

**20 August 2024**

ASX Market Announcements Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

---

## Annual Report and Financial Statements for the year ended 30 June 2024

VGI Partners Global Investments Limited (ASX:VG1) hereby lodges:

- Appendix 4E for the year ended 30 June 2024; and
- Annual Report for the year ended 30 June 2024, incorporating the Chairman's Letter and Financial Statements.

**AUTHORISED FOR RELEASE BY:**

**Ian Cameron, Company Secretary**

**INVESTOR CONTACT INFORMATION:**

**Ingrid Groer, CFA**  
Regal Partners Limited, VG1  
Phone: +61 2 8197 4390  
Email: [investorrelations@regalpartners.com](mailto:investorrelations@regalpartners.com)

This page has been intentionally left blank.

# Appendix 4E

for VGI Partners Global Investments Limited (VG1 or the Company)  
for the year ended 30 June 2024

## Reporting periods

Current reporting period	1 July 2023 - 30 June 2024
Previous reporting period	1 July 2022 - 30 June 2023

## Results for announcement to the market

	30 June 2024	30 June 2023	Up / down	% Movement
Income from ordinary activities	135,282,441	115,846,171	Up	17%
Profit before tax for the period	88,406,654	74,697,499	Up	18%
Net profit from ordinary activities after tax	64,145,733	53,802,930	Up	19%

## Dividend information

	Dividend per share (cents)	Franked amount per share (cents)	Tax rate for franking
Final 2024 dividend declared	5.0	5.0	30%
Interim 2024 dividend (paid on 18 March 2024)	5.0	5.0	30%

## Final dividend dates

Ex-date	28 August 2024
Record date	29 August 2024
Last election date for dividend reinvestment	30 August 2024
Payment date	30 September 2024

## Dividend reinvestment plan

The Company's Dividend Reinvestment Plan (DRP) is in operation for shareholders in the Company and the fully franked dividend of 5.0 cents per share qualifies for the DRP.

Net tangible assets (NTA) per share	30 June 2024	30 June 2023	Up / down	% Movement
Pre-tax	\$2.21	\$1.99	Up	11.06
Post-tax excluding deferred tax liabilities / deferred tax assets on unrealised gains / losses	\$2.23	\$1.99	Up	12.06
Post-tax including deferred tax liabilities / deferred tax assets on unrealised gains / losses	\$2.24	\$2.07	Up	8.21

## Brief explanation of results and Company outlook

Refer to the attached 2024 Annual Report. Additional Appendix 4E disclosure requirements can be found in the notes to the Financial Statements.

### **On-market share buy-back program**

On 2 August 2023, the Company announced the extension of the on-market share buy-back for a further period of up to 12 months.

During the year ended 30 June 2024, the Company bought back 52,159,829 shares at a cost of \$91,225,101 (excluding brokerage) (2023: 33,344,435 shares at a cost of \$50,196,167 (excluding brokerage)).

#### *Additional capacity for on-market share buy-back*

As part of the Company's Annual General Meeting (**AGM**) in November 2023, the Company sought and received approval from its shareholders to undertake an on-market buy-back of up to 82,607,530 shares in the Company over the 12-month period commencing from the AGM date (**Shareholder Approval**). This represents approximately 25% of the shares the Company had on issue as at 19 October 2023. This additional capacity provides the Company with the flexibility to purchase more than 10% of the Company's shares on issue over a 12-month period, per the limit permitted by the *Corporations Act 2001* (Cth) (**Corporations Act**).

The buy-back will be funded from the Company's available cash reserves and conducted on-market. The objective of the buy-back remains capital management.

The approval received from shareholders does not oblige the Company to undertake a buy-back of any shares. It is not guaranteed that the Company will buy back either the maximum number of issued shares approved pursuant to Shareholder Approval or as otherwise permitted by the Corporations Act.

### **Increase to Target Dividend Policy**

On 24 October 2023, the VG1 Board announced that it had taken the opportunity to update VG1's dividend policy. The Board has agreed that VG1 will seek to pay dividends of at least 5.0 cents per share on a six-monthly basis (increased from 4.5 cents per share on a six-monthly basis).

The Board also intends for future dividends to be franked to the fullest extent possible and seek to grow the level of dividend payment over time.

### **Acquisition by Regal Partners (the Investment Manager)**

On 3 November 2023, the Company noted the announcement by the Investment Manager of the Company in relation to Regal Partners' acquisition of PM Capital Limited. Regal Partners noted that the acquisition will provide a further extension to the Investment Manager's existing global equities capabilities.

This acquisition was completed on 20 December 2023, as announced by Regal Partners to the ASX on 21 December 2023.

### **Investment Guidelines Update**

On 14 May 2024, the Board of VG1 advised that, following a period of review by the Investment Manager, the Board of VG1 has approved a refinement and simplification of the Investment Guidelines of VG1. It is intended that the updated guidelines will better enable the Investment Manager to implement the investment strategy of VG1, with changes to take effect from 1 July 2024.

### Investment Guidelines Update (continued)

The table below set out the most material Investment Guidelines and, where applicable, their amendment or removal. The Investment Guidelines that have not been listed below are not affected by this update.

*Investment Guidelines from 1 July 2024:*

<b>Exposure</b>	<b>New Guidelines</b>
Number of Long Investments	Typically 20-40
Single Security Long Investment Limit	15% of the Portfolio's Net Asset Value (NAV) at purchase; maximum of 20% of the Portfolio's NAV at market value
Number of Short Positions	Typically 20-40
Single Security Short Position Limit	Maximum of 7.5% of the Portfolio's NAV at market value
Net Equity Exposure Limits	Limited to 100% of the Portfolio's NAV; typically between 50-100%
Gross Exposure Limits	Maximum of 200% of the Portfolio's NAV

### Audit

This report is based on the full year financial report which has been audited by Pitcher Partners. The full year financial report for the year ended 30 June 2024 comprises all information required to be disclosed by ASX Listing Rule 4.3A.

# Annual Report

Year ended 30 June 2024

# Contents

Letter from the Chairman	3
Directors' Report for the year ended 30 June 2024	6
Financial Statements	17
Notes to the Financial Statements for the year ended 30 June 2024	21
Directors' Declaration	42
Independent Auditor's Report	43
Investment Portfolio	48
Shareholder Information	49

## Annual General Meeting 2024

Scheduled to be held in November 2024.

Notice of the Annual General Meeting will be forwarded to all Shareholders separately.

## Corporate Governance

The Board of Directors (**Board**) of VGI Partners Global Investments Limited ABN 91 619 660 721 (**VG1** or the **Company**) is responsible for corporate governance and has in place a framework of corporate policies, practices and procedures to promote good corporate governance within the Company. The Company has prepared a Corporate Governance Statement (**CGS**) in accordance with the ASX Corporate Governance Council's Principles and Recommendations 4<sup>th</sup> Edition.

The Company's CGS is available on the Company's website at [www.vgipartners.com/lics/vg1](http://www.vgipartners.com/lics/vg1).

# Letter from the Chairman

Dear Fellow Shareholders,

On behalf of your Board, thank you very much for your support of VGI Partners Global Investments Limited (**VG1** or the **Company**) during the 2024 financial year (**FY24**).

I am pleased to report that the portfolio delivered a +17.8% net return in FY24, while VG1 shareholders achieved a +26.3% total return pre franking (consisting of a 19% increase in the share price and the payment of 10c of dividends). Inclusive of franking, the total shareholder return was +29.5%.

Below I provide further background on the financial results, portfolio and additional shareholder matters.

## Financial Highlights

In FY24, the Company reported a net profit after tax of \$64.1 million, representing earnings of 20.16 cents per share. Given the Company's strong profits reserve and portfolio returns, in October 2023, VG1 announced an intention to pay a dividend of at least 5c every six months (an increase to the previous policy, which had targeted 4.5c per half year period). Dividends are intended to be franked to the fullest extent possible.

Consistent with the refined dividend policy, the Company subsequently announced 10 cents per share of fully franked dividends for the FY24 year. This represents a net dividend yield of 5.2% (when based on the 30 June 2024 share price) and a grossed-up yield of 7.4% (when accounting for the benefits of franking).

For the final dividend of 5 cents per share announced today, the record date is 29 August 2024 and the dividend is due to be paid on 30 September 2024. The Company's Dividend Reinvestment Plan (**DRP**) will continue to operate for this dividend and the Company encourages eligible shareholders who are not already registered to consider participating. DRP elections are due by 5pm (AEST) on 30 August 2024.

Pleasingly, the Company's profits reserve has also continued to grow, reaching \$274.1m at 30 June 2024. This is equivalent to 98.3c per share based on the current shares outstanding, or 93.3c per share after adjusting for the payment of the dividend just announced. This equates to over 9 years of capacity to pay future dividends – after paying the current dividend – if the Company maintains its dividend rate of 5 cents every six months.

## Investment Performance and Portfolio

During FY24 the Company delivered a net portfolio return of +17.8% with an average net exposure of 81%. In a year where there was material divergence across sectors in global indices, key contributors to portfolio performance were VG1's investments in companies exposed to the artificial intelligence semiconductor thematic, along with stocks exposed to energy and defence.

By 30 June 2024, VG1's net exposure had increased to 99%, with long positions representing approximately 124% of the portfolio's net tangible assets (**NTA**) offset by just over 24% of short exposure. The top 5 largest long investments at 30 June 2024 were London Stock Exchange Group, Amazon, SK Hynix, Meta Platforms and GQG Partners. Of these, SK Hynix and GQG Partners were new additions during the year. Other material new investments in recent months include Alphabet (the holding company of Google) and energy company Shell. Key positions that were exited during the year included the two exchanges CME Group and Deutsche Borse, as well as social media platform Pinterest.

Another recent development for the portfolio was the decision in May 2024 to refine VG1's investment guidelines, effective 1 July 2024. The most notable change was the increase in VG1's gross exposure limit from 150% to 200% (while maintaining a net exposure limit of 100%). The investment team of Regal Partners Limited, the investment manager of VG1 (**Manager**), believes this change will provide additional flexibility in managing the portfolio and allow a wider range of investment opportunities to be pursued. In recent weeks, we have already seen the team utilise this, with gross exposure rising from 148% at 30 June 2024 to 161% at 31 July 2024.

For more background on some of the portfolio's key holdings, I encourage you to refer to the latest investor updates that are available at [www.vgipartners.com/lics/vg1](http://www.vgipartners.com/lics/vg1).



## Investment Team

As disclosed during the year, VGI Partners Chief Investment Officer (**CIO**) Robert Luciano stepped down in November 2023 and Regal Funds Management's CIO and co-founder Philip King took over the CIO responsibilities for VG1. We are pleased that this transition has been very smooth and portfolio performance has been strong throughout the year.

In addition, it is worth noting that Regal Partners Limited (VG1's Manager) has expanded its business materially in recent years and now has over 90 investment professionals across the entire group. This gives VG1's portfolio managers the opportunity to collaborate with other investment teams within Regal Partners that have expertise across a broad range of sectors, regions and asset classes. We look forward to VG1 shareholders continuing to benefit from this deepening pool of experience.

## VG1's Share Price Performance

While portfolio performance is clearly very important, we recognise that the share price is important to shareholders. Pleasingly, during FY24, VG1's share price rose 19% from \$1.625 to \$1.935 and 10c per share of fully franked dividends were paid, resulting in a total shareholder return of +29.5% inclusive of franking. While the key driver of this was the 17.8% portfolio return, the discount of the share price to NTA also closed from 18% to 13% over the year.

Furthermore, the total shareholder return for the two years since VGI Partners' merger with Regal Funds Management was +55.0% (inclusive of franking)<sup>1</sup>. We believe this is a testament to the benefits the merger has delivered to VG1's Manager across all areas of the group, including the investment team, distribution/marketing, risk management and technology.

## Capital Management and Buy-Back

As the Board has previously noted, capital management is one of the tools that is important in maximising shareholder returns. With this in mind, the Board put forward a resolution at the Company's Annual General Meeting (**AGM**) in November 2023 for the Company to buy back up to approximately 25% of issued shares during the 12 months following the AGM. The Board felt this was appropriate given buy-backs are accretive to shareholders (when conducted at a discount) and provide additional liquidity to those seeking to trade. The resolution was strongly supported by shareholders and approved.

As a result, the pace of the buy-back increased in the second half of FY24 and approximately 52 million shares were purchased during FY24 for approximately \$91 million. A further 9 million shares have been bought between the end of June 2024 and today. In total, 128 million shares (equivalent to over 31% of VG1's capital) have been purchased and cancelled since VG1's buy-back initially launched in mid-CY20.

## Shareholder Engagement

During FY24, the Company was pleased to see a large number of shareholders and advisers joining the webinars presented by the Manager's investment team. The format has been refreshed and we received very positive feedback on the content.

The Manager's distribution team also added two experienced hires in the year, both of whom have extensive relationships and networks across the retail stockbroking, private wealth adviser and family office client channels. This has materially boosted the number of client meetings and we are encouraged by the level of interest.

In addition, the next VG1 AGM is scheduled to be held in November 2024. Full details will be available in the Notice of Meeting for the AGM, which will be sent to shareholders closer to the date. We look forward to speaking with shareholders at that event.

---

<sup>1</sup> As measured from 1 July 2022 (being the start of the first full month following completion of the merger between VGI Partners Limited, the investment manager of VG1, and Regal Funds Management Pty Limited) to 30 June 2024.



# Directors' Report

For the year ended 30 June 2024

The Directors of VGI Partners Global Investments Limited (the **Company** or **VG1**) present their Directors' report together with the Financial Report of the Company for the year ended 30 June 2024. The Company is limited by shares and is incorporated in Australia.

## Directors

The following persons were Directors of the Company during the whole of the financial year ended 30 June 2024 and up to the date of this report, unless otherwise stated:

<b>Name</b>	<b>Position</b>	<b>Date appointed</b>
David F Jones AM	Chairman, Non-Executive Director	9 June 2017
Lawrence Myers	Independent Director	4 July 2017
Noel J Whittaker AM	Independent Director	7 July 2017
Adelaide H McDonald	Independent Director	1 July 2019

## Principal Activity

The principal activity of the Company is to provide shareholders with access to a concentrated portfolio, predominantly comprised of long investments and short positions in global listed securities, and the investment expertise of Regal Partners Limited (Regal Partners), the investment manager of the Company (the **Investment Manager**). The Investment Manager employs the same investment strategy for the Company as it employs in the management of the VGI Partners Master Fund, the VGI Partners Offshore Fund and other individually managed accounts.

There have been no significant changes in the nature of this activity during the period and no change is anticipated in the future.

## Dividends

Since the end of the year, the Directors determined to pay a fully franked final dividend of 5.0 cents per share to be paid on 30 September 2024. The dividend qualifies for the Company's Dividend Reinvestment Plan (**DRP**).

On 24 October 2023, the VG1 Board announced that it had taken the opportunity to update VG1's dividend policy. The Board has agreed that VG1 will seek to pay dividends of at least 5.0 cents per share on a six-monthly basis (increased from 4.5 cents per share on a six-monthly basis).

The balance of the profits reserve (from which dividends will be paid) as of 30 June 2024 is \$274,121,905.

Dividends paid or declared during the year are as follows:

	<b>\$</b>
Interim 2024 dividend of 5.0 cents per share paid on 18 March 2024	15,538,269
Final 2023 dividend of 5.0 cents per share paid on 25 September 2023	16,746,741
<b>Total</b>	<b>32,285,010</b>

Please refer to Note 14 to the Financial Statements for further information.

## Review of Operations

Investment operations during the year resulted in an operating profit before tax of \$88,406,654 (2023: operating profit before tax of \$74,697,499) and an operating profit after tax of \$64,145,733 (2023: operating profit after tax of \$53,802,930). The investment portfolio returned +17.8% (2023: +13.9%) net of fees for the year ended 30 June 2024, of which +17.8% was generated during the second half of the financial year.

For the financial year, the Company's post-tax net tangible assets (**NTA**) was \$2.23<sup>1</sup> and increased by 12.1% after all fees and excluding the benefit of dividends declared and paid during the year of 10.0 cents per share (2023: increase in NTA of 7.6%). During the year ended 30 June 2024, the share price returned +19.1%, excluding the impact of 10.0 cents per share of dividends paid during the year. Further information on the financial highlights of the Company is contained in the Letter from the Chairman.

### *Costs paid by Regal Partners*

The Investment Manager continues to show strong alignment with and support of the Company and its shareholders by paying the majority of the Company's operating costs. Regal Partners paid for circa \$519,000 of operating expenses this financial year (2023: \$525,000) which include ASX and ASIC fees, audit costs, legal and tax advice costs and any fees charged by the Company's Fund Administrator.

### *On-market share buy-back program*

On 2 August 2023, the Company announced the extension of the on-market share buy-back for a further period of up to 12 months.

During the year ended 30 June 2024, the Company bought back 52,159,829 shares at a cost of \$91,225,101 (excluding brokerage) (2023: 33,344,435 shares at a cost of \$50,196,167 (excluding brokerage)).

### *Additional capacity for on-market share buy-back*

As part of the Company's Annual General Meeting (**AGM**) in November 2023, the Company sought and received approval from its shareholders to undertake an on-market buy-back of up to 82,607,530 shares in the Company over the 12-month period commencing from the AGM date (**Shareholder Approval**). This represents approximately 25% of the shares the Company had on issue as at 19 October 2023. This additional capacity provides the Company with the flexibility to purchase more than 10% of the Company's shares on issue over a 12-month period, per the limit permitted by the *Corporations Act 2001* (Cth) (**Corporations Act**).

The buy-back will be funded from the Company's available cash reserves and conducted on-market. The objective of the buy-back remains capital management.

The approval received from shareholders does not oblige the Company to undertake a buy-back of any shares. It is not guaranteed that the Company will buy back either the maximum number of issued shares approved pursuant to Shareholder Approval or as otherwise permitted by the Corporations Act.

### *Increase to Target Dividend Policy*

On 24 October 2023, the VG1 Board announced that it had taken the opportunity to update VG1's dividend policy. The Board has agreed that VG1 will seek to pay dividends of at least 5.0 cents per share on a six-monthly basis (increased from 4.5 cents per share on a six-monthly basis).

The Board also intends for future dividends to be franked to the fullest extent possible and seek to grow the level of dividend payment over time.

### *Acquisition by Regal Partners (the Investment Manager)*

On 3 November 2023, the Company noted the announcement by the Investment Manager of the Company in relation to Regal Partners' acquisition of PM Capital Limited. Regal Partners noted that the acquisition will provide a further extension to the Investment Manager's existing global equities capabilities.

This acquisition completed on 20 December 2023, as announced by Regal Partners to the ASX on 21 December 2023.

<sup>1</sup> 'Post-Tax NTA' is calculated after tax on realised gains/losses, deferred tax assets and deferred tax liabilities, but before allowing for deferred tax liabilities / deferred tax assets on unrealised gains / losses.

*Investment Guidelines Update*

On 14 May 2024, the Board of VG1 advised that, following a period of review by the Investment Manager, the Board of VG1 has approved a refinement and simplification of the Investment Guidelines of VG1. It is intended that the updated guidelines will better enable the Investment Manager to implement the investment strategy of VG1, with changes to take effect from 1 July 2024.

The table below set out the most material Investment Guidelines and, where applicable, their amendment or removal. The Investment Guidelines that have not been listed below are not affected by this update.

*Investment Guidelines from 1 July 2024:*

<b>Exposure</b>	<b>New Guidelines</b>
Number of Long Investments	Typically 20-40
Single Security Long Investment Limit	15% of the Portfolio's Net Asset Value (NAV) at purchase; maximum of 20% of the Portfolio's NAV at market value
Number of Short Positions	Typically 20-40
Single Security Short Position Limit	Maximum of 7.5% of the Portfolio's NAV at market value
Net Equity Exposure Limits	Limited to 100% of the Portfolio's NAV; typically between 50-100%
Gross Exposure Limits	Maximum of 200% of the Portfolio's NAV

*Strategy and Future Outlook*

The results of the Company's operations will be affected by a number of factors, including the performance of investment markets in which the Company invests. Therefore, investment performance is not guaranteed, and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

As markets are subject to fluctuations, it is imprudent to provide a detailed outlook or statement of expected results of operations. The Company provides monthly fund updates and annual investor reports, which are available on the Company's website at [www.vqipartners.com/lics/vg1](http://www.vqipartners.com/lics/vg1) and disclosed on the ASX website. The Company's updates include detailed discussions in relation to some underlying investments from time to time along with general outlook commentary.

The Company's investment activities will expose it to a variety of risks. The key risks identified by the Company include:

- **Manager risk:** The success and profitability of the Company will largely depend on the Investment Manager's continued ability to manage the Company's portfolio of investments (**Portfolio**) in a manner that complies with the Company's objectives, strategies, policies, guidelines and permitted investments.
- **Investment Strategy risk:** The success and profitability of the Company will largely depend upon the ability of the Investment Manager to invest in a portfolio which generates a return for the Company. The past performance of the portfolios managed by the Investment Manager is not a guide to future performance of the investment strategy or the Company. There are risks inherent in the investment strategy that the Investment Manager will employ for the Company.
- **Market risk:** The market risk of assets in the Portfolio can fluctuate as a result of market conditions. The value of the Portfolio may be impacted by factors such as economic conditions, interest rates, regulations, sentiment and geopolitical events as well as environmental, social and technological changes.

- Short selling risk: Short selling involves borrowing securities which are then sold. If the price of the securities falls then the Company can buy those securities at a lower price to transfer back to the lender of the securities. Short selling can be seen as a form of leverage and may magnify the gains and losses achieved in the Portfolio. While short selling may be used to manage certain risk exposures in the Portfolio and increase returns, it may also have a significantly increased adverse impact on its returns. Short selling exposes the Portfolio to the risk that investment flexibility could be restrained by the need to provide collateral to the securities lender and that positions may have to be liquidated at a loss and not at a time of the Investment Manager's choosing.
- Liquidity risk: The Portfolio and the issued shares in the Company (**Shares**) are each subject to liquidity risk as follows:
  - The Company is exposed to liquidity risk in relation to the investments within its Portfolio. If a security cannot be bought or sold quickly enough to minimise potential loss, the Company may have difficulty satisfying commitments associated with financial instruments.
  - The Shares are also exposed to liquidity risk. The ability of an investor in the Company to sell their Shares on the ASX will depend on the turnover or liquidity of the Shares at the time of sale. Therefore, investors may not be able to sell their Shares at the time, in the volumes or at the price they desire.
- Leverage risk: While the Investment Manager does not intend to use debt to increase the scale of the Portfolio of the Company, the use of derivatives and short selling may have an effect similar to leverage in that it can magnify the gains and losses achieved in the Portfolio in a manner similar to a debt leveraged portfolio. These risks give rise to the possibility that positions may have to be liquidated at a loss and not at a time of the Investment Manager's choosing.
- Currency risk: Investing in assets denominated in a foreign currency creates an exposure to foreign currency fluctuations, which can change the value of the Portfolio's investments measured in Australian dollars. The Investment Manager will seek to actively manage the Portfolio's currency exposure using natural hedging (borrowing in a foreign currency to hedge non-Australian dollar exposures) as well as derivatives, foreign currency forward contracts, options and swaps to hedge currency exposures.

#### *Other matters*

Further information on the Company's operational and financial review is contained in the Letter from the Chairman.

## **Financial Position**

The net assets of the Company as at 30 June 2024 were \$643,117,134 (2023: \$702,481,512).

## **Matters subsequent to the end of the financial year**

The Company is not aware of any other matter or circumstance since the end of the financial year not otherwise dealt with in this Annual Report, that has, or may, significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

## **Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the Company during the year ended 30 June 2024.

## **Likely developments and expected results of operations**

The Company will continue to pursue its investment objectives for the long-term benefit of shareholders.

## **Environmental regulation**

The operations of the Company are not subject to any particular or significant environmental regulations under a law of the Commonwealth, or of a State or Territory.

## Information on Directors and Officeholders

---

<b>Name:</b>	<b>David F Jones AM</b>
Title:	Chairman
Qualifications:	<i>B.Eng. (1st Class Hons) (Melb.), MBA (Harvard)</i>
Experience and expertise:	Mr Jones has more than 30 years' experience in investment markets, the majority as a general partner in private equity firms, and prior to that in general management and management consulting. Mr Jones has been a board member of numerous private and public businesses, including a number in the wealth management sector.
Other current listed directorships:	Mr Jones has been a Director of Regal Asian Investments Limited (ASX:RG8) since September 2020 and was appointed Chair of Catalyst Metals Limited (ASX:CYL) in October 2023.
Former directorships (last three years):	Mr Jones was a Non-Executive Director of Regal Partners Limited until 23 May 2023. Mr Jones was an Executive Director of VGI Partners Limited until 3 June 2022.
Special responsibilities:	Mr Jones is a member of the Company's Audit and Risk Committee.
Interests in the Company:	Shares: 355,655

---

<b>Name:</b>	<b>Adelaide H McDonald</b>
Title:	Independent Director
Qualifications:	<i>B.Com (Acc/Fin) (UQLD), B.BusMan (Econ) (UQLD), CFA</i>
Experience and expertise:	Ms McDonald has over 15 years' experience in corporate advisory and equity research. Ms McDonald is currently a Non-Executive Director of Highcom Ltd (ASX:HCL) (previously XTEK Limited (ASX:XTE)) as well as an Executive Director of MDH Pty Ltd, one of Australia's largest integrated beef producers. In addition, Ms McDonald has held roles as a Director at KPMG in the Mergers and Acquisitions practice with previous roles at Wilson HTM and BDO Kendalls.
Other current listed directorships:	Ms McDonald has been an Independent Director of Regal Asian Investments Limited (ASX:RG8) since August 2019. Ms McDonald has also been Non-Executive Director of Highcom Limited (ASX:HCL) since August 2022.
Former directorships (last three years):	Ms McDonald has not held any other directorships of listed companies within the last three years.
Special responsibilities:	Ms McDonald is a member of the Company's Audit and Risk Committee.
Interests in the Company:	Shares: 35,539

---

---

<b>Name:</b>	<b>Lawrence Myers</b>
Title:	Independent Director
Qualifications:	<i>B.Acct (UNiSA), CA, CTA</i>
Experience and expertise:	Mr Myers is the Founder and Managing Director of MBP Advisory Pty Limited, a prominent, high-end Sydney firm of Chartered Accountants which he established in 1998. Mr Myers is also the CEO of FIFO Investments Pty Limited, the family office for the Myers family and a number of associated families. Mr Myers' specialist areas of practice include mergers and acquisitions, corporate and business advisory, tax consulting and advisory, succession planning and family office services. Lawrence is also a member of the Foundation board of the Art Gallery of New South Wales. Mr Myers was appointed as a Non-Executive Director of Accent Group, and as a member of its ARC and People and Remuneration Committee in November 2023. Mr Myers was appointed as CEO of Consolidated Press Holdings Pty Limited in 2023.
Other current listed directorships:	Mr Myers has been an Independent Director and Chairman of the Audit and Risk Committee of ASX-listed Breville Group Limited (ASX:BRG) since 2013 and has been its Lead Independent Director since August 2014 and its Deputy Chairman since August 2021. Mr Myers has also been Independent Chairman of Regal Asian Investments Limited (ASX:RG8) since July 2019. In addition, Mr Myers was appointed to the Board of Directors of Accent Group Limited on 17 November 2023.
Former directorships (last three years):	Mr Myers has not held any other directorships of listed companies within the last three years.
Special responsibilities:	Mr Myers is the Chairman of the Company's Audit and Risk Committee.
Interests in the Company:	Shares: 680,000

---

<b>Name:</b>	<b>Noel J Whittaker AM</b>
Title:	Independent Director
Qualifications:	<i>AM, FCPA, CTA</i>
Experience and expertise:	Mr Whittaker is a pioneer in the field of consumer financial education. He writes weekly columns in many major newspapers including the Brisbane Sunday Mail, the Sydney Morning Herald and The Age. For 30 years, Mr Whittaker was a Director of Whittaker Macnaught, one of Australia's leading financial advisory companies, with more than two billion dollars under management. He relinquished all interests in that business in 2007. In 2011 he was made a Member of the Order of Australia for service to the community in raising awareness of personal finance. Mr Whittaker is a Chartered Tax Adviser, a member of the Australian Securities and Investment Commission Regional Liaison committee and is currently an Adjunct Professor with the Faculty of Business at the Queensland University of Technology.
Other current listed directorships:	Mr Whittaker does not hold any other directorships in listed companies.
Former directorships (last three years):	Mr Whittaker has not held any other directorships of listed companies within the last three years.
Interests in the Company:	Shares: 273,077

---



---

**Name:** **Ian Cameron**  
**Title:** Company Secretary  
**Qualifications:** *B.Com (Acc) (UMACQ), CA, B.Laws (UOW), GDLP (UOW)*  
**Experience and expertise:** Mr Cameron has more than 15 years' experience in investment management and professional services. Prior to joining the Company in 2018, Mr Cameron worked at Pantheon Ventures and Aspect Capital in London, after starting his career at KPMG in Sydney. He is a member of Chartered Accountants Australia and New Zealand and a Solicitor of the Supreme Court of NSW.

---

**Name:** **Candice Driver**  
**Title:** Company Secretary (appointed 24 October 2023)  
**Qualifications:** *B.Laws (Hons), M. Commercial Law (University of Glasgow)*  
**Experience and expertise:** Ms Driver was appointed as Company Secretary on 24 October 2023. Ms Driver has over 15 years' experience working as a company secretarial and board governance specialist in the financial services, real property and resources sector. Ms Driver is also a Company Secretary of Regal Asian Investments Limited (ASX:RG8) and Regal Partners Limited (ASX:RPL). Ms Driver was previously Head of Subsidiaries at Insurance Australia Group (IAG) and Group Company Secretary at AirTrunk.

---

## Remuneration of key management personnel

Information about the remuneration of key management personnel is set out in the Remuneration Report section of this Directors' Report.

## Meetings of Directors

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2024, and the number of meetings each Director attended are as set out in the following table:

	Board Meetings		Audit and Risk Committee Meetings	
	Attended	Eligible to attend	Attended	Eligible to attend
Lawrence Myers	3	4	3	4
David F Jones AM	4	4	4	4
Adelaide H McDonald	4	4	4	4
Noel J Whittaker AM	4	4	#	#

# = Not a member of the Audit and Risk Committee

## Remuneration Report (Audited)

The Directors are the key management personnel (**KMP**) of the Company.

This Annual Report details the nature and amount of remuneration for each Director of the Company in accordance with the *Corporations Act 2001* (Cth).

### Details of remuneration

The Company does not have a remuneration committee. The Board from time to time determines the remuneration of Non-Executive Directors within the maximum amount approved by shareholders at the Company's AGM.

The maximum total remuneration of the Non-Executive Directors of the Company is \$500,000 per annum.

The Board determines the remuneration levels and ensures they are competitively set to attract and retain appropriately qualified and experienced directors. The Non-Executive Directors' remuneration is not linked to the Company's performance and is reviewed annually.

Directors do not receive bonuses nor are they issued options over securities as part of their remuneration. Directors' fees cover all main Board activities and membership of committees, which reflect the demands that are made on them and their responsibilities.

The Company Secretaries are remunerated by the Investment Manager.

The following table shows details of the remuneration received or receivable by the Directors of the Company for the current and prior financial years.

<b>Name</b>	<b>Position</b>	<b>Short term employee benefits Directors' fees \$</b>	<b>Post-employment benefits Superannuation \$</b>	<b>Total \$</b>
<b>2024</b>				
Lawrence Myers	Independent Director	68,266	1,734	70,000
Adelaide H McDonald	Independent Director	63,063	6,937	70,000
Noel J Whittaker AM	Independent Director	63,063	6,937	70,000
David F Jones AM	Director	63,063	6,937	70,000
		<b>257,455</b>	<b>22,545</b>	<b>280,000</b>
<b>2023</b>				
Lawrence Myers	Independent Director	63,348	6,652	70,000
Adelaide H McDonald	Independent Director	63,348	6,652	70,000
Noel J Whittaker AM	Independent Director	63,348	6,652	70,000
David F Jones AM	Director	63,348	6,652	70,000
		<b>253,392</b>	<b>26,608</b>	<b>280,000</b>

The following table reflects the Company's performance and Directors' remuneration over five years:

	2024	2023	2022	2021	2020
Operating profit / (loss) after tax (\$)	64,145,733	53,802,930	(192,845,311)	153,921,468	(45,475,840)
Dividends (cents per share)	10.0	9.5	9.0	7.0	2.5
NTA after tax (\$ per share)	2.23	1.99	1.85	2.69	2.27
Share price (\$)	1.94	1.63	1.47	2.45	1.83
Total Directors' remuneration (\$)	280,000	280,000	210,000	210,000	210,000
Earnings / (loss) per share (cents)	20.16	15.13	(50.72)	38.21	(11.18)
Share buy-backs (\$) *	91,225,101	50,196,167	21,910,669	50,208,320	–

\* Excluding brokerage.

## Director related entity remuneration

All transactions with related entities are made on normal commercial terms and conditions.

The fees payable to the Investment Manager are listed below:

- **Management fee:** The Investment Manager is entitled to be paid a management fee equal to 1.5% p.a. (plus GST) of the value of the Portfolio calculated on the last business day of each month and paid monthly in arrears. For the year ended 30 June 2024, the Investment Manager earned management fees of \$9,519,721 exclusive of GST (2023: \$9,906,733 exclusive of GST).
- **Performance fee:** The Investment Manager is entitled to be paid a performance fee semi-annually in arrears, equal to 15% (plus GST) of the Portfolio's outperformance (if any) over each prior semi-annual Performance Calculation Period, or six-month period ending on each 30 June or 31 December, subject to a high water mark mechanism.

For the year ended 30 June 2024, the Investment Manager did not earn performance fees (2023: nil).

No Director has received or become entitled to receive a benefit (other than those detailed in the Remuneration Report) by reason of a contract made by the Company or a related company with the Director or with a firm of which they are a member or with a company in which they have substantial financial interest.

## Equity instrument disclosures

As at the balance date, the following interests in the Company were held by members of the Board during the year, including their related parties.

Ordinary shares held: Name	Opening balance at 1 July 2023	Acquisitions*	Closing balance at 30 June 2024
David F Jones AM	334,985	20,670	355,655
Lawrence Myers	680,000	–	680,000
Noel J Whittaker AM	257,207	15,870	273,077
Adelaide H McDonald	33,475	2,064	35,539
<b>Total</b>	<b>1,305,667</b>	<b>38,604</b>	<b>1,344,271</b>

\* Directors and Director related entities acquired ordinary shares in the Company on the same terms and conditions available to other shareholders.

The table below shows interests in the Company held by members of the Board in the prior year, including their related parties.

Ordinary shares held: Name	Opening balance at 1 July 2022	Acquisitions*	Closing balance at 30 June 2023
David F Jones AM	315,683	19,302	334,985
Lawrence Myers	332,330	347,670	680,000
Noel J Whittaker AM	242,386	14,821	257,207
Adelaide H McDonald	31,547	1,928	33,475
<b>Total</b>	<b>921,946</b>	<b>383,721</b>	<b>1,305,667</b>

\* Directors and Director related entities acquired ordinary shares in the Company on the same terms and conditions available to other shareholders.

*End of Remuneration Report*

## Insurance and indemnification of Officers and Auditors

During the year, the Company paid a premium in respect of a contract insuring the Directors and officers of the Company against liabilities and legal expenses incurred as a result of carrying out their duties as a Director or officer of the Company. The Company has agreed to indemnify the current and former Directors and officers of the Company against all liabilities to another person (other than the Company) that may arise from their position as Directors and officers of the Company to the extent permitted by law and unless the liability relates to conduct involving willful breach or contravention of the Directors and officers' duties and obligations as an officer of the Company.

In accordance with the provisions of the *Corporations Act 2001* (Cth), the Company has a Directors and officers' liability policy covering all Directors and officers. The terms of the policy specifically prohibit disclosure of details of the amount of the insurance cover and the premium paid.

The auditor of the Company is not indemnified out of the assets of the Company.

## Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001* (Cth).

## Non-audit services

The Board of Directors is satisfied that the provision of other services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth). The Directors are satisfied that the services disclosed in Note 17 to the Financial Statements did not compromise the Auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the Auditor; and
- the nature of the services provided do not compromise the general principles relating to the Auditor's independence in accordance with the *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* set by the Accounting Professional and Ethical Standards Board.

## Rounding of amounts to nearest dollar

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the Directors' Report and in the Annual Report have been rounded to the nearest dollar unless otherwise specified.

## Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 16 of this Annual Report.

This Annual Report is signed in accordance with a resolution of the Directors.

**David F Jones AM**  
Chairman  
Sydney  
19 August 2024

INSERT Auditor independence dec

# Financial Statements

## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Income</b>			
Net gains on financial assets / liabilities measured at fair value through profit or loss		90,557,591	78,986,172
Dividend income		13,947,037	8,930,811
Interest income		30,216,986	27,912,118
Other income		560,827	17,070
<b>Total income</b>		<b>135,282,441</b>	<b>115,846,171</b>
<b>Expenses</b>			
Management fees	16	(9,757,714)	(10,154,401)
Director fees including on costs	15	(280,000)	(280,000)
Dividends on short positions		(3,408,745)	(2,826,995)
Interest expense		(32,953,842)	(27,279,712)
Stock loan and custody fees		(48,773)	(43,116)
Other expenses		(426,713)	(564,448)
<b>Total expenses</b>		<b>(46,875,787)</b>	<b>(41,148,672)</b>
<b>Profit before income tax</b>		<b>88,406,654</b>	<b>74,697,499</b>
Income tax expense	5	(24,260,921)	(20,894,569)
<b>Profit after income tax attributable to members of the Company</b>		<b>64,145,733</b>	<b>53,802,930</b>
<b>Other comprehensive income</b>			
Other comprehensive income for the year, net of tax		–	–
<b>Total comprehensive income for the year</b>		<b>64,145,733</b>	<b>53,802,930</b>
<b>Basic and diluted earnings per share</b>	22	<b>20.16 cents</b>	<b>15.13 cents</b>

The above Statement of Profit or Loss and Other Comprehensive income should be read in conjunction with the accompanying notes.

## Statement of Financial Position

As at 30 June 2024

	Note	2024 \$	2023 \$
<b>Assets</b>			
Cash and cash equivalents	7	155,601,292	169,977,900
Trade and other receivables	8	6,830,738	4,885,033
Financial assets at fair value through profit or loss	4, 9 & 10	688,666,293	691,874,145
Current tax assets	6	5,729,331	–
Deferred tax assets	6	2,735,052	25,991,162
<b>Total assets</b>		<b>859,562,706</b>	<b>892,728,240</b>
<b>Liabilities</b>			
Amounts due to brokers	7	22,437,148	2,641,152
Trade and other payables	11	21,296,664	10,667,680
Financial liabilities at fair value through profit or loss	4, 9 & 10	172,601,031	176,773,908
Deferred tax liabilities	6	110,729	110,757
Current tax liabilities	6	–	53,231
<b>Total liabilities</b>		<b>216,445,572</b>	<b>190,246,728</b>
<b>Net assets</b>		<b>643,117,134</b>	<b>702,481,512</b>
<b>Equity</b>			
Issued capital	12	644,595,096	735,820,197
Profits reserve	13	274,121,905	242,261,182
Accumulated losses		(275,599,867)	(275,599,867)
<b>Total equity</b>		<b>643,117,134</b>	<b>702,481,512</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity and Consolidated Entity Disclosure Statement

For the year ended 30 June 2024

	Issued Capital \$	Accumulated Losses \$	Profits Reserve \$	Total Equity \$
<b>Balance at 1 July 2022</b>	<b>786,016,364</b>	<b>(275,599,867)</b>	<b>220,699,391</b>	<b>731,115,888</b>
Profit for the year	–	53,802,930	–	<b>53,802,930</b>
Other comprehensive income for the year	–	–	–	–
Transfer to profits reserve	–	(53,802,930)	53,802,930	–
Dividends paid	–	–	(32,241,139)	<b>(32,241,139)</b>
On-market share buy-back	(50,196,167)	–	–	<b>(50,196,167)</b>
<b>Balance at 30 June 2023</b>	<b>735,820,197</b>	<b>(275,599,867)</b>	<b>242,261,182</b>	<b>702,481,512</b>
<b>Balance at 1 July 2023</b>	<b>735,820,197</b>	<b>(275,599,867)</b>	<b>242,261,182</b>	<b>702,481,512</b>
Profit for the year	–	64,145,733	–	<b>64,145,733</b>
Other comprehensive income for the year	–	–	–	–
Transfer to profits reserve	–	(64,145,733)	64,145,733	–
Dividends paid	–	–	(32,285,010)	<b>(32,285,010)</b>
On-market share buy-back	(91,225,101)	–	–	<b>(91,225,101)</b>
<b>Balance at 30 June 2024</b>	<b>644,595,096</b>	<b>(275,599,867)</b>	<b>274,121,905</b>	<b>643,117,134</b>

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

### Consolidated entity disclosure statement

The Company is not required to prepare consolidated financial statements by Australian Accounting Standards. Accordingly, in accordance with subsection 295(3A) of the *Corporations Act 2001* (Cth), no further information is required to be disclosed in this consolidated entity disclosure statement.



## Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Cash flow from operating activities</b>			
Proceeds from the sale of investments		1,969,486,531	2,023,371,830
Payments for the purchase of investments		(1,874,598,721)	(2,111,306,840)
Dividends received		13,947,868	8,574,817
Interest received		31,205,187	25,798,359
Realised foreign exchange losses		(32,512,268)	(5,047,652)
Management fees paid		(9,811,456)	(10,185,982)
Stock loan and custody fees paid		(48,811)	(45,382)
Dividends on shorts		(3,461,654)	(2,999,431)
Insurance fees paid		(217,167)	(240,574)
Director fees paid		(279,770)	(277,546)
Interest paid		(33,924,200)	(25,181,149)
Income tax paid		(6,787,401)	(14,248,338)
Other income received		21,543	–
Payment for other expenses		(215,922)	(299,678)
<b>Net cash inflows / (outflows) from operating activities</b>	<b>21</b>	<b>52,803,759</b>	<b>(112,087,566)</b>
<b>Cash flow from financing activities</b>			
Payments for on-market share buy-back	12	(91,225,101)	(49,541,485)
Dividends paid	14	(32,285,010)	(32,241,139)
<b>Net cash outflows from financing activities</b>		<b>(123,510,111)</b>	<b>(81,782,624)</b>
<b>Net decrease in cash and cash equivalents held</b>		<b>(70,706,352)</b>	<b>(193,870,190)</b>
Effects of exchange rate changes on cash balances of cash held in foreign currencies		36,533,748	(27,499,008)
Cash and cash equivalents at the beginning of the year		167,336,748	388,705,946
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>133,164,144</b>	<b>167,336,748</b>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Notes to the Financial Statements

For the year ended 30 June 2024

## 1. General information

The Company is a listed public company domiciled in Australia. These financial statements cover the Company as an individual entity. The financial statements were authorised for issue on 19 August 2024 by the Directors of the Company.

## 2. Material accounting policy information

The principal accounting policy information adopted in the preparation of these financial statements are set out below.

### a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* (Cth) and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AASB**). The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policy information adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of financial assets and financial liabilities.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial assets and liabilities at fair value through profit or loss.

The Company manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio may be realised within 12 months, however, an estimate of that amount cannot be determined at reporting date.

In accordance with *ASIC Corporations (Rounding in Directors' Reports) Instrument 2016/191*, the amounts in the Directors' Report and in the financial statements have been rounded to the nearest dollar unless otherwise specified.

### b) Statement of Compliance

The financial statements and notes thereto comply with Australian Accounting Standards as issued by the AASB and International Financial Reporting Standards as issued by the International Accounting Standards Board.

## 2. Material accounting policy information (continued)

### c) Financial assets and liabilities at fair value through profit or loss – Investments

#### i) Classification

##### *Assets*

The Company classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Company's portfolio of financial assets is managed and their performance is evaluated on a fair value basis in accordance with the Company's investment strategy. Financial assets include equity securities held long and derivative contracts, and are classified as fair value through profit or loss.

##### *Liabilities*

The Company makes short sales (securities sold short) in which a borrowed equity security is sold in anticipation of a decline in market value of that security. Securities sold short are held for trading and are consequently classified as financial liabilities at fair value through profit or loss.

#### ii) Recognition/Derecognition

Financial assets and liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Any other financial assets and liabilities are recognised on the date they originated.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial asset and the transfer qualifies for derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

#### iii) Measurement

Financial assets and liabilities are measured initially at fair value, with subsequent changes in their fair value recognised in the Statement of Profit or Loss and Other Comprehensive Income. Transaction costs are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

### d) Fair Value Measurement

When a financial asset is measured at fair value, the value is based on the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Shares that are listed or traded on an exchange (Level 1 investments, see Note 4 to the Financial Statements) are fair valued using last sale price, as at the close of business on the day the shares are being valued.

### e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position, if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is generally not the case with master netting agreements unless one party to the agreement defaults and the related assets and liabilities are presented gross in the Statement of Financial Position. Refer to Note 10 to the Financial Statements for further information.

### f) Derivative financial instruments

Derivative financial instruments are initially recognised in the Statement of Financial Position at fair value, with subsequent changes in the fair value recognised in the Statement of Profit or Loss and Other Comprehensive Income. Derivatives are carried as assets when amounts are receivable by the Company and as liabilities when amounts are payable by the Company.

## 2. Material accounting policy information (continued)

### f) Derivative financial instruments (continued)

The Company records its derivative activities on a fair value basis. Fair values are determined by using quoted market values when available. Otherwise, fair values are based on independent pricing models that consider the time value of money, volatility, and the current market and contractual prices of the underlying financial instruments or confirmations with independent counterparties. All trading derivatives in a net receivable position (positive fair values) are reported as derivatives under financial assets at fair value through profit or loss. All trading derivatives in a net payable position (negative fair values) are reported as derivatives under financial liabilities at fair value through profit or loss.

Subsequent changes in the fair value of any derivative instrument are recorded in profit or loss.

The movements in realised/unrealised gains and losses are equal to the difference between the value of the contract at the onset and the value of the contract at settlement date or year end date and are included in the Statement of Profit or Loss and Other Comprehensive Income.

Unrealised gains and losses arising from changes in fair value, and realised gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

### g) Income Tax

The income tax expense or benefit for the year is the tax payable on that year's taxable income at the applicable tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and any adjustment recognised for prior years, where applicable.

Current tax liabilities / (assets) are measured at the amounts expected to be paid to / (recovered from) the Australian Taxation Office (ATO).

The Company may incur withholding tax imposed by certain countries on investment income. Such income will be recorded net of withholding tax in the Statement of Profit or Loss and Other Comprehensive Income.

Deferred tax assets are recognised to the extent that they are recoverable. Deductible temporary differences and unused tax losses are only recognised if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are recognised at the tax rates expected to apply when the assets are recovered, or liabilities settled.

### h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, unless GST incurred is not recoverable from the ATO. In that case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included in other receivables or other payables in the Statement of Financial Position.

### i) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with financial institutions that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. For the Statement of Cash Flows, cash and cash equivalents include amounts due to brokers, which are shown within current liabilities in the Statement of Financial Position.

## 2. Material accounting policy information (continued)

### j) Amounts due to brokers

Facilities provided by prime brokers and custodians are repayable on demand and form an integral part of the Company's cash management. The balance will fluctuate from being positive to negative as cash management needs arise, rather than part of its operating, investing and financing activities.

### k) Profits reserve

The Company may transfer any current period or prior period accumulated profits not distributed as dividends to a dividend profits reserve. Doing so facilitates the payment of future dividends, rather than maintaining these profits within retained earnings.

### l) Trade and other receivables

Trade and other receivables relate to unsettled trades, interest and dividends receivable. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method less any allowance for expected credit losses when relevant.

### m) Trade and other payables

Trade and other payables represent liabilities for unsettled trades as well as services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted.

### n) Critical accounting estimates and judgments

The preparation of the financial statements requires the Directors to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The Directors continually evaluate their judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. The Directors base their judgements and estimates on historical experience and various other factors, including expectations of future events, which the Directors believe to be reasonable under the circumstances.

#### Income Taxes

The Company has recognised deferred tax assets of \$2,735,052 (2023: \$25,991,162) that largely relate to unrealised foreign exchange gains and unrealised losses on financial instruments of \$9,116,840 at 30 June 2024 (2023: \$86,637,207). The utilisation of tax losses depends on the ability of the Company to generate future taxable profits. The Company considers that it is probable that future taxable profits will be available to utilise those deferred tax assets.

*AASB Interpretation 23 Uncertainty over income tax treatments (AASB 23)* provides clarification on how to apply recognition and measurement requirements when there is uncertainty over income tax treatments. Under AASB 23, if an entity concludes that it is probable that the tax authority will accept an uncertain tax treatment, the entity shall determine its accounting for income taxes consistently with that tax treatment. If an entity concludes that it is not probable that the treatment will be accepted, the entity shall reflect the effect of the uncertainty in its income tax accounting in the period in which that determination is made. An entity shall reflect the effect of uncertainty for each uncertain tax treatment by using either the most likely amount method or the expected value method, depending on which method the entity expects to best predict the resolution of the uncertainty. As at 30 June 2024 and 30 June 2023, the Directors believe there is no material uncertainty relating to any tax treatments.

## 2. Material accounting policy information (continued)

### o) New accounting standards and interpretations

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period including *AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (AASB 2021-2)*. These Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Issued in 30 March 2021, AASB 2021-2 amends AASB Standards to improve accounting policy disclosures and clarify the distinction between accounting policies and accounting estimates. Specifically, AASB 2021-2 amendments clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements. The amendments require entities to disclose their material accounting policy information rather than their significant accounting policies. AASB 2021-2 clarifies how entities should distinguish changes in accounting policies and changes in accounting estimates; aims to identify material accounting policy information as a component of a complete set of financial statements; and provides guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments had no impact in the Company's financial statements for the year ended 30 June 2024, nor is there expected to be any future impact.

### p) Functional and presentation currency

Items included in the financial statements are presented and measured in Australian dollars, the currency of the primary economic environment in which the Company operates (the functional currency).

Foreign currency transactions are translated into the functional currency using the exchange rates applicable at the transaction date.

At reporting date, monetary items are translated at the exchange rate applicable at reporting date, and non-monetary items carried at fair value are translated at the rates applicable at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the Statement of Profit or Loss and Other Comprehensive Income on a net basis within the disclosure 'net gains / (losses) on financial assets / liabilities measured at fair value through profit or loss'.

## 3. Financial risk management

The Company's financial instruments consist primarily of international and Australian listed investments, unlisted investments, derivative contracts, deposits with banks, trade and other receivables and trade payables, and as a result financial risks include market risk (including price risk, foreign currency risk and interest rate risk), credit risk and liquidity risk. The Board of the Company, with the Investment Manager, has implemented a risk management framework to manage and mitigate these risks.

### a) Market risk

#### i) Price risk

Price risk arises from investments held by the Company and classified in the Statement of Financial Position as 'financial assets / liabilities'.

The Investment Manager seeks to manage market risk by careful selection of securities in accordance with its investment process, including formalised research, due diligence, capital allocation decision making, ongoing monitoring, financial modelling as well as managing net equity exposure levels.

### 3. Financial risk management (continued)

#### a) Market risk (continued)

##### i) Price risk (continued)

The investment strategy implemented by the Investment Manager provides the Company with a broad global mandate, with the majority of the Company's portfolio in international and Australian listed securities. A breakdown of the Company's overall market exposures at the financial reporting date are below:

	2024 \$	2023 \$
Listed equity securities held long at fair value	669,619,224	689,347,577
Listed equity securities sold short at fair value	(170,801,895)	(176,773,908)
Unlisted equity securities held long at fair value	2,453,330	2,453,330
Equity swaps (see Note 10)	14,754,471	73,238
<b>Net overall exposure</b>	<b>516,025,130</b>	<b>515,100,237</b>

At the reporting date, had equity prices moved by +/- 10% with other variables held constant, the movement in profit before income tax would be approximately +/- \$51,602,513 (2023: \$51,510,024).

##### ii) Foreign currency risk

The Company holds assets and performs transactions denominated in currencies other than its functional currency, the Australian dollar. As a result, it is exposed to the effects of exchange rate fluctuations, creating foreign currency risk. The Investment Manager manages the exchange rate exposures within approved policy parameters, monitors exchange rates closely as part of its portfolio management and may hedge some or all of its exposure to foreign currency exchange risk.

	Liabilities 2024 \$ AUD	Assets 2024 \$ AUD
United States Dollar (USD)	(202,782,212)	344,678,416
Euro (EUR)	(100,236,245)	103,684,766
Great British Pound (GBP)	(122,140,959)	122,053,508
Japanese Yen (JPY)	(58,340,162)	61,472,398
Hong Kong Dollars (HKD)	(5,922,129)	7,860,909
Canadian Dollar (CAD)	–	38,752
	Liabilities 2023 \$ AUD	Assets 2023 \$ AUD
United States Dollar (USD)	(599,827,777)	611,100,344
Euro (EUR)	(170,333,654)	171,624,846
Great British Pound (GBP)	(54,740,956)	60,582,094
Japanese Yen (JPY)	(38,204,187)	38,538,934
Swiss Franc (CHF)	(54)	–
Hong Kong Dollars (HKD)	(21,993,627)	21,051,308
Swedish Krona (SEK)	(87)	–

### 3. Financial risk management (continued)

#### a) Market risk (continued)

##### ii) Foreign currency risk (continued)

The table below shows a sensitivity analysis of the effect on the net assets attributable to shareholders (and profit before income tax) as a result of a possible movement of the currency rate against the Australian dollar, with all other variables held constant.

Currency	AUD equivalent in exposure by currency 2024 \$	Change in variable + / - %	Profit / (loss) before income tax attributable to shareholders 2024 \$
USD Impact	141,896,204	5%/(5%)	7,094,810 / (7,094,810)
EUR Impact	3,448,521	5%/(5%)	172,426 / (172,426)
GBP Impact	(87,451)	5%/(5%)	4,373 / (4,373)
JPY Impact	3,132,236	5%/(5%)	156,612 / (156,612)
HKD Impact	1,938,780	5%/(5%)	(96,939) / 96,939
CAD Impact	38,752	5%/(5%)	(1,938) / 1,938

Currency	AUD equivalent in exposure by currency 2023 \$	Change in variable + / - %	Profit / (loss) before income tax attributable to shareholders 2023 \$
USD Impact	11,272,567	5%/(5%)	563,628 / (563,628)
EUR Impact	1,291,192	5%/(5%)	64,560 / (64,560)
GBP Impact	5,841,138	5%/(5%)	292,057 / (292,057)
JPY Impact	334,747	5%/(5%)	16,737 / (16,737)
CHF Impact	(54)	5%/(5%)	(3) / 3
HKD Impact	(942,319)	5%/(5%)	(47,116) / 47,116
SEK Impact	(87)	5%/(5%)	(4) / 4

##### iii) Cash flow and fair value interest rate risk

Interest rate risk is the possibility that fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The majority of the Company's financial assets and liabilities are non-interest-bearing. Any interest-bearing financial assets and financial liabilities either mature or reprice in the short term. As a result, the Company is subject to limited exposure to fluctuations in market interest rates which would create interest rate risk. The Company also holds substantial cash positions which are directly affected by interest rate movements.



### 3. Financial risk management (continued)

#### a) Market risk (continued)

##### iii) Cash flow and fair value interest rate risk (continued)

The table below summarises the Company's exposure to interest rate risk at the end of the reporting period.

2024	Floating \$	Fixed \$	Total \$
Cash and cash equivalents	155,601,292	–	155,601,292
Amounts due to brokers	(22,437,148)	–	(22,437,148)
<b>Total</b>	<b>133,164,144</b>	<b>–</b>	<b>133,164,144</b>
2023	Floating \$	Fixed \$	Total \$
Cash and cash equivalents	169,977,900	–	169,977,900
Amounts due to brokers	(2,641,152)	–	(2,641,152)
<b>Total</b>	<b>167,336,748</b>	<b>–</b>	<b>167,336,748</b>

The sensitivity analysis below has been conducted based on the Company's exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting year, in the case of instruments that have floating interest rates.

The following table illustrates the effect on interest from possible changes in interest rates that were reasonably possible based on the risk the Company was exposed to at reporting date and are based on best estimate, having regard to a number of factors, including historical levels of changes in interest rates. However, actual movements in the interest rate may be greater or less than anticipated due to a number of factors, including market movements resulting from changes in performance and/or correlation between the performances of economies and markets in which the Company invests. As a result, historic variations in these risk variables should not be used to predict future variances in interest rates.

	2024		2023	
	Change in variable rate + / - %	Effect on profit or loss \$	Change in variable rate + / - %	Effect on profit or loss \$
<b>Interest rate risk</b>	1.00% / (1.00%)	1,331,641 / (1,331,641)	1.00% / (1.00%)	1,673,367 / (1,673,367)

#### b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the counterparty (bank and prime broker) by failing to discharge an obligation.

The Investment Manager has adopted a policy of only dealing with what it assesses to be creditworthy counterparties, conducting due diligence of all new counterparties, monitoring the creditworthiness and ratings of counterparties on an ongoing basis and obtaining sufficient collateral or other security (where appropriate), as a means of mitigating the financial risk of financial loss from default. The Investment Manager is satisfied that the counterparties are of sufficient quality and diversity to minimise any individual counterparty risk. Credit risk on cash and cash equivalents is not considered to be a significant risk to the Company as the majority of cash is held with major Australian banks and their 100% owned banking subsidiaries, being institutions that have a Standard & Poor's A-1+ rating (2023: Standard & Poor's A-1+ rating).

### 3. Financial risk management (continued)

#### b) Credit risk (continued)

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets as presented in the Statement of Financial Position, including the carrying amount of cash and cash equivalents, financial assets at fair value through profit or loss that may have been collateralised against borrowed stock and are held under a custody arrangement, derivative contracts and trade and other receivables.

Under the arrangements which the Company has entered into to facilitate stock borrowing for covered short selling, borrowed stock is collateralised by the long stock portfolio. If the stock borrowing counterparty became insolvent, it is possible that the Company may not recover all of the collateral that the Company gave to the counterparty.

None of the assets exposed to credit risk are overdue or considered to be impaired (2023: nil).

#### c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Under the Investment Management Agreement, the Investment Manager has agreed to pay all of the Company's operating expenses except for Directors' fees and all premiums payable for directors and officers insurance. The Investment Manager maintains the Company's unencumbered cash balances at sufficient levels to ensure that the Company can meet these expense outgoings as and when they fall due. Further, the Investment Manager closely manages and monitors the allocation of the Company's investment assets between cash, the purchase of securities and the settlement of short positions in accordance with its investment process, as well as tax payable to the ATO.

The assets of the Company are predominantly in the form of readily tradeable securities which can be sold on-market if necessary.

The tables below summarise the maturity profile of the Company's financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 month \$	Less than 3 months \$	More than 3 months \$	Total \$
<b>At 30 June 2024</b>				
<b>Financial liabilities</b>				
Amounts due to brokers	22,437,148	–	–	22,437,148
Financial liabilities at fair value through profit or loss	172,601,031	–	–	172,601,031
Trade and other payables	21,296,664	–	–	21,296,664
<b>Total financial liabilities</b>	<b>216,334,843</b>	<b>–</b>	<b>–</b>	<b>216,334,843</b>
	Less than 1 month \$	Less than 3 months \$	More than 3 months \$	Total \$
<b>At 30 June 2023</b>				
<b>Financial liabilities</b>				
Amounts due to brokers	2,641,152	–	–	2,641,152
Financial liabilities at fair value through profit or loss	176,773,908	–	–	176,773,908
Trade and other payables	10,667,680	–	–	10,667,680
Current tax liabilities	–	–	53,231	53,231
<b>Total financial liabilities</b>	<b>190,082,740</b>	<b>–</b>	<b>53,231</b>	<b>190,135,971</b>

#### 4. Fair value measurements

The Company measures and recognises its investments as financial assets and liabilities at fair value through profit or loss on a recurring basis.

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents the Company's financial assets and liabilities measured and recognised at fair value at the reporting date. The carrying amounts of all financial instruments are reasonable approximations of the respective instrument's fair value.

<b>At 30 June 2024</b>	<b>Level 1</b> \$	<b>Level 2</b> \$	<b>Level 3</b> \$	<b>Total</b> \$
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities held long at fair value	669,619,224	–	–	<b>669,619,224</b>
Unlisted equity securities held long at fair value	–	2,453,330	–	<b>2,453,330</b>
Equity swaps	–	16,093,741	–	<b>16,093,741</b>
Foreign currency forward contracts	–	499,998	–	<b>499,998</b>
	<b>669,619,224</b>	<b>19,047,069</b>	–	<b>688,666,293</b>
<b>Financial liabilities at fair value through profit or loss:</b>				
Listed equity securities sold short at fair value	(170,801,895)	–	–	<b>(170,801,895)</b>
Equity swaps	–	(1,339,270)	–	<b>(1,339,270)</b>
Foreign currency forward contracts	–	(459,866)	–	<b>(459,866)</b>
	<b>(170,801,895)</b>	<b>(1,799,136)</b>	–	<b>(172,601,031)</b>

**4. Fair value measurements (continued)**

<b>At 30 June 2023</b>	<b>Level 1</b> \$	<b>Level 2</b> \$	<b>Level 3</b> \$	<b>Total</b> \$
<b>Financial assets at fair value through profit or loss:</b>				
Listed equity securities held long at fair value	689,347,577	–	–	<b>689,347,577</b>
Unlisted equity securities held long at fair value	–	2,453,330	–	<b>2,453,330</b>
Equity swaps	–	73,238	–	<b>73,238</b>
	<b>689,347,577</b>	<b>2,526,568</b>	–	<b>691,874,145</b>
<b>Financial liabilities at fair value through profit or loss:</b>				
Listed equity securities sold short at fair value	(176,773,908)	–	–	<b>(176,773,908)</b>
	<b>(176,773,908)</b>	–	–	<b>(176,773,908)</b>

*Transfers between levels*

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels for recurring fair value measurements during the year.

*Listed equity securities*

Listed equity securities for which quoted prices in an active market for an identical instrument are available are valued using those prices (Level 1 measurement). Other listed equities are valued based on brokers' quotes for the identical security that are executable and that reflect actual current market transactions (Level 2 measurement).

*Equity swaps*

Market inputs to equity swaps, such as market prices for equity swaps, are based on the relevant market close price on the relevant exchange. If the required inputs are not available from external pricing sources, they will be obtained either from the counterparty or market maker quotes.

*Foreign currency forward contracts*

The foreign currency forward contracts pricing model derives the exchange rate differential between currencies from the expiration date of the forward contracts and calculates its present value.

## 5. Income tax

	2024 \$	2023 \$
<b>a) Income tax recognised in profit or loss</b>		
Current tax expense	(1,004,839)	(7,357,058)
Deferred tax expense	(23,256,082)	(13,537,511)
<b>Total income tax expense in profit or loss</b>	<b>(24,260,921)</b>	<b>(20,894,569)</b>
<b>Total income tax (expense) / credit results from:</b>		
Current tax liabilities	(1,004,839)	(7,357,058)
Deferred tax assets	(23,256,110)	(13,430,934)
Deferred tax liabilities	28	(106,577)
<b>Income tax expense</b>	<b>(24,260,921)</b>	<b>(20,894,569)</b>
<b>b) Income tax recognised in profit or loss</b>		
Profit before income tax	88,406,654	74,697,499
Tax at the Australian corporate tax rate of 30%	(26,521,996)	(22,409,250)
Foreign income tax offset gross up	(485,445)	(634,098)
Franking credits / foreign income tax offset utilisation	2,746,436	2,158,055
Adjustment to tax charge in respect of previous periods	84	(9,276)
<b>Income tax expense recognised in profit or loss</b>	<b>(24,260,921)</b>	<b>(20,894,569)</b>

**6. Deferred tax assets / liabilities**

	2024 \$	2023 \$
<b>a) Deferred tax assets:</b>		
Unrealised losses on financial instruments	4,926,480	17,291,621
Unrealised foreign exchange (gains) / losses	(2,234,067)	8,699,541
Organisation cost	42,639	–
<b>Total</b>	<b>2,735,052</b>	<b>25,991,162</b>

**Movement in deferred tax assets:**

Opening balance	25,991,162	39,422,096
Unrealised losses on financial instruments	(12,365,141)	(21,680,637)
Unrealised foreign exchange (gains) / losses	(10,933,608)	8,249,703
Organisation cost	42,639	–
<b>Closing balance</b>	<b>2,735,052</b>	<b>25,991,162</b>

**b) Deferred tax liabilities:**

Dividend receivable	110,729	110,757
<b>Total</b>	<b>110,729</b>	<b>110,757</b>

**Movement in deferred tax liabilities:**

Opening balance	110,757	4,180
Dividends receivable	(28)	106,577
<b>Closing balance</b>	<b>110,729</b>	<b>110,757</b>

**c) Current tax assets / (liabilities):**

Opening balance	(53,231)	(6,944,512)
Income tax payable for financial year	(1,004,839)	7,338,346
Tax paid during the year	6,787,401	6,909,993
Adjustment to tax change in respect of previous periods	–	(7,357,058)
<b>Closing balance</b>	<b>5,729,331</b>	<b>(53,231)</b>

**7. Cash and cash equivalents**

	2024 \$	2023 \$
Cash and cash equivalents	155,601,292	169,977,900
Amounts due to brokers*	(22,437,148)	(2,641,152)
<b>Total</b>	<b>133,164,144</b>	<b>167,336,748</b>

\* Refer to Note 2(j) to the Financial Statements for additional information.

**8. Trade and other receivables**

	2024 \$	2023 \$
Dividends receivable	369,098	369,929
GST receivable	67,482	64,316
Unsettled trades	4,432,846	2,040,560
Interest receivable	1,422,027	2,410,228
Other receivables	539,285	–
<b>Total</b>	<b>6,830,738</b>	<b>4,885,033</b>

**9. Financial assets and liabilities at fair value through profit or loss**

	2024 \$	2023 \$
<b>Financial assets:</b>		
Listed equity securities held long at fair value	669,619,224	689,347,577
Unlisted equity securities held long at fair value	2,453,330	2,453,330
Equity swaps	16,093,741	73,238
Foreign currency forward contracts	499,998	–
<b>Total</b>	<b>688,666,293</b>	<b>691,874,145</b>
<b>Financial liabilities:</b>		
Listed equity securities sold short at fair value	(170,801,895)	(176,773,908)
Equity swaps	(1,339,270)	–
Foreign currency forward contracts	(459,866)	–
<b>Total</b>	<b>(172,601,031)</b>	<b>(176,773,908)</b>

**10. Derivative contracts**

The Company has investments in derivative contracts, which are included in the Statement of Financial Position as part of “Financial assets / liabilities at fair value through profit or loss”.

The Company’s outstanding derivative contracts are detailed below:

	Notional value assets \$	Notional value liabilities \$	Fair value assets \$	Fair value liabilities \$
<b>As at 30 June 2024</b>				
<b>Equity price risk</b>				
Equity swaps	121,197,480	13,903,159	16,093,741	1,339,270
<b>Foreign exchange risk</b>				
Foreign currency forward contracts	69,500,002	65,459,866	499,998	459,866
<b>Total</b>			<b>16,593,739</b>	<b>1,799,136</b>

**10. Derivative contracts (continued)**

	Notional value assets \$	Notional value liabilities \$	Fair value assets \$	Fair value liabilities \$
<b>As at 30 June 2023</b>				
<b>Equity price risk</b>				
Equity swaps	2,823,295	–	73,238	–
<b>Total</b>			<b>73,238</b>	<b>–</b>

*Equity swaps*

The Company enters into equity swaps which represent agreements that obligate two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset or otherwise determined notional amount. The payment flows are usually netted against each other, with the difference being paid by one party to the other. Therefore, amounts required for the future satisfaction of the swap may be greater or less than the amount recorded.

The realised gain or loss depends upon the prices at which the underlying financial instrument of the swap is valued at the swap's settlement date and is included in net gains on financial assets / liabilities measured at fair value through profit or loss in the Statement of Profit or Loss and Other Comprehensive Income.

*Foreign currency forward contracts*

The Company may use foreign currency forward contracts to meet the requirements of its trading activities and for risk management. Foreign currency forward contracts are agreements for delayed delivery of specific currencies and commodities in which the seller agrees to make delivery at a specified future date of specified currencies and commodities. Risks associated with foreign currency forward contracts are the inability of counterparties to meet the terms of their respective contracts and movements in fair value and exchange rates. Gains and losses on foreign currency forward contracts are recorded based on changes in the fair values and are included with net gains on financial assets / liabilities measured at fair value through profit or loss in the Statement of Profit or Loss and Other Comprehensive Income.

**Offsetting of financial instruments**

The Company holds financial assets and liabilities that are eligible for offset in the Statement of Financial Position and are subject to a master netting agreement. However, the Company has elected not to offset assets and liabilities in the Statement of Financial Position.



## 10. Derivative contracts (continued)

### Offsetting of financial instruments (continued)

The disclosures set out in the table below include financial assets and financial liabilities that are subject to an enforceable master netting or similar agreement that covers similar financial instruments as at 30 June 2024. The similar agreements include derivative clearing agreements. Similar financial instruments include derivatives and securities borrowing agreements.

	Gross amounts of recognised financial assets/ (liabilities)	Gross amounts of recognised set off in the Statement of Financial Position	Net amounts of financial assets/ (liabilities) presented in the Statement of Financial Position	Related amounts not set off in the Statement of Financial Position	Cash collateral received/ (pledged)	Net amount
	\$	\$	\$	\$	\$	\$
<b>Financial assets:</b>						
Equity swaps	16,093,741	–	16,093,741	(1,339,270)	–	14,754,471
Forward foreign currency contracts	499,998	–	499,998	(459,866)	–	40,132
	<b>16,593,739</b>	<b>–</b>	<b>16,593,739</b>	<b>(1,799,136)</b>	<b>–</b>	<b>14,794,603</b>
<b>Financial liabilities:</b>						
Equity swaps	(1,339,270)	–	(1,339,270)	1,339,270	–	–
Forward foreign currency contracts	(459,866)	–	(459,866)	459,866	–	–
	<b>(1,799,136)</b>	<b>–</b>	<b>(1,799,136)</b>	<b>1,799,136</b>	<b>–</b>	<b>–</b>

As at 30 June 2023, the Company had investments in derivative contracts classified as financial assets only, thus, not subject to an enforceable master netting or similar agreement.

## 11. Trade and other payables

	2024 \$	2023 \$
Management fees payable	873,915	931,589
Unsettled trades	18,561,149	6,852,141
Other payables	1,861,600	2,883,950
<b>Total</b>	<b>21,296,664</b>	<b>10,667,680</b>

## 12. Issued capital

	Number of Shares	\$
Opening balance as at 1 July 2022	373,064,879	786,016,364
On-market share buy-back	(33,344,435)	(50,196,167)
<b>Closing balance as at 30 June 2023</b>	<b>339,720,444</b>	<b>735,820,197</b>
Opening balance as at 1 July 2023	339,720,444	735,820,197
On-market share buy-back	(52,159,829)	(91,225,101)
<b>Closing balance as at 30 June 2024</b>	<b>287,560,615</b>	<b>644,595,096</b>

### On-market share buy-back program

On 2 August 2023, the Company announced the extension of the on-market share buy-back for a further period of up to 12 months.

During the year ended 30 June 2024, the Company bought back 52,159,829 shares at a cost of \$91,225,101 (excluding brokerage) (2023: 33,344,435 shares at a cost of \$50,196,167 (excluding brokerage)).

### Additional capacity for on-market share buy-back

As part of the Company's Annual General Meeting (**AGM**) in November 2023, the Company sought and received approval from its shareholders to undertake an on-market buy-back of up to 82,607,530 shares in the Company over the 12-month period commencing from the AGM date (**Shareholder Approval**). This represents approximately 25% of the shares the Company had on issue as at 19 October 2023. This additional capacity provides the Company with the flexibility to purchase more than 10% of the Company's shares on issue over a 12-month period, per the limit permitted by the *Corporations Act 2001* (Cth) (**Corporations Act**).

The buy-back will be funded from the Company's available cash reserves and conducted on-market. The objective of the buy-back remains capital management.

The approval received from shareholders does not oblige the Company to undertake a buy-back of any shares. It is not guaranteed that the Company will buy back either the maximum number of issued shares approved pursuant to Shareholder Approval or as otherwise permitted by the Corporations Act.

### Capital risk management

The Company's policy is to maintain a strong capital base so as to maintain investor and market confidence. The overall strategy remains unchanged. To achieve this, the Directors monitor the monthly NTA results, investment performance and share price movements.

The Directors are focused on maximising returns to shareholders with capital management a key objective of the Company. The Company is not subject to any externally imposed capital requirements.

### 13. Profits reserve

	2024 \$	2023 \$
<b>Opening balance</b>	<b>242,261,182</b>	<b>220,699,391</b>
Transfer from accumulated losses	64,145,733	53,802,930
Dividends paid (see Note 14)	(32,285,010)	(32,241,139)
<b>Closing balance</b>	<b>274,121,905</b>	<b>242,261,182</b>

The profits reserve is made up of amounts transferred from current year profits and retained earnings and are preserved for future dividend payments. The Company may set aside some or all of the undistributed profits to the profits reserve for payments of dividends rather than maintaining these profits within retained earnings/accumulated losses.

Dividends are paid out of the profits reserve. Subsequent to the year ended 30 June 2024, the Directors have determined to pay a fully franked dividend at a 30% tax rate of 5.0 cents per share, payable on 30 September 2024. This has not been recognised in the Statement of Financial Position. The balance in the profits reserve after providing for the 2024 final dividend is \$260,174,209 (or 93.3 cents per share, based on the current shares on issue).

### 14. Dividends

#### a) Ordinary dividends declared or paid during the year

	2024 \$	2023 \$
<b>Fully franked dividends at 30% paid during the period:</b>		
2022 final dividend: 4.5 cents per share, paid 28 September 2022	–	16,564,663
2023 interim dividend: 4.5 cents per share, paid 29 March 2023	–	15,676,476
2023 final dividend: 5.0 cents per share, paid 25 September 2023	16,746,741	–
2024 interim dividend: 5.0 cents per share, paid 18 March 2024	15,538,269	–
<b>Total</b>	<b>32,285,010</b>	<b>32,241,139</b>

The Company's DRP was operative for these dividends.

#### b) Dividend franking account

	2024 Franking credits	2023 Franking credits
<b>Balance of franking account at year end</b>	<b>2,120,558</b>	<b>7,599,919</b>
Adjusted for franking credits arising from estimated income tax (receivable) / payable	(5,768,127)	53,231
Additional franking generated from tax payments subsequent to year end	2,000,000	–
<b>Franking credits available for use in subsequent periods</b>	<b>(1,647,569)</b>	<b>7,653,150</b>
Subsequent to the reporting period, the franking account would be reduced by the proposed dividend disclosed in Note 20 to the Financial Statements*	(5,977,584)	(7,187,568)
	<b>(7,625,153)</b>	<b>465,582</b>

\* Pending additional buy-backs subsequent to the release of the Annual Report.

The Company's ability to pay franked dividends is dependent upon the receipt of franked dividends from investments and the payment of tax. The dividend determined by the Directors on 19 August 2024 will be franked out of existing franking credits and/or out of franking credits arising from the payment of income tax.

## 15. Key management personnel disclosures

### a) Independent Directors' Remuneration

	2024 \$	2023 \$
Short-term employment benefits	257,455	253,392
Post-employment benefits	22,545	26,608
<b>Total</b>	<b>280,000</b>	<b>280,000</b>

Detailed remuneration disclosures are provided in the Remuneration Report on page 13.

### b) Ordinary shares held

Refer to Remuneration Report 'equity instrument disclosures relating to directors' (page 14) for further details.

## 16. Related party transactions

All transactions with related entities are made on normal commercial terms and conditions.

### Costs paid by Regal Partners

The Investment Manager continues to show strong alignment with and support of the Company and its shareholders by paying the majority of operating costs incurred by the Company. Regal Partners paid for circa \$519,000 of operating expenses this financial year (2023: \$525,000) which include ASX and ASIC fees, audit costs, legal and tax advice costs and any fees charged by the Company's Fund Administrator.

### Management fee

The Investment Manager is entitled to be paid a management fee equal to 1.5% per annum (plus GST) of the value of the Portfolio calculated on the last business day of each calendar month and paid monthly in arrears.

For the year ended 30 June 2024, the Investment Manager earned management fees of \$9,519,721 (2023: \$9,906,733) exclusive of GST. As at 30 June 2024, the balance payable to the Investment Manager was \$873,915 including GST (2023: \$931,589) (refer to Note 11 to the Financial Statements).

The management fees disclosed in the Statement of Profit or Loss and Other Comprehensive Income is net of GST and Reduced Input Tax Credits (RITC).

### Performance fee

The Investment Manager is entitled to be paid a performance fee semi-annually in arrears, equal to 15% (plus GST) of the Portfolio's outperformance (if any) over each prior semi-annual performance calculation period, subject to a high water mark mechanism.

The high water mark is the net asset value of the portfolio before all taxes calculated on the last date of the performance calculation period to which the Investment Manager was last entitled to be paid a performance fee.

The Investment Manager did not earn a performance fee during the year ended 30 June 2024 (2023: nil).

## 17. Remuneration of Auditor

During the year the following fees were paid or payable for services provided by the Auditor of the Company, its related practices and non-related audit firms:

	2024 \$	2023 \$
Audit and review of financial statements	68,000	65,000
Taxation services	28,545	18,000
<b>Total remuneration for audit and other assurance services</b>	<b>96,545</b>	<b>83,000</b>

The Company's audit and other assurance service fees are being paid by the Investment Manager under the Investment Management Agreement.

## 18. Contingencies and commitments

The Company had no material contingent liabilities or capital commitments as at 30 June 2024 (2023: nil).

## 19. Segment Information

The Company only has one reportable segment. The Company operates in Australia and is engaged in investment activities, deriving revenue from dividend and distribution income, interest income and returns on its investment portfolio.

## 20. Events occurring after the reporting year

Since the end of the year, the Directors determined to pay a fully franked final dividend of 5.0 cents per share to be paid on 30 September 2024.

The Company is not aware of any other matter or circumstance since the end of the financial year not otherwise dealt with in this Annual Report, that has, or may, significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

## 21. Reconciliation of profit after income tax to net cash inflow from operating activities

	2024 \$	2023 \$
Profit after income tax	64,145,733	53,802,930
Fair value movements in financial assets and liabilities	(19,426,552)	201,099,390
Changes in assets / liabilities:		
(Increase) / decrease in trade and other receivables	(1,945,705)	639,949
Increase in investments	(18,072,221)	(383,023,834)
Increase in current tax assets	(5,729,331)	–
Decrease in deferred tax assets	23,256,110	13,430,934
Increase in trade and other payables	10,628,984	8,747,769
(Decrease) / increase in deferred tax liabilities	(28)	106,577
Decrease in current tax liability	(53,231)	(6,891,281)
<b>Net cash inflows / (outflows) from operating activities</b>	<b>52,803,759</b>	<b>(112,087,566)</b>

**22. Earnings per share**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Profit after income tax used in the calculation of basic and diluted earnings per share	64,145,733	53,802,930
<b>Basic and diluted earnings per share</b>	<b>20.16 cents</b>	<b>15.13 cents</b>

  

	<b>2024</b>	<b>2023</b>
	<b>Number of</b>	<b>Number of</b>
	<b>Shares</b>	<b>Shares</b>
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted earnings per share	<b>318,231,351</b>	<b>355,525,453</b>

There are no outstanding securities that are potentially dilutive in nature for the Company as at 30 June 2024.

# Directors' Declaration

In accordance with a resolution of the Directors of VGI Partners Global Investments Limited (the **Company**), the Directors of the Company declare that:

- a) the financial statements and notes set out on pages 17 to 41 are in accordance with the *Corporations Act 2001* (Cth), including:
  - i) complying with Australian Accounting Standards and the *Corporations Regulations 2001* (Cth); and
  - ii) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the financial year ended 30 June 2024;
- 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;
- c) Note 2(b) to the Financial Statements confirms compliance with International Financial Reporting Standards;
- d) the consolidated entity disclosure statement required by subsection 295(3A) of the *Corporations Act 2001* (Cth) is true and correct; and
- e) the Directors have been given the declarations required by section 295A of the *Corporations Act 2001* (Cth).

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

**David F Jones AM**  
**Chairman**  
Sydney  
19 August 2024

**INSERT AUDITORS REPORT.**











# Investment Portfolio

As at 30 June 2024

Financial assets at fair value through profit or loss as at 30 June 2024 (in alphabetical order):

<b>Company name</b>	<b>Code</b>
AIB Group plc	AIBG ID
Alphabet Inc.	GOOG US
Amazon.com Inc	AMZN US
Bank of Ireland Group plc	BIRG ID
CaixaBank, S.A.	CABK SM
Cettire Limited	CTT AU
Chugai Pharmaceutical Co., Ltd.	4519 JP
Deutsche Boerse AG	DB1 GY
DSM-Firmenich AG	DSFIR NA
Entain Plc	ENT LN
Flutter Entertainment plc	FLTR LN
GE Healthcare Technologies Inc.	GEHC US
Glencore plc	GLEN LN
GQG Partners Inc.	GQG AU
Hudbay Minerals Inc.	HBM US
IAC Inc.	IAC US
Intesa Sanpaolo S.p.A.	ISP IM
JGC Holdings Corporation	1963 JP
Life360, Inc.	LIF US
Lloyds Banking Group plc	LLOY LN
London Stock Exchange Group plc	LSEG LN
Meta Platforms, Inc.	META US
NexGen Energy Ltd.	NXG AU
Olympus Corporation	7733 JP
Origin Energy Ltd.	ORG AU
Rightmove plc	RMV LN
Samsung Electronics Co., Ltd.	005930 KS
Shell plc	SHEL LN
SK Hynix Inc.	000660 KS
Stanmore Resources Limited	SMR AU
Teck Resources Limited	TECK US
Toyota Industries Corp.	6201 JP
The Walt Disney Company	DIS US
Wise plc	WISE LN
Woodside Energy Group Ltd	WDS AU
Agricultural Investment Trust	N/A

Short positions are not disclosed.

# Shareholder Information

The Shareholder information set out below was applicable as at 31 July 2024.

Additional information required by the ASX Listing Rules, and not disclosed elsewhere in this Annual Report, is listed below.

## a) Substantial Holders

The following parties have notified the Company that they have a substantial relevant interest in the ordinary shares of the Company in accordance with section 671B of the *Corporations Act 2001* (Cth):

Name	Ordinary shares	
	Number held	% of total shares issued*
Regal Partners Limited and its associates	25,793,599	8.47
Saba Capital Management GP, LLC	24,882,005	8.05
Wilson Asset Management Group	16,793,522	5.11

\* Based on the last substantial shareholder notices lodged.

## b) Voting Rights

Each ordinary share is entitled to one vote when a poll is called, otherwise each Shareholder present at a meeting or by proxy has one vote on a show of hands.

## c) Stock Exchange Listing

Quotation has been granted for all of the ordinary shares of the Company on the ASX.

## d) Unquoted Securities

There are no unquoted shares.

## e) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

Holding	Ordinary shares		Percentage (%)
	No. of Shareholders	Shares	
1 - 1,000	359	134,001	0.05
1,001 - 5,000	783	2,577,438	0.91
5,001 - 10,000	914	7,227,118	2.57
10,001 - 100,000	2,792	84,671,830	30.07
100,001 and over	244	186,933,778	66.40
<b>Total</b>	<b>5,092</b>	<b>281,544,165</b>	<b>100.00</b>

There were 162 holders of less than a marketable parcel of ordinary shares.

**f) Equity security holders**

Twenty largest quoted equity security holders as at 31 July 2024:

<b>Name</b>	<b>Ordinary shares Number held</b>	<b>Percentage of issued shares (%)</b>
Citicorp Nominees Pty Limited	32,194,276	11.435
HSBC Custody Nominees (Australia) Limited	31,650,086	11.242
BNP Paribas Nominees Pty Ltd - Barclays	14,333,946	5.091
BNP Paribas Nominees Pty Ltd - HUB24 Custodial Serv Ltd	9,892,404	3.514
UBS Nominees Pty Ltd	8,731,129	3.101
Regal Partners Limited	8,394,423	2.982
BNP Paribas Nominees Pty Ltd - Ib Au Noms Retailclient	8,373,032	2.974
Netwealth Investments Limited - Wrap Services A/C	7,209,007	2.560
IOOF Investment Services Limited - IOOF IDPS A/C	4,224,798	1.501
BNP Paribas Noms Pty Ltd	2,946,030	1.046
Stroud Agricultural Company Pty Ltd - Vernon A/C	2,487,337	0.883
Morgcam Pty Ltd	2,063,733	0.733
J P Morgan Nominees Australia Pty Limited	1,823,426	0.648
Netwealth Investments Limited - Super Services A/C	1,782,737	0.633
Citicorp Nominees Pty Limited - DPSL A/C	1,208,917	0.429
Mark Hall Pty Ltd	1,151,800	0.409
IOOF Investment Services Limited - IPS Superfund A/C	1,129,083	0.401
Sterda Pty Ltd	1,100,000	0.391
Assurance Capital Pty Ltd	785,000	0.279
Rylelage Pty Ltd - Barnes Super Fund A/C	778,489	0.276
	<b>142,259,653</b>	<b>50.528</b>

**g) Securities Subject to Reinvestment Agreement**

Robert Luciano, Douglas Tynan and Robert Poiner (the **Relevant Shareholders**) have entered into a Reinvestment Agreement with Regal Partners Limited and the Company, pursuant to which it was agreed, to the maximum extent permitted by law, the Relevant Shareholders would re-invest, from the dividends received from Regal Partners, their “look through” after tax share of any performance fees received by the Investment Manager from managing the Portfolio into fully paid ordinary shares in the Company.

# Corporate Directory

## Board of Directors

David F Jones AM – Chairman  
Noel J Whittaker AM – Independent Director  
Lawrence Myers – Independent Director  
Adelaide H McDonald – Independent Director

## Company Secretaries

Ian Cameron  
Candice Driver

## Investor Relations

Ingrid Groer  
T: +61 2 8197 4390  
E: [investorrelations@regalpartners.com](mailto:investorrelations@regalpartners.com)

## Investment Manager

Regal Partners Limited  
ABN 33 129 188 450

## Registered Office

Level 47 Gateway, 1 Macquarie Place  
Sydney NSW 2000

## Website

[www.vgipartners.com/lics/vg1](http://www.vgipartners.com/lics/vg1)

## Share Registrar

Boardroom Pty Limited  
Level 8, 210 George Street  
Sydney NSW 2000  
T: 1300 737 760 (inside Australia)  
T: + 61 2 9290 9600 (outside Australia)  
E: [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au)

For enquiries relating to shareholdings, dividends (including participation in the dividend reinvestment plan) and related matters, please contact the share registrar.

## Auditor

Pitcher Partners  
Level 16, Tower 2, Darling Park  
201 Sussex St  
Sydney NSW 2000  
T: + 61 2 9221 2099

## Prime Brokers and Custodians

Morgan Stanley & Co. LLC  
1585 Broadway, 6<sup>th</sup> Floor  
New York, NY 10036, United States of America

Goldman Sachs & Co. LLC  
200 West Street, 29<sup>th</sup> Floor  
New York, NY 10282, United States of America

BNP Paribas  
10 Harewood Avenue  
London, NW1 6AA, United Kingdom

## ASX Code

VG1



**VGI Partners**  
**Global Investments Limited**

Level 47 Gateway, 1 Macquarie Place  
Sydney NSW 2000 Australia

T: +61 2 8197 4390

[www.vgipartners.com/lics/vg1](http://www.vgipartners.com/lics/vg1)