabooka delivered a return for the six months to 31 December 2020, including the benefit of franking, of 33.0 per cent. This was ahead of the Combined Small Ordinaries and Mid Cap 50 benchmark which was up 21.9 per cent, including franking, over the same period. Over the six-month period, the portfolio has benefited from strong share price performance in some of our larger holdings such as Mainfreight, ARB Corporation, Objective Corporation, Reece, Net Wealth, HUB24 and Xero.

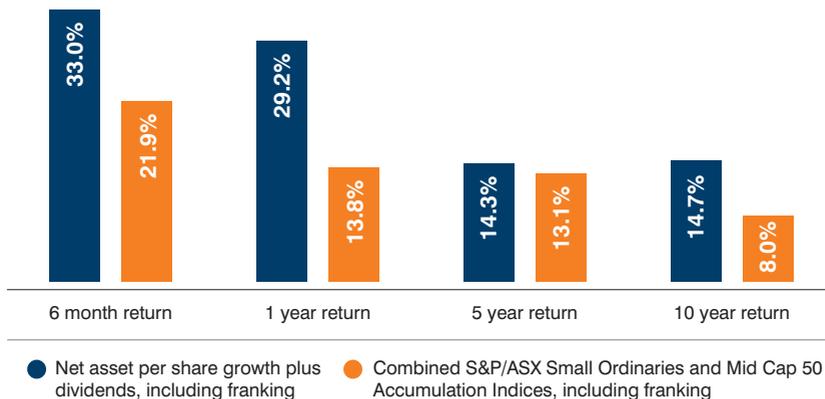
For the 12 months to 31 December 2020, the relative returns were 29.2 per cent for Mirrabooka and 13.8 per cent for the benchmark, with both figures including the benefit of franking (Figure 2).

Share Price Performance

Figure 3 outlines the benefit of compound returns and the value of Mirrabooka's investment approach given the relative total share price return (including dividends and franking) from an investment of \$1,000 in Mirrabooka over the 10 years to 31 December 2020. This is compared to the return from the combined Small Ordinaries and Mid Cap 50 Accumulation Indices, including franking.

At 31 December 2020, the share price was trading at a premium of 4 per cent to the net asset backing per share (Figure 4).

Figure 2: Portfolio Return to 31 December 2020* – Including the Full Benefit of Franking



* Annualised returns other than six-month figure.

Note: Mirrabooka's net asset per share growth plus dividend series is calculated after management fees, income tax and capital gains tax on realised sales of investments. It should be noted that Index returns for the market do not include the impact of management expenses and tax on their performance.

Figures assumes an investor can take full advantage of the franking credits.

Figure 3: Performance of an Investment of \$1,000 in Mirrabooka Shares Including Dividends – 10 Years to 31 December 2020 (Includes the Full Benefit of Franking)

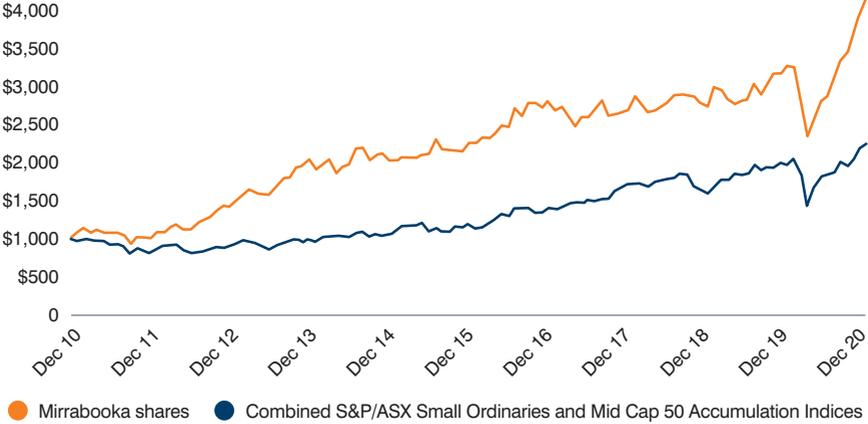
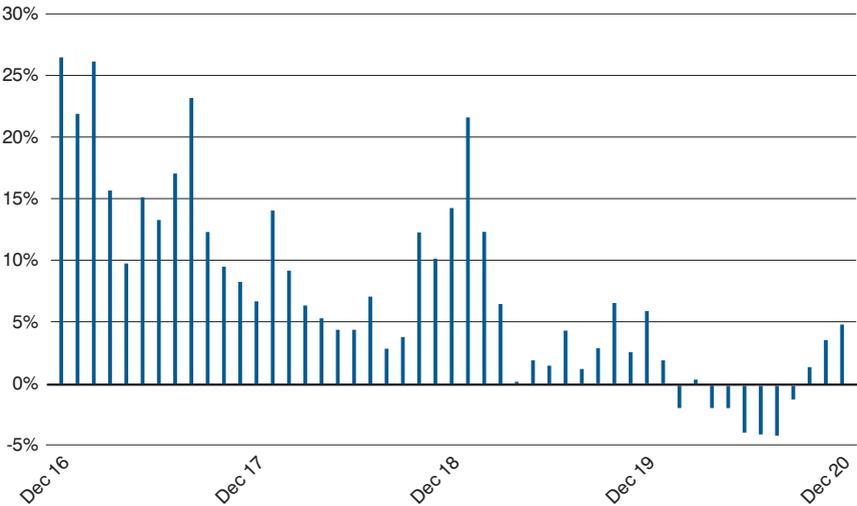


Figure 4: Share Price Relative to Net Asset Backing Per Share



Review of Operations and Activities

continued

Portfolio Changes

Despite the overall strength in the market, we have found opportunities to invest in some new companies for the portfolio. In NIB (health insurance) and Nanosonics (infection control and decontamination products), we have followed progress in these companies that meet our quality thresholds for many years. These were added to the portfolio during meaningful price dips that have since recovered. We have also followed progress at Superloop (fibre telecommunications provider) and saw an opportunity to invest with the arrival of a well-credentialed management team, which has a focus on extracting greater returns from a valuable asset base. Corporate Travel, which was previously owned, has inevitably been caught up in impacts of the pandemic. However, we decided to re-enter the stock as it very effectively navigated the impacts of the crisis and made a well-timed acquisition in the United States.

Capital markets and IPO activity has been particularly buoyant since September. We continue to maintain an approach of meeting as many aspiring IPO candidates as possible as we look to own the highest-quality opportunities that arise from these. While we did see some interesting companies to follow into the future, material participation was limited to the data processing business Nuix.

The most material selling in the six-month period has come from trimming some of the strongest portfolio performers because of valuation risk, Objective Corporation and HUB24, and exiting our positions in Premier Investments and OptiComm, which was taken over. Selling activity has otherwise been relatively subdued as we remain confident in the stocks that we currently own.

Opportunities to Invest

Valuations remain high in the small and mid-cap industrial sectors of the Australian equity market (Figures 5 and 6). In looking forward, a number of factors are likely to influence the market. The ongoing impact of the COVID-19 pandemic and the effectiveness of vaccines will be high on the list of issues for investors to consider as economies try to normalise and governments attempt to manage large fiscal positions. This is against a backdrop where a number of stocks appear to be priced for an outlook that may be difficult to achieve, however very low interest rates seems to be providing strong underlying support for equities.

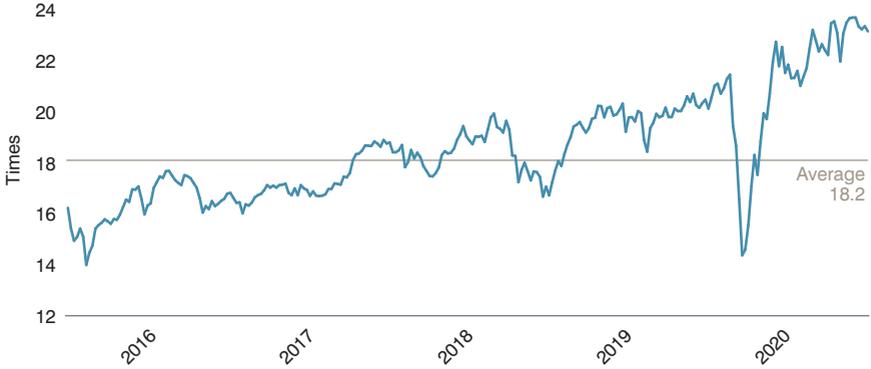
Mirrabooka remains focused on long term opportunities in high-quality companies and we are confident that with patience, future market volatility will provide additional opportunities to invest. At the end of December 2020, Mirrabooka was close to fully invested and therefore announced a share purchase plan with the interim result to provide additional funds for the portfolio.

Directorship Matters

As previously advised to the ASX, the Board is pleased to announce that Antoinette A Kimmitt AM and Greg Richards have been appointed to the Board of the Company with effect from 1 January 2021.

Also, as previously announced in December 2020, Ross Barker will retire from the Board with effect from 31 January 2021. The Board wishes to record their deep appreciation to Ross Barker for his 22 years of outstanding service to the Company and wish him well for the future.

Figure 5: Price Earnings Ratio – Small Ordinaries Industrials



Source: FactSet

Figure 6: Price Earnings Ratio – Mid Cap 50 Industrials



Source: FactSet

Top 20 Investments

As at 31 December 2020

Includes investments held in both the investment and trading portfolios.

Valued at Closing Prices at 31 December 2020

		Total Value \$ Million	% of the Portfolio
1	Mainfreight	32.4	6.4
2	Macquarie Telecom Group	24.6	4.9
3	ARB Corporation	22.6	4.5
4	Reece	19.2	3.8
5	Netwealth Group	15.6	3.1
6	Breville Group	15.3	3.0
7	Qube Holdings	14.7	2.9
8	NEXTDC	14.4	2.9
9	Seek	14.1	2.8
10	Carsales.com	13.1	2.6
11	Xero Limited	13.0	2.6
12	James Hardie Industries*	13.0	2.6
13	IRESS	12.4	2.5
14	InvoCare	11.7	2.3
15	Objective Corporation	11.4	2.3
16	EQT Holdings	11.3	2.2
17	AUB Group	11.0	2.2
18	ResMed	9.8	1.9
19	ALS	9.6	1.9
20	Auckland International Airport*	9.3	1.8
Total		298.8	

As a percentage of total portfolio value (excludes cash)

59.4%

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

Income Statement

For the Half-Year Ended 31 December 2020

	Half-Year 2020 \$'000	Half-Year 2019 \$'000
Dividends and distributions	3,262	4,596
Revenue from deposits and bank bills	15	152
Net gains on trading portfolio	1,635	1,359
Income from options written portfolio	(26)	(83)
Other income	56	-
Income from operating activities	4,942	6,024
Finance costs	(63)	(80)
Administration expenses	(1,039)	(1,077)
Profit before income tax expense	3,840	4,867
Income tax expense	(471)	(505)
Profit for the half-year	3,369	4,362
	Cents	Cents
Profit per share	2.08	2.71

Balance Sheet

As at 31 December 2020

	31 Dec 2020 \$'000	30 June 2020 \$'000
Current assets		
Cash	8,805	20,207
Receivables	15	620
Trading portfolio	3,454	-
Total current assets	12,274	20,827
Non-current assets		
Deferred tax assets	103	20
Investment portfolio	499,930	372,370
Total non-current assets	500,033	372,390
Total assets	512,307	393,217
Current liabilities		
Payables	1,786	268
Tax payable	5,952	1,518
Options sold portfolio	276	49
Total current liabilities	8,014	1,835
Non-current liabilities		
Deferred tax liabilities – investment portfolio	73,838	42,286
Total non-current liabilities	73,838	42,286
Total liabilities	81,852	44,121
Net assets	430,455	349,096
Shareholders' equity		
Share capital	211,181	209,466
Revaluation reserve	155,474	84,032
Realised capital gains reserve	40,607	35,774
Retained profits	23,193	19,824
Total shareholders' equity	430,455	349,096

Summarised Statement of Changes in Equity

For the Half-Year Ended 31 December 2020

	Half-Year 2020 \$'000	Half-Year 2019 \$'000
Total equity at the beginning of the half-year	349,096	345,048
Dividends paid	(10,447)	(10,430)
Dividend Reinvestment Plan	1,723	1,921
Share capital adjustments	(8)	(9)
Total transactions with shareholders	(8,732)	(8,518)
Profit for the half-year	3,369	4,362
Revaluation of investment portfolio	123,885	35,257
Provision for tax on revaluation	(37,163)	(10,753)
Revaluation of investment portfolio (after tax)	86,722	24,504
Total comprehensive income for the half-year	90,091	28,866
Realised gains on securities sold	20,891	17,059
Tax expense on realised gains on securities sold	(5,611)	(5,508)
Net realised gains on securities sold	15,280	11,551
Transfer from revaluation reserve to realised gains reserve	(15,280)	(11,551)
Total equity at the end of the half-year	430,455	365,396

A full set of Mirrabooka's interim accounts are available on the Company's website.

Holdings of Securities

As at 31 December 2020

Details of the Company's portfolios are given below. The list should not, however, be used to evaluate portfolio performance or to determine the net asset backing per share (which is recorded each month on the toll free telephone service at 1800 780 784), as individual holdings in the portfolio may change.

Unless otherwise stated, the securities in this list are fully paid ordinary shares, trust units, stapled securities or convertible notes.

Code	Company	Principal Activities	Number Held '000	Market Value \$'000
MFT	Mainfreight (NZX listed)	Provider of managed warehousing and international and domestic freight forwarding services	500	32,425
MAQ	Macquarie Telecom Group	Provides voice and telecommunication services as well as data hosting and co-location services to businesses and government customers	471	24,632
ARB	ARB Corporation	Manufacturer and distributor of four-wheel drive vehicle accessories in Australia and internationally	734	22,609
REH	Reece	Distributor and retailer of plumbing, building and hardware supplies	1,298	19,204
NWL	Netwealth Group	A diversified financial services company providing independent investment platform services to institutional, corporate and retail clients	981	15,641
BRG	Breville Group	Manufacturer and wholesaler of electrical consumer products	600	15,342
QUB	Qube Holdings	Provider of import and export logistics services with national operations	5,000	14,700
NXT	NEXTDC	Owns and operates large-scale data centres across Australia	1,178	14,409
SEK	Seek	Operator of employment classifieds websites in Australia and offshore with interests in education and training	495	14,122
CAR	Carsales.com	The largest online automotive classifieds business in Australia. They also have interests in leading online automotive classified businesses in Brazil, South Korea, Malaysia, Indonesia, Thailand and Mexico	657	13,147

Code	Company	Principal Activities	Number Held '000	Market Value \$'000
XRO	Xero	Develops cloud-based accounting software for small and medium-sized businesses in New Zealand, Australia, the United Kingdom and the United States	89	13,036
JHX*	James Hardie Industries	Building materials company focused on fibre cement products, predominantly in the United States	341	13,009
IRE	IRESS	Provider of share market and wealth management information systems	1,172	12,433
IVC	InvoCare	Provider of services related to funerals, burials and cremations	1,020	11,679
OCL	Objective Corporation	Provider of information technology software and services	965	11,442
EQT	EQT Holdings	Provider of private client, trustee, estate administration and funds management services	427	11,303
AUB	AUB Group	Investor in a network of small to medium Australian insurance brokers	680	11,009
RMD	ResMed	Developer, manufacturer and distributor of medical equipment for treating, diagnosing, and managing sleep-disordered breathing and other respiratory disorders	360	9,803
ALQ	ALS	Provider of analytical laboratory services to mining, life sciences, energy and industrial clients	1,000	9,610
AIA*	Auckland International Airport	Owner and operator of New Zealand's largest airport. It operates through the following segments: aeronautical, retail and property	1,297	9,295
FPH	Fisher & Paykel Healthcare	Designs, manufactures and markets a range of medical devices used in respiratory care and the treatment of obstructive sleep apnoea	295	9,130
APE	Eagers Automotive	Operator of a national footprint of motor vehicle dealerships representing a broad range of car and truck brands in Australia	660	8,771
OZL*	OZ Minerals	Engages in the mining of copper and gold at developed mines as well as engaging in mining exploration and development projects	472	8,682

Holdings of Securities

As at 31 December 2020 continued

Code	Company	Principal Activities	Number Held '000	Market Value \$'000
PNI	Pinnacle Investments	Develops and operates investment management businesses; and provides distribution services, and business support to its affiliates	1,177	8,354
ALX*	Atlas Arteria	Owns stakes in a number of toll roads in France and the United States	1,204	7,825
FCL	Fineos Corporation	A global software company that provides software solutions to the life, accident and health insurance industry	1,994	7,379
HUB	HUB24	Provider of platform, investment, advisory and stock broking services to institutional, corporate and retail clients	342	7,288
NHF	NIB Holdings	Provider of private health insurance and personalised healthcare services in Australia and New Zealand	1,200	7,164
REA	REA Group	Leading digital media business focusing on online property portals in Australia and overseas	48	7,078
OSH*	Oil Search	Oil and gas explorer, developer and producer with assets predominantly in PNG	1,831	6,776
SPL	Starpharma Holdings	Engages in the research and development of dendrimer products for pharmaceutical, life science and other applications	4,280	6,698
IFM	Infomedia	Engages in the development and provision of applications and information solutions to the after-sales parts and service sector of the automotive industry	3,445	6,649
ANN	Ansell	Designer, manufacturer and distributor of a wide range of industrial, surgical and examination gloves and other protective products	190	6,608
FRE	Freightways	Engages in the provision of express packages and business mail services as well information and destruction services both in Australia and New Zealand	685	6,432
NZX	NZX (NZX listed)	Operates as a securities exchange, and also provides wealth management services for New Zealand advisers via its wealth technologies business	3,500	6,405

Code	Company	Principal Activities	Number Held '000	Market Value \$'000
RWC	Reliance Worldwide Corporation	Designs, manufactures and distributes products for the plumbing industry including fittings, pipes, valves and thermostatic products	1,500	6,075
TPW	Temple & Webster	A leading online retailer of furnishings and homewares in Australia	537	5,943
CWY	Cleanaway	Engages in the provision of total waste management, industrial, and environment services	2,367	5,562
NXL	Nuix	A leading provider of investigative analytics, eDiscovery and digital forensics software	670	5,531
AWC*	Alumina	40 per cent interest in a joint venture with Alcoa involved in bauxite mining, alumina refining and aluminium smelting	3,000	5,491
TGR	Tassal Group	Producer of Atlantic salmon from Tasmania	1,599	5,372
NAN	Nanosonics	Developer of infection control and decontamination products with a market-leading position in ultrasound disinfection	639	5,133
COE	Cooper Energy	An Australian oil and gas company currently developing the Sole gas project in the Gippsland Basin to complement existing production in the Cooper Basin and Otway Basin	11,840	4,618
CTD	Corporate Travel Management	Provides travel management services to the corporate market. It offers business travel advisory services, bookings, ticketing, diagnostics and recommendations, ancillary services and also provides networking tools	250	4,366
BKW	Brickworks	Australia's largest manufacturer of bricks and pavers, with other investments in property development and listed equities	223	4,291
LIC	Lifestyle Communities	Developer, owner and manager of independent living communities for elderly citizens	331	4,236
SLC	Superloop	A diversified telecommunications business with broadband and connectivity assets in Australia and Asia	3,885	4,118
EVT	Event Hospitality & Entertainment	Entertainment, hospitality and leisure company with interests in cinemas, hotels and resorts	424	4,024

Holdings of Securities

As at 31 December 2020 continued

Code	Company	Principal Activities	Number Held '000	Market Value \$'000
AD8	Audinate Group	Engages in the development and commercialisation of digital audio network solutions	492	4,007
MKT	Marketplacer (unlisted)	A software company that provides the technology and infrastructure needed to establish and maintain online marketplaces for retail and B2B customers	3,750	3,750
RHP	Rhipe	Provides software licensing and cloud computing services on behalf of a number of large, multinational software vendors	1,980	3,643
PKS	PKS Holdings	A healthcare company which provides clinical decision support software known as 'Rippledawn' which automates human decision-making processes in healthcare organisations	9,202	3,497
PSI	PSC Insurance	Owns a number of insurance broking and agency businesses across Australia and the United Kingdom	1,000	3,000
WSP	Whispir	Engages in the provision of communications software and micro applications for enterprises	750	2,700
SHV	Select Harvests	One of Australia's largest growers, processors and packager of nuts, focusing predominantly on almonds	475	2,477
CUP	Countplus	Operates as a holding company with interest in providing accounting and financial services	1,922	2,354
BEX	Bike Exchange (unlisted)	A global online marketplace that facilitates the trade of bicycles and accessories	5,769	1,500
PX1	Plexure Group	Engages in the development and deployment of a real-time customer relationship management solutions, focusing on mobile engagement software services	1,150	1,334
Total				503,108

* Indicates options were outstanding against part of the holding.

Major Transactions in the Investment Portfolio

Acquisitions	Cost \$'000
NIB Holdings	5,343
Corporate Travel Management	4,250
Superloop	3,729
Nanosonics	3,606
Nuix	3,560

Sales	Proceeds \$'000
Objective Corporation	11,883
Premier Investments [#]	4,407
OptiComm (takeover by Uniti Group) [#]	3,995
HUB24	3,598

[#] Complete disposals from the portfolio.

New Companies Added to the Investment Portfolio

NIB Holdings

Superloop

Nanosonics

Nuix

Bike Exchange (IPO to be listed February 2021)

Company Particulars

Mirrabooka Investments Limited (MIR)

ABN 31 085 290 928

Directors

Terrence A Campbell AO, Chairman

Robert M Freeman, Managing Director

Ross E Barker

Ian A Campbell

Jacinth K Fairley

Antoinette A Kimmitt AM
(appointed 1 January 2021)

David E Meiklejohn AM

Gregory W Richards
(appointed 1 January 2021)

Company Secretaries

Matthew J Rowe

Andrew JB Porter

Auditor

PricewaterhouseCoopers,
Chartered Accountants

Country of Incorporation

Australia

Registered Office and Mailing Address

Level 21, 101 Collins Street
Melbourne, Victoria 3000

Contact Details

Telephone (03) 9650 9911

Facsimile (03) 9650 9100

Email invest@mirra.com.au

Website mirra.com.au

For enquiries regarding net asset backing
(as advised each month to the Australian
Securities Exchange):

Telephone 1800 780 784 (toll free)

Shareholder Information

Share Registrar

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria 3067

Shareholder

Enquiry Lines 1300 653 924
+61 3 9415 4342
(from overseas)

Facsimile (03) 9473 2500

Website computershare.com.au/contact

For all enquiries about shareholdings and related matters, please contact the share registrar as above.

Securities Exchange

MIR Ordinary shares

Shareholder Meeting

Note the shareholder meetings which are usually held in March in various capital cities have been replaced by a webinar/telephone briefing to be held on 18 March 2021 at 3.30pm.

Registration details for the webinar and dial-in phone number for teleconference participants have been provided in a separate invitation letter/email to shareholders.

