



23 August 2024

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Australian Securities Exchange
Exchange Centre
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Sydney NSW 2000

Electronic Lodgement

**Djerriwarrh Investments Limited
Statutory Annual Report, Annual Shareholder Review and
Annual General Meeting Documentation**

Dear Sir / Madam

Please find attached the 2024 Statutory Annual Report, Annual Shareholder Review and Annual General Meeting Documentation being sent to shareholders.

Yours faithfully

Matthew Rowe
Company Secretary

Authorised by the Company Secretary

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Australian Equities,
Enhanced Yield

Annual Report

2024

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DJERRIWARRH INVESTMENTS LIMITED IS A LISTED INVESTMENT COMPANY INVESTING IN A DIVERSIFIED PORTFOLIO OF AUSTRALIAN AND NEW ZEALAND EQUITIES. FOR STOCKS WHERE THERE IS AN OPTIONS MARKET, THE COMPANY OFTEN USES EXCHANGE TRADED AND OVER-THE-COUNTER OPTIONS TO ENHANCE THE INCOME RETURN TO INVESTORS.

Year in Summary

2024

**Profit for
the Year**

\$39.0m

\$39.1m in 2023

**Net Operating
Result**

\$40.3m

\$39.0m in 2023

**Fully Franked
Dividend
Per Share**

8.0¢
Final

15.25¢
Total

15.0 cents total
in 2023

**Portfolio
Dividend
Yield**

6.5%
Including franking*

S&P/ASX 200
Index Yield 4.7%
(grossed up for
franking credits)

**Management
Expense Ratio**

0.42%

0.40% in 2023

**Total Portfolio
Return**

13.6%
Including franking*

S&P/ASX 200
Accumulation Index
including franking*
13.5%

Total Portfolio

\$884.2m

Including cash
at 30 June.
\$911.0 million
in 2023

* Assumes a shareholder can take full advantage of the franking credits.

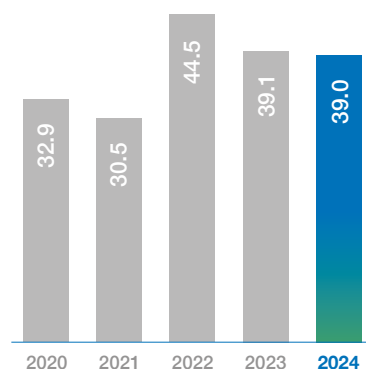


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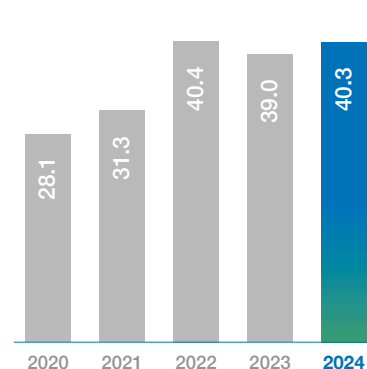
DIRECTORS' REPORT

5 Year Summary

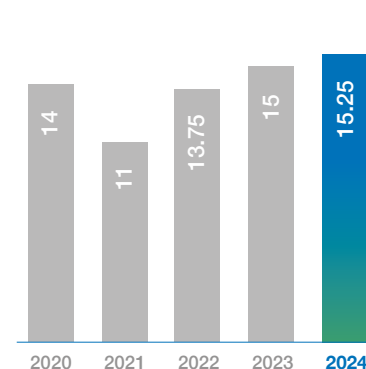
Net Profit After Tax
(\$ Million)



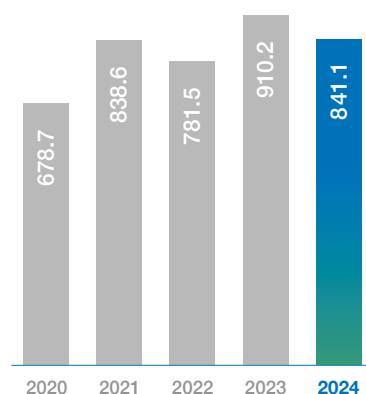
Net Operating Result
(\$ Million)



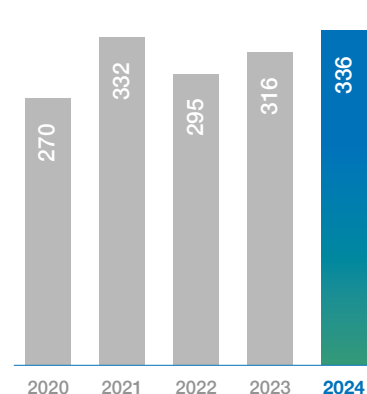
Dividends Per Share
(Cents)^(a)



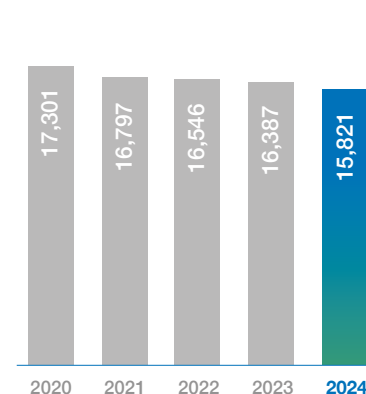
Investments at Market Value
(\$ Million)^(b)



Net Asset Backing Per Share
(Cents)^(c)



Number of Shareholders
(30 June)



Notes

- (a) All dividends were fully franked. For 2021 the final dividend carried an attributable LIC gain of 1.43 cents per share. For 2019 the final dividend carried an attributable LIC gain of 4.29 cents per share and the interim dividend carried an attributable LIC gain of 7.14 cents per share.
- (b) Excludes cash.
- (c) Net asset backing per share based on year-end data before the provision for the final dividend. The figures do not include a provision for capital gains tax that would apply if all securities held as non-current investments had been sold at balance date as Directors do not intend to dispose of the portfolio.

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About the Company

Djerriwarrh Investments Limited is a Listed Investment Company (LIC) investing in a diversified portfolio of Australian and New Zealand equities. For stocks where there is an options market, the Company often uses exchange traded and over-the-counter options to enhance the income return to investors.

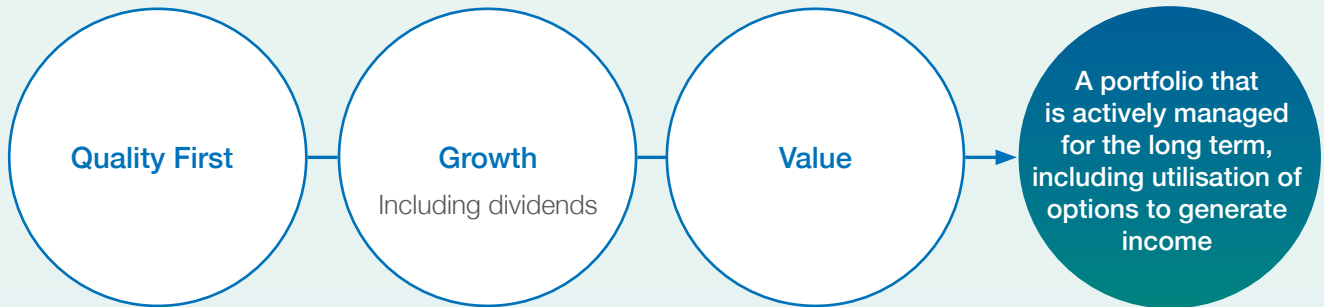
Investment Objectives

Djerriwarrh seeks to provide an enhanced level of fully franked income that is higher than that available from the S&P/ASX 200 Index.

In this regard the primary investment goals are:

- to pay a higher level of fully franked dividend than is available from the market in general; and
- to provide attractive total return including capital growth over the medium to long term.

How Djerriwarrh Invests – What We Look For in Companies



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Approach to Investing

Investment Philosophy

Our investment philosophy is built on taking a medium to long term view on companies in a diversified portfolio with an emphasis on identifying and investing in quality companies that are likely to sustainably grow their earnings and dividends over this timeframe.

Quality in this context is an outcome of our assessment of the following factors:

1. We prefer companies that have a leadership position or are developing one within the industry in which they operate. This will often mean we are investing in a unique set of assets with competitive advantages that produces attractive returns on invested capital.
2. As a long term, tax aware investor, we seek to be in companies that have a long term sustainable business model, with low risk of disruption. This helps to ensure portfolio turnover remains low. The analysis may consider technological disruption, environmental issues, including the impact of climate change, and social risks as all of these factors can have a material impact on the assessment of a company's long term sustainability.
3. We consider how a company's business can be potentially impacted by influences outside the control of management such as change in government regulation and/or policy.
4. We are attracted to companies with outstanding management teams and boards with strong governance processes, whose interests are closely aligned with shareholders, and act in the best interest of all their stakeholders, including their employees, customers, suppliers and wider communities. We consider matters including safety, diversity, social impacts, environmental impact, and modern slavery where material or appropriate in the context of that company. We regularly review and meet with companies to ensure ongoing alignment with our investment frameworks. Our process may include an assessment of the board in terms of its past performance, history of capital allocation, level of accountability, mix of skills, relevant experience and succession planning. We also consider a company's degree of transparency and disclosure.

Voting on resolutions is one of the key functions that a shareholder has in ensuring better long term returns and management of investment risk. We take input from proxy advisers but conduct our own evaluation of the merits of any resolution. We vote on all company resolutions as part of our regular engagement with the companies in the portfolio and our voting record is on the Company's website. We actively engage with companies when we are concerned

about resolutions that are not aligned with shareholders' interests. We seek to stay engaged with the companies and satisfy ourselves that any issues are taken seriously and worked through constructively. Ideally we seek to remain invested to influence a satisfactory outcome for stakeholders.

5. We prefer companies with more stable income flows. We are wary of companies that have large, inconsistent profit streams.
6. We like our companies to be financially strong and the assessment of the balance sheet and the degree to which the company is self-funding is critical in our analysis. Cash generation is also an important consideration.

Analysis of the above factors helps to inform us of the structure of the industry and a company's sustainable competitive position as well as the quality of the people running the business, strength of the balance sheet and consistency of earnings. Within this analysis some key financial metrics are considered. These include return on capital employed, return on equity, the level of gearing in the balance sheet, margins and free cash flow generation.

Alongside the assessment of quality is an analysis of the ability of companies to grow earnings over time, which ultimately should drive good dividend growth.

Recognising value is also an important aspect of sound long term investing. Short term measures such as the price earnings ratio, price to book or price to sales may be of some value but aren't necessarily strong predictors of future performance. Our assessment of value tries to capture the opportunity a business has to prosper and thrive over the medium to long term.

Reporting of social and environmental issues will be influenced by the development of standards by the International Sustainability Standards Board (ISSB). Their potential introduction in Australia should enable investors over time to better make informed decisions on these issues based on company disclosures arising from these standards. Assessment of commitments and plans by companies to reach net zero by 2050 may also be considered having regard to several factors. These include the industry in which they operate, progress against their plans, their broader contribution to social good in addressing the challenge of reducing global carbon emissions, and the impact on their value if they fail to achieve their stated goals. In applying external data for benchmarking*, our most recent assessment of the carbon intensity of Djerriwarrh's portfolio showed that it is less than the S&P/ASX 200 Index.

The selling of options over part of its investment and trading portfolios is an

important component of Djerriwarrh's ability to pay a higher yield than the S&P/ASX 200 Index. This activity generates current income from the option premium Djerriwarrh receives for selling the options. The use of options will however typically reshape the profile of returns producing more immediate income at the expense of potential capital growth.

The amount that the Company receives from selling options depends on a number of factors:

- level of volatility in share price anticipated for the underlying stock;
- level of the option exercise price and particularly how far it is from the current share price;
- time to expiry, i.e. how far the option has to run;
- level of interest rates: the lower interest rates are, other things being equal, the lower the option premium received; and
- the percentage of the portfolio over which we are prepared to sell options.

It is our preference for the options to either lapse at expiry or, prior to exercise, to seek to buy the options back and sell new options with a later expiry date and preferably at a higher exercise price.

From time to time, where the share price increases strongly, we do take decisions to allow the options to be exercised (meaning the shares are disposed of) when we have formed the view that it is economic to allow that to occur. Gains or losses on disposals of investments upon the exercise of such options, after applicable tax, are taken to the realised capital gains reserve. Any gains when taxed are available for distribution to shareholders as fully franked dividends. It should be noted option positions are monitored daily and the portfolio is managed to try and maintain an appropriate balance between income generation and capital growth.

Djerriwarrh also has access to lines of credit, which allows the Company to gear its balance sheet when appropriate investment returns are available to enhance shareholder returns. Gearing is kept to a maximum of around 10 per cent. When it is appropriate, exposure to rising interest rates is also capped.

In building the investment portfolio with the principles outlined, we believe we can offer investors a well-diversified portfolio of quality companies structured to deliver a higher level of fully franked dividend than is available from the market in general, and which can provide an attractive total return including capital growth over the medium to long term.

* Data provided by ISS ESG. Portfolio at 30 June 2024.

Review of Operations and Activities

Profit

The full year profit was \$39.0 million, largely in line with the previous corresponding period figure of \$39.1 million.

Net operating result, which excludes the impact of open option positions, is considered a better measure of the Company's income from its investment activities, was \$40.3 million, up from the previous corresponding period figure of \$39.0 million.

Dividend income increased 1.9 per cent to \$36.3 million from \$35.6 million in the previous financial year (Figure 1). The portfolio benefitted this year from large increases in dividend income received from Telstra Group, Woodside

Energy Group, National Australia Bank, Transurban and Rio Tinto because of our increased holdings in these companies. We also benefitted from higher dividends paid by Computershare, as well as Auckland Airport which resumed paying a dividend. These contributions helped offset the expected fall in dividend provided by BHP and JB Hi-Fi. Key contributors to dividend income are shown on Figure 2.

In the financial year to 30 June 2024 there was significant improvement in the amount of option income generated, \$16.6 million versus \$14.8 million in the previous financial year (Figure 3). Key contributors to option income are shown on Figure 4.

Dividend

Djerriwarrh seeks to provide an enhanced level of fully franked income that is higher than is available from the S&P/ASX 200 Index, and which is delivered at a low cost to shareholders. The enhanced yield is achieved through a bias to investing in companies with higher dividend income, produced over the short and long term, as well as using option strategies to generate additional income.

The level of dividend declared each period is determined by taking into consideration the net operating result (which is made up of the dividends received from the companies that Djerriwarrh invests in, as well as the income generated from option strategies) and a prudent distribution of realised capital gains when available. The Company believes the net operating result, which excludes the valuation impact of open option positions, is a better measure of Djerriwarrh's income from its investment activities.

The net operating result per share for the year to 30 June 2024 was 15.4 cents per share.

The final dividend has been increased to 8.0 cents per share fully franked, up from 7.75 cents per share fully franked for the corresponding period last year. Total dividends for the year are 15.25 cents per share compared with last financial year's total dividend of 15.0 cents per share. This is the third consecutive year where total dividends have increased for shareholders.

Based on the total dividends for the year, the dividend yield on the net asset backing at 30 June 2024 was 4.5 per cent, and 6.5 per cent grossed up for franking credits (assuming a shareholder can take full advantage of the franking credits). Based on the net asset backing and including franking, this represents an enhanced yield of 1.8 percentage points higher than that available from the S&P/ASX 200 Index when franking is included. Based on the share price of \$2.95 (at 30 June 2024), the yield was 5.2 per cent and 7.4 per cent, grossed up for franking (Figure 5 on page 8).

Figure 1: Total Dividend Income Financial Years 2020 to 2024 (Excludes Special Dividends)

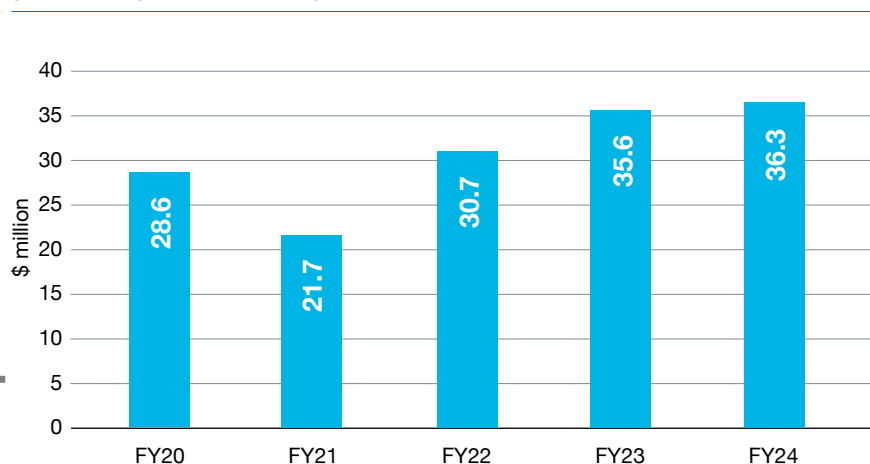
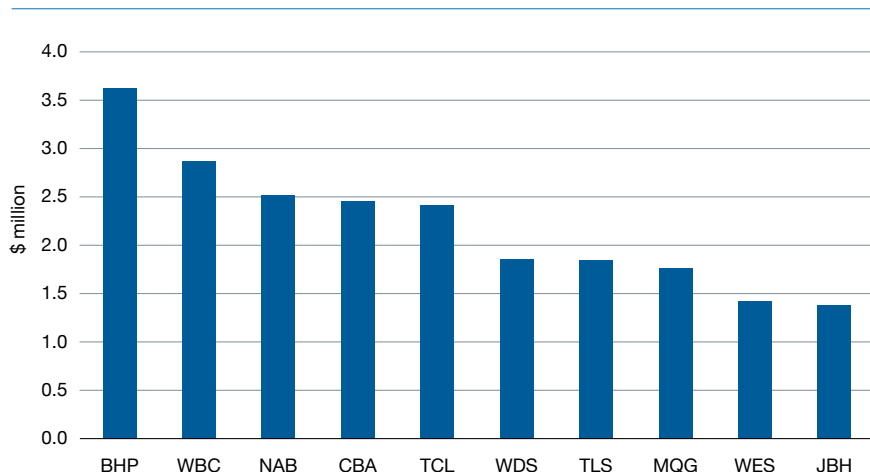


Figure 2: Profile of Dividend Income Received in Financial Year 2024 by Holding



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Figure 3: Total Option Income Financial Years 2020 to 2024

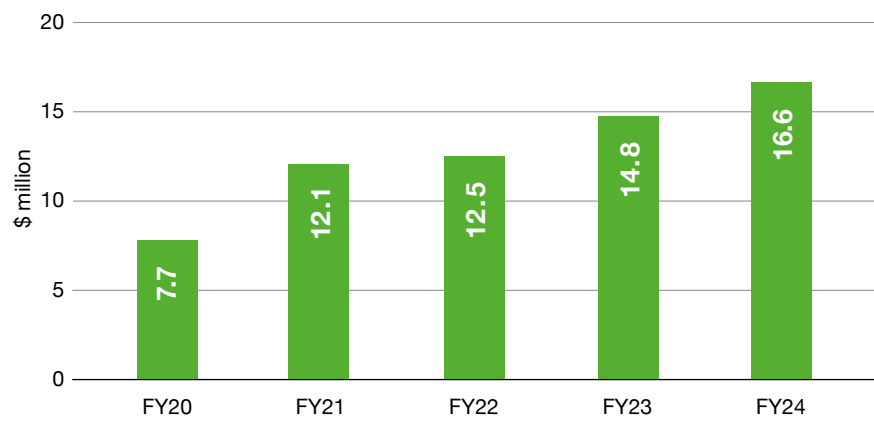
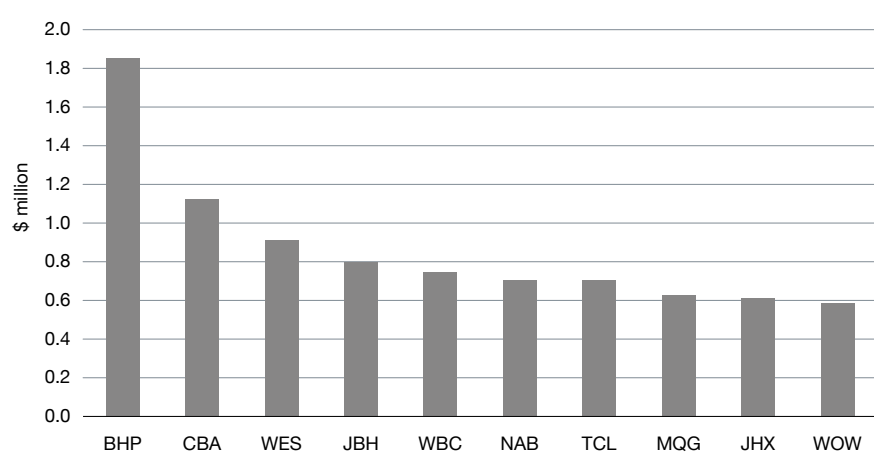


Figure 4: Profile of Option Income Received in Financial Year 2024 by Holding



Review of Operations and Activities

continued

Market and Portfolio Performance

The Australian equity market produced another strong year despite market-wide concerns about high inflation, the direction of interest rates and geopolitical tensions.

Overall, for the financial year to 30 June 2024 the largest returns came from Financials, up 29.2 per cent, Information Technology, which was up 28.4 per cent (following the strong lead from the NASDAQ Composite Index over recent months amid growing interest in the future applications of artificial intelligence) and Consumer Discretionary, up 22.7 per cent. In terms of negative returns these were only marginal with Consumer Staples down 3.7 per cent over the financial year and Materials down 2.3 per cent over this period (Figure 6).

The use of options will typically reshape the profile of returns producing more immediate income at the expense of potential capital growth. In the context of the strong market over the financial year, Djerriwarrah produced good capital growth in addition to the enhanced income from the portfolio.

Djerriwarrah's total portfolio return for the 12 months to 30 June 2024 was 13.6 per cent after including the benefit of franking credits (Figure 7). This was just ahead of the S&P/ASX 200 Accumulation Index return of 13.5 per cent when franking is included.

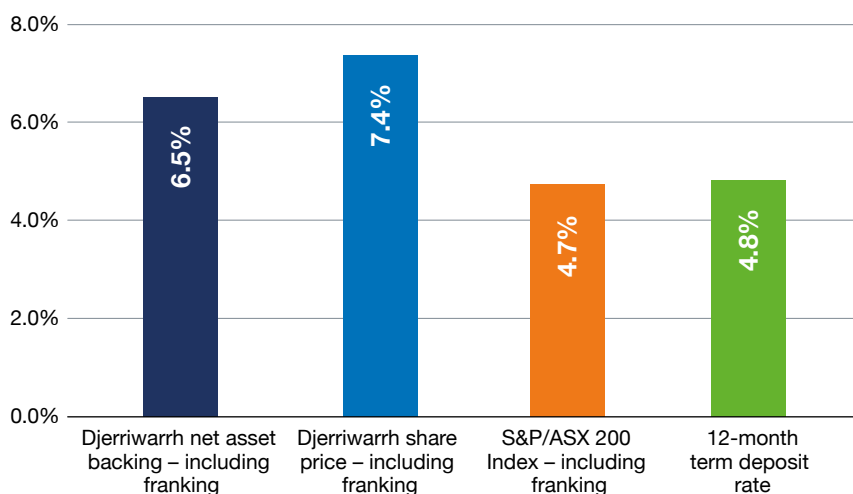
The more significant contributors (including dividends and option income) to Djerriwarrah's portfolio performance over the 12-month period were National Australia Bank, Westpac Banking Corporation, Commonwealth Bank of Australia, Wesfarmers, and Macquarie Group.

Portfolio Adjustments

We continue to focus on constructing a portfolio that will deliver a suitable balance between short term income yield and long term growth in capital and income.

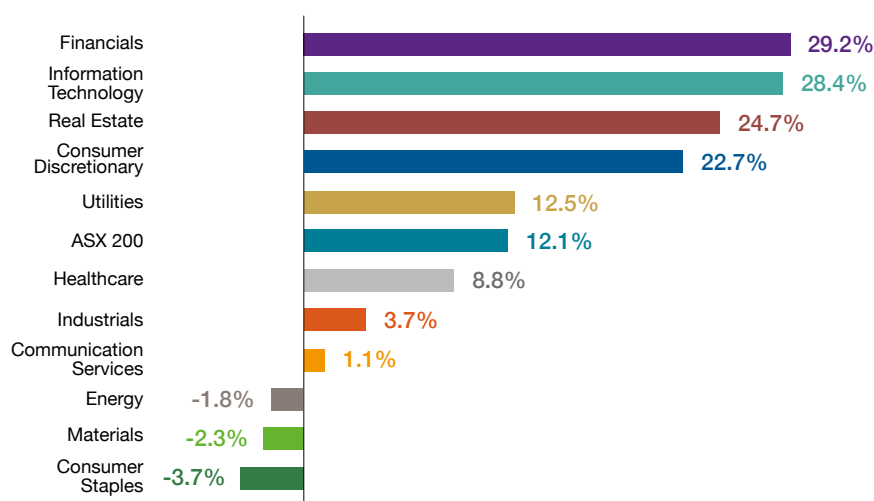
In the financial year a portion of our holdings in several companies were sold as a result of call option exercises because of share price strength. Key

Figure 5: Yield at 30 June 2024 (Based on the Interim Dividend Paid and Final Dividend Declared)



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

Figure 6: Sector Performance for the 12 Months to 30 June 2024*



* Does not include franking.

exercises were across major Banks National Australia Bank, Westpac and Commonwealth Bank of Australia, and Consumer Discretionary companies JB Hi-Fi and Wesfarmers. The majority of these sales occurred in late March and April following the market's strong run. In most cases, we chose not to buy back these stocks given they were trading at elevated share prices.

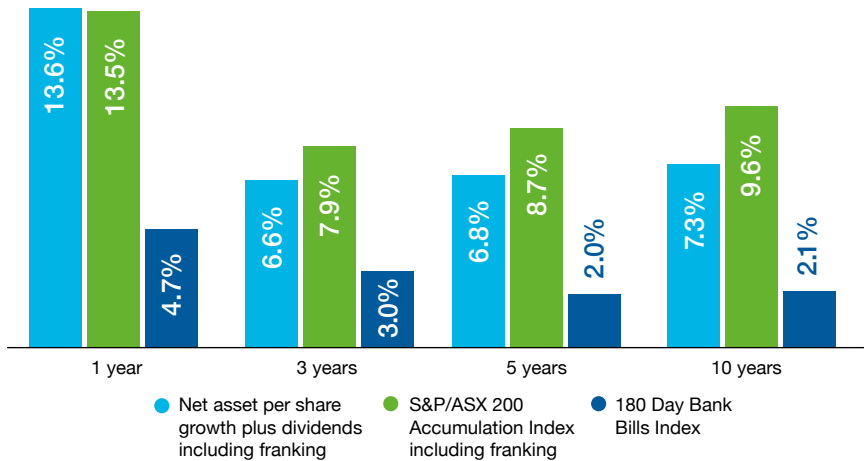
We were also active sellers of our small remaining holdings in James Hardie Industries, Temple & Webster, IAG and AMP.

The capital realised from these sales was used to invest in what we consider to be high-quality companies trading at attractive prices.

The largest purchase for the 12-month period was Telstra Group. Market concerns about Telstra's pricing power in mobile plans drove a fall in the share price, which allowed us to substantially increase our holding at very attractive prices.

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Figure 7: Portfolio Performance to 30 June 2024 – Per Annum Returns, Including the Benefit of Franking Credits*



* Assumes an investor can take full advantage of the franking credits. Past performance is not indicative of future performance.

Note: Djerriwarrh's net asset per share growth plus dividend series is calculated after management fees, income tax and capital gains tax paid on realised sales of investments. It should be noted that Index returns for the S&P/ASX 200 do not include management expenses and tax.

We also significantly increased our position in Woodside Energy on share price weakness. The company gives us exposure to a globally unique portfolio of high-quality liquefied natural gas (LNG) and oil assets, which underpins solid cash flows and fully franked dividends.

We chose to add to our holding in Woolworths as it faced intense regulatory scrutiny during the financial year with multiple inquiries reviewing the company's conduct and grocery pricing. Although this headwind is ongoing, we believe the large fall in Woolworths' share price underappreciated the defensive nature of the company's earnings, superior store network and leading online offering.

We added three new holdings during the period – Newmont Corporation, Mineral Resources and IDP Education.

Our position in Newmont resulted from its takeover of Newcrest Mining in October 2023. We purchased Newcrest prior to the deal being completed, which enabled us to benefit from the large special dividend that was paid to Newcrest shareholders as part of the takeover. Newmont is a diversified gold and copper mining company that owns high-quality assets in attractive jurisdictions. We think Newmont offers a good mix of income

and growth along with some extra diversification for our portfolio given its gold exposure.

Mineral Resources is a diversified mining company. Its largest commodity exposure is lithium, but it also has operations in iron ore, energy and mining services. We rate the management team highly and back it to deliver strong earnings growth, which is underpinned by the company's iron ore and lithium production growth.

IDP Education is the leading global provider of English language testing and student placements to tertiary institutions. We are attracted to the company's long term outlook for earnings growth given there is a significant opportunity to gain market share in large addressable markets. The company's share price has more than halved in the past 18 months as a result of regulatory changes aimed at curtailing the number of international students across IDP's key markets. Despite this we believe the sector still has potential for strong structural growth, with the share price providing an attractive entry point.

At 30 June 2024, the Investment portfolio comprised holdings in 47 ASX and NZX listed companies with a total market value of \$845 million. We finished the year with a net cash position of \$33 million.

Option Activity

In terms of our overall option strategy, our goal remains to write single stock options against companies held in the portfolio to generate additional income. This is a key contributor to Djerriwarrh's ability to meet its enhanced yield objective. We also limit our overall call option coverage of the portfolio in order to achieve long term capital growth.

Option income increased 12 per cent to \$16.6 million for the financial year. This was a very pleasing result, especially given the portfolio's average call option coverage for the financial year was 34 per cent, slightly below the mid-point of our target range of 30 per cent to 40 per cent. This meant that we generated a significant amount of option income while still benefiting from the majority of the capital growth produced by the market.

Call option positions were actively managed through the financial year. At the beginning of the year, the portfolio's call option coverage was at 32 per cent, towards the bottom end of our normal range of 30 per cent to 40 per cent.

As the market strengthened, call option coverage was increased, taking it to 40 per cent by mid-September 2023.

The subsequent fall in the overall market from the start of August to the end of October enabled us to lock in a significant amount of call option income. We chose not to re-write call options given the value we saw in the market at this point, with many share prices having returned to very attractive levels. As such, call option coverage at the end of October fell to 28 per cent. Around this time, we also took the opportunity to write put options in several of our portfolio holdings, including companies such as CSL and Telstra, given the value that was on offer.

The portfolio's positioning at the end of October with the lower-than-average call option coverage and the put option positions proved highly beneficial as the market ran strongly between the end of October until the beginning of April. During this time, we increased our option coverage, which peaked at 42 per cent in mid-March.

Review of Operations and Activities

continued

In late March, a significant amount of our call options written against Banks (Commonwealth Bank, Westpac, Macquarie Group) and Consumer Discretionary companies (JB Hi-Fi, Wesfarmers) were exercised. This resulted in our option coverage falling to 32 per cent, which following April's call option exercises and expiries, fell further to 27 per cent.

We finished the financial year with a portfolio call option coverage of 29 per cent. Overall, call options contributed \$16.3 million of option income for the financial year.

Put options were also selectively written throughout the period when we saw good value. Overall, \$0.3 million of income was generated from put options, and we were not exercised on any of these positions.

Figure 8 provides an overview of some of the key components of our option activities during the financial year relative to the performance of the Australian share market.

Share Price

The share price continued to trade at a discount to net asset backing through the financial year (Figure 9). At 30 June 2024 the discount was 12 per cent whereas at 30 June 2023 the discount was 10 per cent. Nevertheless, as a result of the increase in value of the net asset backing over the financial year, share price return was 11.6 per cent when the benefit of franking is included.

Outlook

Despite concerns around inflation, interest rates and geopolitical events, the market was incredibly strong over the financial year hitting an all-time high level in early April. In this context the market continues to look moderately expensive, especially against long term averages for the market's price to earnings ratio and dividend yield.

As a result, we enter this financial year with a net cash position and high option coverage against companies that outperformed strongly during the year. In particular the major Banks and Consumer Discretionary companies.

Figure 8: S&P/ASX 200 Price Index and Djerriwarrh Option Activity for the Financial Year

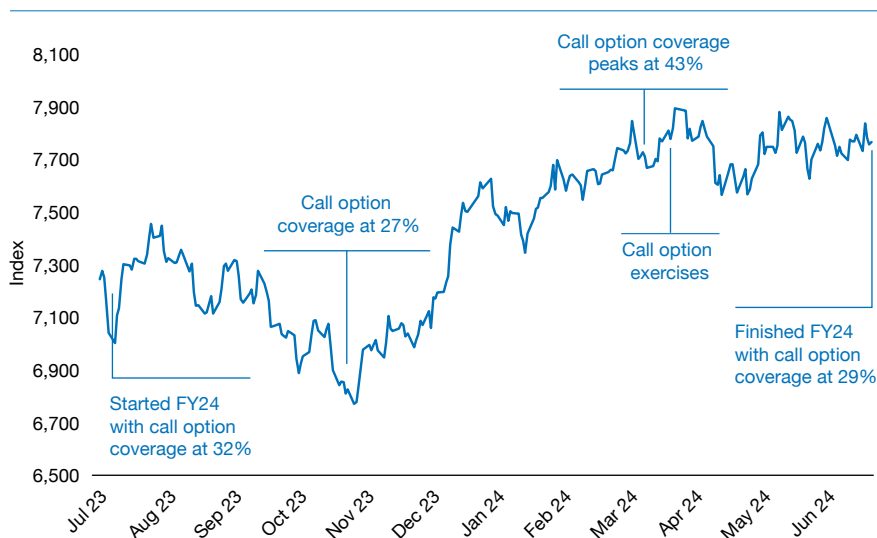
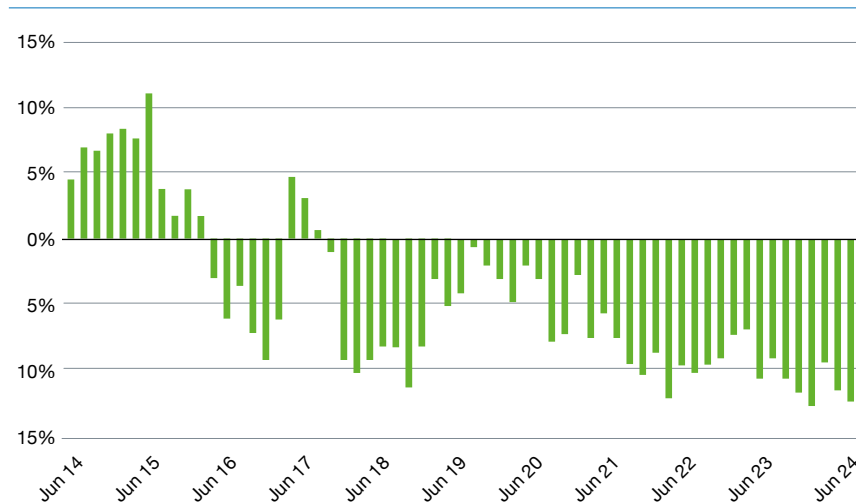
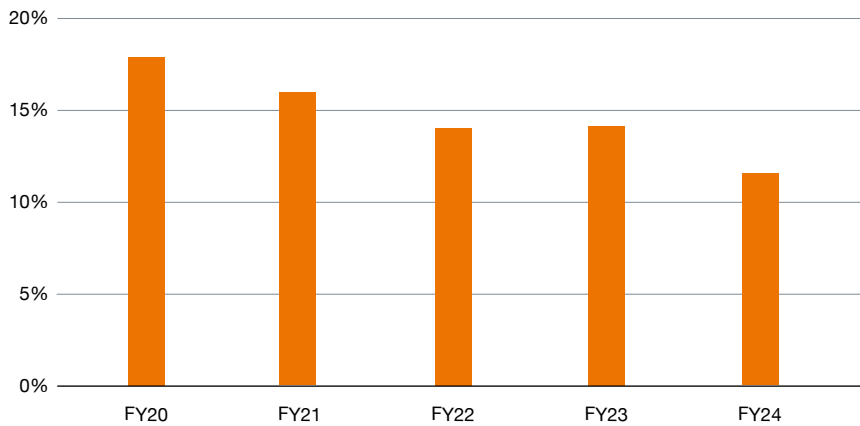


Figure 9: Share Price Premium to Net Asset Banking



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Figure 10: Average Volatility of the Market Financial Years 2020 to 2024

ASX VIX, Source FactSet.

The overall positioning of the options book is encouraging. We finished the financial year with call option coverage of the portfolio at 29 per cent, which is below our target range of 30 per cent to 40 per cent. This was primarily due to low coverage in companies we recently increased our holdings, in particular, Telstra Group, Woolworths, Woodside and CSL.

The current positioning of the option book gives us flexibility to generate more option income over the next 12 months, while still maintaining exposure to potential capital growth in these companies, which we believe continue to trade at attractive valuations.

Our capacity to match or slightly improve on last year's option income result will largely be a function of our ability to write more call option coverage in the latter part of this calendar year. In addition, option income will continue to be influenced by volatility levels across the broader share market, which can vary depending on investor sentiment, noting it has been in decline (Figure 10) as the market continued to climb higher in recent years.

In terms of the other key component of our earnings, dividend income, we believe the portfolio is well positioned in the coming financial year. Increased holdings in high dividend yielding stocks Telstra Group, Transurban Group, Woodside Energy and BHP should be a positive contributor to our dividend income.

Overall, we expect modest growth in dividends for the market. In the case of resources, after a significant, albeit expected fall in the dividends paid by BHP and Rio Tinto in the financial year 2024, expectations are for modest dividend growth for financial year 2025.

The financial health of Australian households will have a large influence on the profitability of retail businesses such as Woolworths, Coles, JB Hi-Fi and Wesfarmers. The outlook for consumer spending remains uncertain. Rising cost of living pressures as well as a risk of a rate hike or deferral of interest rate cuts might further soften consumer sentiment, which is already low.

We remain confident about the strength of these companies' balance sheets and the sustainability of dividend payout ratios, but we will monitor their outlook statements in the upcoming August profit reporting season.

Despite the short term uncertainties about the direction of economies and financial markets, we continue to believe Djerriwarrh, with its diversified portfolio of high-quality companies is well positioned to meet its enhanced yield objective as well as delivering capital growth over the long term.

Directorship Matters

Ms Karen Wood retired on 23 January 2024 as a Non-Executive Director of the Company, having been a member of the Board since July 2016. Ms Rebecca McGrath was appointed as a Non-Executive Director of the Company on the same day, 23 January 2024.

The Board wishes to record its deep thanks to Ms Wood for her contribution to the Board deliberations over the years. The Board has benefited greatly from her deep understanding and invaluable experience.

Rebecca is an experienced professional company Director and Chairman, with substantial international business experience. Rebecca spent 25 years at BP plc, where she held various executive positions, including Chief Financial Officer Australasia and served as a member of BP's Executive Management Board for Australia and New Zealand.

Rebecca is currently a Director of Macquarie Group Limited, Melbourne Business School, the Australian Institute of Company Directors and is Chair of Investa Property Group. Rebecca has also served as a Director of Goodman Group, CSR Limited, Big Sky Credit Union and Incitec Pivot Ltd, and as Chairman of Oz Minerals Limited, Scania Australia Pty Limited and Kilfinan Australia.

We are delighted to welcome Rebecca to the Board. As well as bringing her expertise in financial and corporate governance matters, she also has a breadth of experience as a company director and in senior executive leadership across a number of industries. Her depth of knowledge across all aspects of business both in Australia and internationally will be of great assistance to the Board.

Top 20 Investments

As at 30 June 2024

Includes investments held in both the investment and trading portfolios.

Value at Closing Prices at 28 June 2024

		Total Value \$ Million	% of the Portfolio
1	BHP*	78.0	9.3
2	CSL*	68.5	8.1
3	Telstra Group*	59.8	7.1
4	Macquarie Group*	51.5	6.1
5	Transurban Group*	50.9	6.1
6	Woolworths Group*	48.4	5.8
7	Woodside Energy Group	39.2	4.7
8	EQT Holdings	32.1	3.8
9	Commonwealth Bank of Australia*	30.2	3.6
10	Westpac Banking Corporation*	27.9	3.3
11	Coles Group*	24.5	2.9
12	National Australia Bank*	22.8	2.7
13	Region Group*	20.9	2.5
14	ASX*	19.0	2.3
15	Wesfarmers*	18.4	2.2
16	Mirvac Group*	16.6	2.0
17	Mainfreight	15.3	1.8
18	Rio Tinto*	14.6	1.7
19	Auckland International Airport*	14.2	1.7
20	Mirrabooka Investments	13.4	1.6
	Total	666.1	

As percentage of total portfolio value (excludes cash)

79.2%

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

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Company Position

Capital Changes

Under the Company's Dividend Reinvestment Plan, 736,013 shares were issued in August 2023 at a price of \$2.87 per share and 659,299 shares were issued in February 2024 at a price of \$2.95 per share.

Under the Company's Dividend Substitution Share Plan, 69,634 new shares were issued at nil cost in August 2023 and 62,613 new shares were issued at nil cost in February 2024.

At the close of the year the Company had 263.0 million shares on issue. The Company's buy-back facility remains open although no shares were bought back during the year. The Board continues to regularly review the appropriateness of buying back the Company's shares.

Dividends

A final fully franked dividend of 8.0 cents per share has been declared (2023: 7.75 cents).

The dividends paid during the year ended 30 June 2024 were as follows:

	\$'000
Final dividend for the year ended 30 June 2023 of 7.75 cents fully franked at 30 per cent paid 25 August 2023	20,064
Interim dividend for the year ended 30 June 2024 of 7.25 cents per share fully franked at 30 per cent, paid 22 February 2024	18,829
	38,893

Listed Investment Company Capital Gains

Listed Investment Companies (LIC) which make capital gains on the sale of investments held for more than one year are able to attach to their dividends a LIC capital gains amount, which some shareholders are able to use to claim a tax deduction. This is called an 'LIC capital gain attributable part'. The purpose of this is to put shareholders in Listed Investment Companies on a similar footing with holders of managed investment trusts with respect to capital gains tax on the sale of underlying investments.

Tax legislation sets out the definition of a 'Listed Investment Company' which Djerriwarrh satisfies. Furthermore, from time to time the Company sells securities out of the investment portfolio held for more than one year which may result in capital gains being made and tax being paid. The Company is therefore on occasion in a position to be able to make available to shareholders a LIC capital gain attributable part with our dividends. There were no LIC gains attached to the dividends for the year ended 30 June 2024.

Financial Condition

The Company's financing consists primarily of shareholders' funds. The Company also has agreements with the Commonwealth Bank of Australia for cash advance facilities of \$130 million, and with the National Australia Bank via a securities lending arrangement for \$20 million (see Note D2). As at 30 June 2024, \$10.0 million had been drawn down on existing facilities (2023: \$93.5 million). The Company's total borrowings of \$10.0 million at balance date represented 1.15 per cent of net assets.

Likely Developments

The Company intends to continue its investment activities in future years as it has done since inception. The results of these investment activities will depend upon the performance of the companies and securities in which we invest. Their performance in turn depends on many economic factors (macro, which include economic growth rates, inflation, interest rates, exchange rates and taxation levels and micro which includes industry

economics and competitive behaviour) and their approach to, and management of, material Environmental, Social and Governance (ESG) risks.

The Directors do not believe it is possible or appropriate to make a prediction on the future course of markets or the performance of the Company's investments. Accordingly, Directors do not provide a forecast of the likely results of our activities. However, the Company's focus is on results over the medium to long term and its twin objectives are as set out above.

Significant Changes in the State of Affairs

Directors are not aware of any other significant changes in the operations of the Company or the environment in which it operates that will adversely affect the results in subsequent years.

Events Since Balance Date

The Directors are not aware of any other matter or circumstance not otherwise disclosed in the Financial Report or the Directors' Report which has arisen since the end of the financial year that has affected or may affect the operations, or the results of those operations, or the state of affairs of the Company in subsequent financial years.

Environmental Regulations

The Company's operations are such that they are not materially affected by environmental regulations.

Rounding of Amounts

The Company is of the kind referred to in the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the Financial Report. Amounts in the Financial Report have been rounded off in accordance with that Instrument, to the nearest thousand dollars, or in certain cases, to the nearest dollar.

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Board Members



Graham B Goldsmith AO

Chairman and Independent Non-Executive Director

B Bus (Acctg), FCPA, FAICD

Chairman of the Investment Committee. Member of the Nomination Committee. Non-Executive Director of the Company's associated entity, Australian Investment Company Services Limited (AICS).

Mr Goldsmith is a Company Director who was appointed to the Board in April 2013, appointed Deputy Chairman in May 2020 and appointed Chairman in October 2022. He is Chairman of SEEK Limited, Deputy Chairman of Gandel Foundation and a Panel Member of Adara Partners. Mr Goldsmith is a former Vice Chairman and a former Managing Director of Goldman Sachs Australia, and its predecessor firm Goldman Sachs JBWere. He was also previously the Chancellor of Swinburne University of Technology.



Mark Freeman

Managing Director and Chief Executive Officer

BE, MBA, Grad Dip App Fin (Sec Inst), AMP (INSEAD)

Member of the Investment Committee. Managing Director of AICS.

Mr Freeman became Chief Executive Officer and Managing Director in January 2018 having been Chief Investment Officer since joining the Company in February 2007. Prior to this he was a Partner with Goldman Sachs JBWere, where he spent 12 years advising the investment companies on their investment and dealing activities. He has a deep knowledge and experience of investments markets and the Company's approaches, policies and processes. He is also Managing Director of Australian Foundation Investment Company Limited, Mirrabooka Investments Limited and AMCIL Limited.



Bruce R Brook

Independent Non-Executive Director

BCom, BAcc, FCA, MAICD

Member of the Investment and Nomination Committees.

Mr Brook joined the Board on 1 August 2021. Mr Brook is a Non-Executive Director of Incitec Pivot Limited and Newmont Corporation. Mr Brook was formerly a Non-Executive Director of CSL Limited. During his executive career, Mr Brook was the Chief Financial Officer of Western Mining Corporation Resources Limited and Deputy Chief Financial Officer of the Australia and New Zealand Banking Group.



Kathryn J Fagg AO

Independent Non-Executive Director

BE (Hons), MCom (Hons), FAICD

Chair of the Nomination Committee and Member of the Investment and Audit Committees.

Ms Fagg joined the Board in May 2014. Her executive and professional roles have been broad and diverse. She started her career as a chemical engineer. She became a management consultant and then held a number of senior executive positions in the banking, steel and logistics industries across Australia, New Zealand and Asia. Ms Fagg is Chair of CSIRO and a Non-Executive Director of Medibank Limited and National Australia Bank Limited. She is Chair of the Breast Cancer Network Australia, Inaugural Chair of Watertrust Australia Limited and is a Board Member of the Grattan Institute, The Myer Foundation and Champions of Change Coalition. Ms Fagg was previously Chair of Boral, a board member of the Reserve Bank of Australia, Chair of Parks Victoria, President of Chief Executive Women, Chair of Melbourne Recital Centre and Non-Executive Director of Incitec Pivot Limited. She also has a number of other significant interests including as a Fellow of the Academy of Technological Sciences and Engineering.

Ms Fagg has been awarded Honorary Doctorates by the University of New South Wales in Business and in Chemical Engineering by the University of Queensland. She was made an Officer of the Order of Australia (AO) in June 2019 for distinguished service to business and finance, to the central banking, logistics and manufacturing sectors, and to women.



Rebecca McGrath

Independent Non-Executive Director

BTP (Hons) (UNSW), MAppSc (ProjMgt) (RMIT), FAICD

Member of the Investment Committee.

Ms McGrath was appointed to the Board in January 2024. She is an experienced professional company Director and Chairman, with substantial international business experience. She spent 25 years at BP plc. where she held various executive positions, including Chief Financial Officer Australasia, and served as a member of BP's Executive Management Board for Australia and New Zealand.

Ms McGrath is currently a Director of Macquarie Group Limited, Melbourne Business School and the Australian Institute of Company Directors and is Chair of Investa Property Group. She has also served as a Director of Goodman Group, CSR Limited, Big Sky Credit Union and Incitec Pivot Ltd, and as Chairman of Oz Minerals Limited, Scania Australia Pty Limited and Kilfinan Australia.



Geoffrey Roberts

Independent Non-Executive Director

BCom, FCA, FAICD, Exec MBA (AGSM)

Member of the Investment and Audit Committees.

Mr Roberts was appointed to the Board in July 2022.

Mr Roberts has over 35 years' finance experience, including as Group Chief Financial Officer of Seek Limited, Managing Partner of Deloitte Victoria, and as Group Chief Financial Officer of AXA Asia Pacific Holdings Limited. Mr Roberts was appointed to the board of WEHI Institute of Medical Research in September 2022, JB Hi-Fi Limited in January 2021 and the Melbourne Cricket Club Committee in March 2019.



Alice J M Williams

Independent Non-Executive Director

B.Com, FCPA, FAICD, CFA, ASFA AIF

Chair of the Audit Committee. Member of the Investment Committee.

Ms Williams was appointed to the Board in May 2010. Ms Williams is a Director of Mercer Investments (Australia) Ltd, Advance Asset Management Ltd, Australian Submarine Corporation, Tobacco Free Portfolios, Vocus Group and Pro Medicus.

She was formerly a Director of Defence Health, Cooper Energy, Equity Trustees Limited, Victorian Funds Management Corporation (VFMC), Port of Melbourne Corporation, Guild Group, Aircservices Australia, State Trustees Limited, Western Health, the Australian Accounting Standards Board, Telstra Sale Company, V/Line Passenger Corporation and Barristers Chambers Limited. She previously held senior management positions in the financial services sector, including NM Rothschild and Sons (Australia) Limited and JP Morgan Australia, and is a former member of the Foreign Investment Review Board (FIRB).

Board Members

continued

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2024 and the numbers of meetings attended by each Director were:

	Board		Investment Committee		Audit Committee		Nomination Committee	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
GB Goldsmith	7	7	15	15	–	3 [#]	1	1
RM Freeman	7	7	15	15	–	3 [#]	–	–
BR Brook	7	7	15	15	–	2 [#]	1	1
KJ Fagg	7	7	15	14	3	3	1	1
RJ McGrath ⁺	3	3	6 [*]	6	–	1 [#]	–	–
GI Roberts	7	7	15	14	3	3	–	–
AJM Williams	7	7	14 ^{**}	13	3	3	–	–
KJ Wood [^]	4	4	9	8	2	2	–	–

Attended meetings as non-members.

[^] KJ Wood retired from the Board on 23 January 2024.

⁺ RJ McGrath was appointed to the Board on 23 January 2024.

^{*} RJ McGrath was appointed to the Investment Committee on 1 February 2024.

^{**} AJM Williams was granted a leave of absence for one meeting.

Insurance of Directors and Officers

During the financial year, the Company paid insurance premiums to insure the Directors and officers named in this report to the extent allowable by law. The terms of the insurance contract preclude disclosure of further details.

Corporate Governance Statement

A copy of the Company's Corporate Governance Statement for the financial year ended 30 June 2024 can be found on the Company's website at:

djerr.com.au/corporate-governance

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Senior Executives



Andrew JB Porter

—
**Chief Financial Officer/
Company Secretary**

MA (Hons) (St And), FCA,
MAICD

Mr Porter joined the Company in January 2005. He is a Chartered Accountant and has had over 25 years' experience in accounting and financial management both in the United Kingdom with Andersen Consulting and Credit Suisse First Boston, and in Australia where he was Regional Chief Operating Officer for the Corporate and Investment Banking Division of CSFB. He is a Director of the Auditing and Assurance Standards Board (AUASB) and a Director of the Melbourne Anglican Foundation. Mr Porter is a former Chair of The Group of 100 (G100), the peak body for CFOs.



Geoffrey N Driver

—
**General Manager Business
Development and Investor
Relations**

B Ec, Grad Dip Finance,
MAICD

Mr Driver joined the Company in January 2003. Previously, he was with National Australia Bank Ltd for 18 years in various roles covering business strategy, marketing, distribution, investor relations and business operations. Mr Driver was formerly Chairman of Trust for Nature (Victoria).



Matthew J Rowe

—
Company Secretary

BA (Hons), MSc Corp Gov,
FGIA, FCG

Mr Rowe joined the Company in July 2016. He is a Chartered Secretary with over 18 years of experience in corporate governance with a particular focus in Listed Investment Companies. He was previously a corporate governance adviser at a professional services firm, which included acting as Company Secretary for three ASX listed companies. Prior to that he was the Company Secretarial Manager for a funds management company based in the United Kingdom.

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Remuneration Report

(a) Principles Used to Determine Nature and Amount of Remuneration

The Company has no employees (only Directors). Day-to-day operations and investment activities are carried out under the Board's direction by employees of Australian Investment Company Services Limited (AICS), a company which Djerriwarrh has a 25 per cent shareholding in. Djerriwarrh has one Director who serves as a Director of AICS (Mr Graham Goldsmith).

The Remuneration Report of the Parent of AICS (Australian Foundation Investment Company) includes full details of the basis upon which the executives of AICS are remunerated. Djerriwarrh bears a portion of the cost of this remuneration through the fee which AICS charges.

Mr Freeman is made available as Managing Director of Djerriwarrh by Australian Investment Company Services Ltd (AICS). As part of his remuneration arrangements with AICS, Mr Freeman receives an 'at risk' component which is based on performance, as do other executives (see Section (d)).

Director Remuneration

The constitution of Djerriwarrh requires approval by the shareholders in general meeting of a maximum amount of remuneration per year to be allocated between and paid to Non-Executive Directors as they determine. At the Company's 2015 Annual General Meeting, the total aggregate amount approved by shareholders for Non-Executive Director remuneration was \$900,000 and there has been no change of the total aggregate amount since that time. In determining remuneration allocated and paid to non-executive Directors, the Board takes account of the time demands made on Directors, together with such factors as the general level of fees paid to Australian corporate Directors. Non-Executive Directors do not receive any performance-based remuneration. Remuneration includes SGC where applicable.

Directors hold office until such time as they retire, resign or are removed from office under the terms set out in the Constitution of the Company.

(b) Remuneration of Directors

Details of the nature and amounts of each Director's remuneration in respect of the year to 30 June 2024 were as follows:

	Primary Fee \$	Post-employment Superannuation \$	Total Remuneration \$
GB Goldsmith AO – Chairman from 13 October 2022 (Non-Executive)			
2024	202,000	–	202,000
2023	168,304	–	168,304
J Paterson – Chairman (Non-Executive) Retired 13 October 2022			
2023	50,610	5,314	55,924
BR Brook – Director (Non-Executive)			
2024	90,991	10,009	101,000
2023	88,688	9,312	98,000
KJ Fagg AO – Director (Non-Executive)			
2024	90,991	10,009	101,000
2023	88,688	9,312	98,000
RM Freeman – Managing Director (Executive)			
2024	–	–	–
2023	–	–	–
RJ McGrath – Director (Non-Executive) Appointed 23 January 2024			
2024	39,996	4,400	44,396
GI Roberts – Director (Non-Executive) Appointed 20 July 2022			
2024	90,991	10,009	101,000
2023	84,109	8,831	92,940
AJM Williams – Director (Non-Executive)			
2024	90,991	10,009	101,000
2023	88,688	9,312	98,000
KJ Wood – Director (Non-Executive) Retired 23 January 2024			
2024	54,380	2,502	56,882
2023	95,672	2,328	98,000
Total remuneration: Directors			
2024	660,340	46,938	707,278
2023	664,759	44,409	709,168

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(c) Holdings of Securities Issued by the Company

As at 30 June 2024, Directors and Executives who hold stock units issued by the Company for their own benefit or who have an interest in holdings in the name of another party and the total number of such securities are as follows:

DJW Ordinary Shares	1 July 2023	Net Changes During the Year	30 June 2024
GB Goldsmith	232,136	12,128	244,264
BR Brook	26,815	1,400	28,215
KJ Fagg	20,220	–	20,220
RM Freeman	115,535	15,095	130,630
RJ McGrath	n/a	6,800	6,800
GI Roberts	35,859	–	35,859
AJM Williams	166,844	10,239	177,083
KJ Wood	271,012	6,203	n/a
GN Driver	84,690	17,754	102,444
AJB Porter	50,227	7,295	57,522
MJ Rowe	13,626	712	14,338

It is the Company's policy that no Djerriwarrh shares owned by Directors or Executives are held subject to margin loans.

(d) Executives

Executives are officers who are involved in, concerned with, or who take part in, the management of the affairs of the Company.

The Company has four Executives, RM Freeman, Managing Director; GN Driver, General Manager – Business Development and Investor Relations; AJB Porter, Chief Financial Officer; and MJ Rowe who is Company Secretary (30 June 2023: four executives).

As noted in Section (a), no remuneration is paid to the executives directly by Djerriwarrh as their services are provided pursuant to an arrangement with AICS as outlined in the Notes to the Financial Statements. However, the Managing Director, General Manager – Business Development and Investor Relations, the Chief Financial Officer and the Company Secretary are all required to purchase Djerriwarrh shares as part of their Annual Incentive Plans.

(e) Incentives

Djerriwarrh does not directly pay any incentives. Part of the incentive payments that the executives are eligible for through AICS is, however, based on the performance of Djerriwarrh. These incentive payments are all 'at risk' and are dependent upon Company and personal performance.

The portion of incentive payments that relate to Djerriwarrh are designed to reflect the risks that the Company and its shareholders face and how the Company has responded to those risks. In particular:

- the key performance indicators chosen to determine performance-related pay are those that the Company considers most relevant to its objectives of improving shareholder wealth over the medium to long term; and
- the focus is on performance over the medium to long term with only a small proportion of incentive being dependent on a single year's performance.

In addition, executives are required to hold, or to build, a relevant amount of Djerriwarrh shares.

Remuneration Report

continued

As well as personal objectives (20 per cent of potential target incentive), which include advice to the Board, succession planning, management of staff, risk management, service levels of internal support functions and promotion of corporate culture and satisfaction of key internal stakeholders a portion of any incentive awarded is based on investment and Company performance (80 per cent of target annual incentive, 20 per cent of which is dependent on Djerriwarrh's performance). The portion related to Djerriwarrh's performance takes account of the following factors, all of which are at the Board's discretion regarding targets and weightings:

- (a) Growth in net operating result or dividend per share: measured against CPI.
- (b) Management expense ratio (MER): normally measured against prior years' results.
- (c) Grossed up yield achieved: currently measured at one percentage point higher outcome than the grossed up yield of the ASX 200 for the year.
- (d) Relative investment return: measure of the return on the portfolio invested (including cash) over the previous one, three, five and 10 years, relative to the S&P/ASX 200 Accumulation Index up to a 7.5 per cent Index growth, then assessed at 70 per cent of the Index growth above 7.5 per cent, reflecting Djerriwarrh's key focus on income, and the effect that option-writing has on Djerriwarrh's portfolio returns in a strongly rising market.
- (e) Gross return (GR): measure of the movement in the net asset backing of the Company (per share) plus the dividends assumed to be reinvested, grossed up for franking credits over the previous one, three, five and 10 years. This return is compared to the S&P/ASX 200 Accumulation Index grossed up for franking credits up to a 7.5 per cent Index return, then assessed at 70 per cent of the Index growth above 7.5 per cent, for the same reasons as d. above.

For the Managing Director, the total target amount of incentive that can be paid is 100 per cent of the Fixed Annual Remuneration (FAR), whilst for the other executives it is 50 per cent. As noted above, Djerriwarrh only bears a portion of these costs through the payments that it makes to AICS.

The Board monitors these measures to ensure that they remain consistent and aligned with the objectives of the Company.

Details of the incentives paid during the year, and the outcomes of the relevant measures, including Djerriwarrh's performance against the targets, are available in the AFIC Annual Report, available on its website afi.com.au.

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Non-audit Services

Details of non-audit services performed by the auditors may be found in Note F2 of the Financial Report.

The Board of Directors has considered the position and, in accordance with the advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in the *Corporations Act 2001* including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company, or jointly sharing economic risk and rewards.

A copy of the Auditor's Independence Declaration is set out on page 22.

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



Graham Goldsmith AO
Chairman

25 July 2024

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Auditor's Independence Declaration

As lead auditor for the audit of Djerriwarrh Investments Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in cursive script that reads 'Kate L Logan'.

Kate L Logan
Partner
PricewaterhouseCoopers

Melbourne
25 July 2024

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Income Statement

For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Dividends and distributions	A3	36,294	35,613
Revenue from deposits and bank bills		476	118
Total revenue		36,770	35,731
Net gains on trading portfolio	A3	32	93
Income from options written portfolio	A3	16,579	14,829
Income from operating activities		53,381	50,653
Finance costs	D2	(4,242)	(3,541)
Administration expenses	B1	(4,110)	(4,095)
Share of net profit from associate	B1	343	642
Operating result before income tax expense		45,372	43,659
Income tax expense*	B2, E2	(5,090)	(4,633)
Net operating result for the year		40,282	39,026
Net gains/(losses) on open options positions		(1,892)	44
Deferred tax on open options positions*	B2, E2	568	(13)
		(1,324)	31
Profit for the year		38,958	39,057
		Cents	Cents
Basic earnings per share	A5	14.85	15.18
		2024 \$'000	2023 \$'000
* Total tax expense	B2, E2	(4,522)	(4,646)

This Income Statement should be read in conjunction with the accompanying notes.

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Statement of Comprehensive Income

For the Year Ended 30 June 2024

	Year to 30 June 2024			Year to 30 June 2023		
	Revenue ¹ \$'000	Capital ¹ \$'000	Total \$'000	Revenue ¹ \$'000	Capital ¹ \$'000	Total \$'000
Profit for the year	40,282	(1,324)	38,958	39,026	31	39,057
Other comprehensive income						
<i>Items that will not be recycled through the Income Statement</i>						
Gains/(losses) for the period	–	56,181	56,181	–	57,500	57,500
Tax on above	–	(17,532)	(17,532)	–	(17,587)	(17,587)
Total other comprehensive income	–	38,649	38,649	–	39,913	39,913
Total comprehensive income	40,282	37,325	77,607	39,026	39,944	78,970

1. 'Capital' includes realised or unrealised gains or losses (and the tax on those) on securities in the investment portfolio and unrealised gains or losses (and the tax thereon) on options in the options written portfolio. Income in the form of distributions and dividends and realised gains or losses on options is recorded as 'revenue'. All other items, including expenses, are included in 'net operating result', which is categorised under 'revenue'.

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

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Balance Sheet

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash	D1	43,132	789
Receivables		9,755	6,093
Trading portfolio		289	256
Total current assets		53,176	7,138
Non-current assets			
Investment portfolio	A2	844,729	913,798
Deferred tax assets – investment portfolio	B2	–	368
Deferred tax assets – other	E2	–	1,113
Shares in associate	F5	1,773	1,534
Total non-current assets		846,502	916,813
Total assets		899,678	923,951
Current liabilities			
Payables		72	768
Borrowings – bank debt	D2	10,000	93,500
Tax payable		2,378	414
Options sold	A2	3,915	3,864
Total current liabilities		16,365	98,546
Non-current liabilities			
Deferred tax liabilities – investment portfolio	B2	14,923	–
Deferred tax liabilities – other	E2	234	–
Total non-current liabilities		15,157	–
Total liabilities		31,522	98,546
Net assets		868,156	825,405
Shareholders' equity			
Share capital	A1, D6	760,610	756,573
Revaluation reserve	A1, D3	54,411	47,673
Realised capital gains reserve	A1, D4	(37,690)	(69,601)
Retained profits	A1, D5	90,825	90,760
Total shareholders' equity		868,156	825,405

This Balance Sheet should be read in conjunction with the accompanying notes.

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Statement of Changes in Equity

For the Year Ended 30 June 2024

Year Ended 30 June 2024	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the year		756,573	47,673	(69,601)	90,760	825,405
Dividends paid	A4	–	–	–	(38,893)	(38,893)
Shares issued under Dividend Reinvestment Plan	D6	4,057	–	–	–	4,057
Share issue costs	D6	(20)	–	–	–	(20)
Total transactions with shareholders		4,037	–	–	(38,893)	(34,856)
Profit for the year		–	–	–	38,958	38,958
Other comprehensive Income (net of tax)						
Net gains for the period on investments ¹		–	38,649	–	–	38,649
Other comprehensive income for the year		–	38,649	–	–	38,649
Transfer to realised capital gains reserve of cumulative gains on investments sold		–	(31,911)	31,911	–	–
Total equity at the end of the year		760,610	54,411	(37,690)²	90,825	868,156

1. Consists of an unrealised gain on investments held at the year-end of \$6.7 million (after-tax) plus cumulative gains on investments sold during the year of \$31.9 million (after tax).

2. See Note D4.

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

Year Ended 30 June 2023	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the year		689,325	9,167	(71,008)	86,880	714,364
Dividends paid	A4	–	–	–	(35,177)	(35,177)
Shares issued under Dividend Reinvestment Plan	D6	3,872	–	–	–	3,872
Shares issued under Share Purchase Plan	D6	63,508	–	–	–	63,508
Share issue costs	D6	(132)	–	–	–	(132)
Total transactions with shareholders		67,248	–	–	(35,177)	32,071
Profit for the year		–	–	–	39,057	39,057
Other comprehensive income (net of tax)						
Net gains for the period on investments ¹		–	39,913	–	–	39,913
Other comprehensive income for the year		–	39,913	–	–	39,913
Transfer to realised capital gains reserve of cumulative gains on investments sold		–	(1,407)	1,407	–	–
Total equity at the end of the year		756,573	47,673	(69,601)²	90,760	825,405

1. Consists of an unrealised gain on investments held at the year-end of \$38.5 million (after tax) plus cumulative gains on investments sold during the year of \$1.4 million (after tax).

2. See Note D4.

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

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Cash Flow Statement

For the Year Ended 30 June 2024

	Note	2024 \$'000 Inflows/ (Outflows)	2023 \$'000 Inflows/ (Outflows)
Cash flows from operating activities			
Sales from trading portfolio		–	3,230
Purchases for trading portfolio		–	(1,979)
Interest received		476	118
Proceeds from entering into options in options written portfolio		15,671	18,444
Payment to close out options in options written portfolio		(933)	(3,058)
Dividends and distributions received		36,861	33,272
		52,075	50,027
Administration expenses		(4,163)	(4,076)
Finance costs paid		(4,341)	(3,461)
Income taxes paid		(3,358)	(5,297)
Net cash inflow/(outflow) from operating activities	E1	40,213	37,193
Cash flows from investing activities			
Sales from investment portfolio		343,034	161,631
Purchases for investment portfolio		(222,548)	(236,060)
Net cash inflow/(outflow) from investing activities		120,486	(74,429)
Cash flows from financing activities			
Drawing down/(repayment) of bank debt		(83,500)	4,500
Shares issued under SPP		–	63,508
Share issue costs		(20)	(132)
Dividends paid		(34,836)	(31,305)
Net cash inflow/(outflow) from financing activities		(118,356)	36,571
Net increase/(decrease) in cash held		42,343	(665)
Cash at the beginning of the year		789	1,454
Cash at the end of the year	D1	43,132	789

For the purpose of the Cash Flow Statement, 'cash' includes cash and deposits held at call.

This Cash Flow Statement should be read in conjunction with the accompanying notes.

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NOTES TO THE FINANCIAL STATEMENTS

A. Understanding Djerriwarrh's Financial Performance

A1. How Djerriwarrh Manages its Capital

Djerriwarrh's objective is to provide shareholders with attractive total returns including capital growth over the medium to long term and to pay an enhanced level of fully franked dividends.

Djerriwarrh recognises that its capital will fluctuate with market conditions. In order to manage those fluctuations, the Board may adjust the amount of dividends paid, issue new shares, buy back the Company's shares or, where applicable, sell assets to settle any debt.

Djerriwarrh's capital consists of its shareholders' equity plus any net borrowings. A summary of the balances in equity is provided below:

	2024 \$'000	2023 \$'000
Share capital	760,610	756,573
Revaluation reserve	54,411	47,673
Realised capital gains reserve	(37,690)	(69,601)
Retained profits	90,825	90,760
	868,156	825,405

Refer to Notes D3–D6 for a reconciliation of movement for each equity account from period to period.

A2. Investments Held and How They Are Measured

Djerriwarrh has three portfolios of securities: the investment portfolio, the options written portfolio and the trading portfolio. Details of all holdings (except for the specific option holdings) as at the end of the reporting period can be found at the end of the Annual Report.

The investment portfolio holds securities which the Company intends to retain on a long term basis. The options written portfolio and trading portfolio are held for short term trading only. The latter is relatively small in size when utilised. The Company predominantly writes call options, but a small number of put options are also written at times (see below). Call options are only written over securities held in the investment portfolio, whilst put options are fully backed by cash, cash equivalents or access to liquidity facilities.

The balance and composition of the investment portfolio was:

	2024 \$'000	2023 \$'000
Equity instruments (at market value)	844,729	913,798
	844,729	913,798

The fair value (the price at which the option may be bought) at 30 June of the securities in the options written portfolio was:

	2024 \$'000	2023 \$'000
Call options	(3,784)	(3,776)
Put options	(131)	(88)
	(3,915)	(3,864)

If all call options were exercised, this would lead to the sale of \$263.9 million worth of securities at an agreed price – the 'exposure' (2023: \$320.4 million). If all put options were exercised, this would lead to the purchase of \$11.9 million of securities at an agreed price (2023: \$12.1 million).

\$95.8 million of shares are lodged with ASX Clear Pty Ltd as collateral for sold option positions written by the Company (2023: \$93.6 million). These shares are lodged with ASX Clear under the terms of ASX Clear Pty Ltd which require participants in the Exchange Traded Option market to lodge collateral, and are recorded as part of the Company's investment portfolio.

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Notes to the Financial Statements

continued

How Investments Are Shown in the Financial Statements

The accounting standards set out the following hierarchy for fair value measurement:

Level 1: quoted prices in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices, which can be observed either directly (as prices) or indirectly (derived from prices).

Level 3: inputs for the asset or liabilities that are not based on observable market data.

All financial instruments held by Djerriwarrh are classified as Level 1 (other than options which are Level 2). Their fair values are initially measured at the costs of acquisition and then remeasured based on quoted market prices at the end of the reporting period. Options are valued daily using an independent third party data provider. OTC options are valued internally using external data reference points.

Net Tangible Asset Backing Per Share

The Board regularly reviews the net asset backing per share both before and after provision for deferred tax on the unrealised gains or losses in Djerriwarrh's long term investment portfolio. Deferred tax is calculated as set out in Note B2. The relevant amounts as at 30 June 2024 and 30 June 2023 were as follows:

	30 June 2024 \$	30 June 2023 \$
Net tangible asset backing per share		
Before tax	3.36	3.16
After tax	3.30	3.16

Equity Investments

The shares in the investment portfolio are designated under the accounting standards as financial assets measured at fair value through 'other comprehensive income' (OCI), because they are equity instruments held for long term capital growth and dividend income, rather than to solely make a profit from their sale. This means that changes in the value of these shares during the reporting period are included in OCI in the Statement of Comprehensive Income. The cumulative change in value of the shares over time is then recorded in the revaluation reserve. On disposal, the amounts recorded in the revaluation reserve are transferred to the realised capital gains reserve.

Options

Options are classified as financial assets or liabilities at fair value through profit and loss and usually have an expiry date within 12 months from the date that they are sold. Options written are initially brought to account at the amount received upfront for entering into the contract (the premium) and subsequently revalued to current market value.

Securities Sold and How They Are Measured

During the period \$347.8 million (2023: \$161.7 million) of equity securities were sold from the investment portfolio. The cumulative gain (after tax) on the sale of securities was \$31.9 million for the period (2023: \$1.4 million), both after tax. This has been transferred from the revaluation reserve to the realised capital gains reserve (see Statement of Changes in Equity). These sales were accounted for at the date of trade.

Where securities are sold from the investment portfolio, any difference between the sale price and the cost is transferred from the revaluation reserve to the realised capital gains reserve and the amounts noted in the Statement of Changes in Equity. This means the Company is able to identify the realised gains out of which it can pay a 'Listed Investment Company' (LIC) gain as part of the dividend, which conveys certain taxation benefits to many of Djerriwarrh's shareholders.

The realised gain or loss on options written is not recognised until the option expires, is exercised or is closed out. All unrealised gains or losses which represent movements in the market value of the options are recognised through the Income Statement.

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A3. Operating Income

The total income received from Djerriwarrh's investments in 2024 is set out below.

	2024 \$'000	2023 \$'000
Dividends and distributions		
Dividends from securities held in investment portfolio at 30 June	27,594	31,336
Dividends from investment securities sold during the year	8,691	4,253
Dividends from securities held in trading portfolio at 30 June	9	6
Dividends from trading securities sold during the year	–	18
	36,294	35,613

Dividend Income

Dividends from listed securities are recognised as income when those securities are quoted in the market on an ex-distribution basis. Dividends from unlisted securities are recognised as income when they are received. Capital returns on ordinary shares are treated as an adjustment to the carrying value of the shares.

Trading Income and Non-equity Investments

Net gains on the trading and options portfolio are set out below.

	2024 \$'000	2023 \$'000
Net gains		
Net realised gains from securities in the trading portfolio	–	107
Net unrealised gains/(losses) from securities in the trading portfolio	32	(14)
Net trading portfolio	32	93
Realised gains on options written portfolio	16,579	14,829
	16,611	14,922

Including the realised gain on options written above, plus the unrealised gain or loss on open options, a total of \$14.7 million before tax was recorded through the Income Statement from options in the options written portfolio (2023 : \$14.9 million).

A4. Dividends Paid and Franking Credits

The dividends paid and payable for the year ended 30 June 2024 are shown below:

	2024 \$'000	2023 \$'000
(a) Dividends Paid During the Year		
Final dividend for the year ended 30 June 2023 of 7.75 cents fully franked at 30 per cent paid 25 August 2023 (2023: 7.0 cents fully franked at 30 per cent paid on 26 August 2022)	20,064	16,456
Interim dividend for the year ended 30 June 2024 of 7.25 cents per share fully franked at 30 per cent, paid 22 February 2024 (2023: 7.25 cents fully franked at 30 per cent paid 22 February 2023)	18,829	18,721
	38,893	35,177
(b) Franking Credits		
Balance on the franking account after allowing for tax payable in respect of the current year's profits and the receipt of dividends recognised as receivables	32,031	32,562
Impact on the franking account of dividends declared but not recognised as a liability at the end of the financial year	(9,017)	(8,684)
Net available	23,014	23,878
These franking account balances would allow Djerriwarrh to frank additional dividend payments up to an amount of:	53,699	55,715

Djerriwarrh's ability to continue to pay franked dividends is dependent upon the receipt of franked dividends from the trading and investment portfolios and on Djerriwarrh paying tax on its other operating activities and on any capital gain.

Notes to the Financial Statements

continued

(c) Dividends Declared After Balance Date

Since the end of the year, Directors have declared a final dividend of 8.0 cents per share fully franked at 30 per cent. The aggregate amount of the final dividend for the year to 30 June 2024 to be paid on 26 August 2024, but not recognised as a liability at the end of the financial year is \$21.0 million.

(d) Listed Investment Company Capital Gain Account

	2024 \$'000	2023 \$'000
Balance of the Listed Investment Company (LIC) capital gain account	4,093	2,266
This equates to an attributable amount	5,847	3,237

Distributed LIC capital gains may entitle certain shareholders to a deduction in their tax return, as set out in the dividend statement. LIC capital gains available for distribution are dependent on the disposal of investment portfolio holdings that qualify for LIC capital gains or the receipt of LIC distributions from LIC securities held in the portfolios.

A5. Earnings Per Share

The table below shows the earnings per share based on the profit for the year:

	2024 Number	2023 Number
Basic Earnings Per Share		
Weighted average number of ordinary shares used as the denominator	262,401,260	257,353,859
	\$'000	\$'000
Profit for the year	38,958	39,057
	Cents	Cents
Basic earnings per share	14.85	15.18
Basic Net Operating Result Per Share		
Net operating result	40,282	39,026
	Cents	Cents
Basic net operating result per share	15.35	15.16

Dilution

As there are no options, convertible notes or other dilutive instruments on issue, diluted earnings per share is the same as basic earnings per share. This also applies to diluted net operating result per share.

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B. Costs, Tax and Risk

B1. Management Costs

The total management expenses for the period are as follows:

	2024 \$'000	2023 \$'000
Administration fees paid to AICS	(2,566)	(2,442)
Share of net profit from AICS as an associate	343	642
Other administration expenses	(1,544)	(1,653)

Administration Fees Paid to AICS

Australian Investment Company Services Limited (AICS) undertakes the day-to-day administration of Djerrivarrh's investments and its operations, including financial reporting. Djerrivarrh has a 25 per cent shareholding in AICS and has one Director on the AICS Board who is also involved (as part of the Company's Board) in approving the annual expenses budget of the Company (Djerrivarrh), amongst other duties which include oversight of risk management and compliance.

A large proportion of the administration fee paid consists of remuneration payments to the AICS staff. See the Remuneration Report for more details.

Other Administration Expenses

A major component of other administration expenses is Directors' remuneration. This has been summarised below:

	Short Term Benefits \$	Post- Employment Benefits \$	Total \$
2024			
Directors	660,340	46,938	707,278
2023			
Directors	664,759	44,409	709,168

Detailed remuneration disclosures are provided in the Remuneration Report.

The Company does not make loans to Directors.

B2. Tax

Djerrivarrh's tax position, and how it accounts for tax, is explained here. Detailed reconciliations of tax accounting to the financial statements can be found in Note E2.

The income tax expense for the period is the tax payable on this financial year's taxable income, adjusted for any changes in deferred tax assets and liabilities attributable to temporary differences and for any unused tax losses. Deferred tax assets and liabilities (except for those related to the unrealised gains or losses in the investment portfolio) are offset, as all current and deferred taxes relate to the Australian Taxation Office and can legally be settled on a net basis.

A provision has been made for taxes on any unrealised gains or losses on securities valued at fair value through the Income Statement – i.e. the trading portfolio, puttable instruments, convertible notes that are classified as debt and the options written portfolio.

A provision has also been made for any taxes that could arise on sale of securities in the investment portfolio, even though there is no intention to dispose of them. Where Djerrivarrh disposes of such securities, tax is calculated according to the particular parcels allocated to the sale for tax purposes, offset against any capital losses carried forward.

Notes to the Financial Statements

continued

Tax Expense

The income tax expense for the period is shown below:

(a) Reconciliation of Income Tax Expense to Prima Facie Tax Payable

	2024 \$'000	2023 \$'000
Operating result before income tax expense	45,372	43,659
Tax at the rate of 30 per cent (2023 – 30 per cent)	13,612	13,098
Tax offset for franked dividends received	(8,034)	(7,685)
Tax effect of sundry items not taxable in calculating taxable income or taxable in current year but not included in income	184	(309)
	5,762	5,104
Over provision in prior years	(672)	(471)
Income tax expense on operating result before net gains on investments	5,090	4,633
Net gains (losses) on open options positions	(1,892)	44
Tax at the rate of 30 per cent (2023 – 30 per cent)	(568)	13
Tax expense (credit) on net gains on open options positions	(568)	13
Total tax expense	4,522	4,646

Deferred Tax – Investment Portfolio

	2024 \$'000	2023 \$'000
Deferred tax (assets)/liabilities on unrealised gains or losses in the investment portfolio	14,923	(368)
Opening balance at 1 July	(368)	(15,415)
Tax on realised gains or losses	(2,241)	(2,540)
Charged to OCI for ordinary securities on gains or losses for the period	17,532	17,587
	14,923	(368)

B3. Risk

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

As a Listed Investment Company that invests in tradeable securities, Djerriwarrh will always be subject to market risk as it invests its capital in securities which are not risk free – the market price of these securities will fluctuate.

A general fall in market prices of 5 per cent and 10 per cent on values at 30 June, if spread equally over all assets in the investment portfolio, would have led to the following reductions (after tax):

	2024 \$'000		2023 \$'000	
	5%	10%	5%	10%
Profit after tax	–	–	–	–
Other comprehensive income	(29,565)	(59,131)	(31,983)	(63,966)

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A general fall in market prices of 5 per cent and 10 per cent would have impacted the options written portfolio and trading portfolio and led to the following increases (after tax) 30 June:

	2024 \$'000		2023 \$'000	
	5%	10%	5%	10%
Profit after tax	127	254	126	253
Other comprehensive income	-	-	-	-

Djerriwarrh seeks to reduce market risk at the investment portfolio level by ensuring that it is not, in the opinion of the Investment Committee, overly exposed to one company or one particular sector of the market. The relative weightings of the individual securities and the relevant market sectors are reviewed by the Investment Committee (normally fortnightly) and risk can be managed by reducing exposure where necessary. Djerriwarrh does not have a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

Djerriwarrh's investment exposures by sector is as below:

	2024 %	2023 %
Energy	6.51	3.19
Materials	11.00	10.80
Industrials	11.57	11.59
Consumer Discretionary	6.02	10.43
Consumer Staples	8.23	6.19
Banks	9.91	18.81
Other Financials (including real estate)	21.65	22.95
Telecommunications	8.74	6.61
Healthcare	10.48	9.01
Other – including information technology and utilities	1.01	0.33
Cash	4.88	0.09

Securities representing over 5 per cent of the combined investment and trading portfolio (including options) at 30 June were:

	2024 %	2023 %
BHP	9.3	
CSL	8.1	
Telstra	7.1	
Macquarie Group	6.1	
Transurban	6.1	
Woolworths	5.8	
BHP		7.4
CBA		6.4
Westpac		5.7
CSL		5.7
National Australia Bank		5.5
Macquarie Group		5.3
Transurban		5.2

No other security represents over 5 per cent of the Company's investment and trading portfolios.

The writing of call options provides some protection against a fall in market prices as it generates income to partially compensate for a fall in capital values. Options are only written against securities that are held in the trading or investment portfolios although stock may be purchased on-market to meet call obligations.

Notes to the Financial Statements

continued

Djerriwarrh is also not directly exposed to material currency risk as most of its investments are quoted in Australian dollars.

Interest Rate Risk

Djerriwarrh is not currently materially exposed to interest rate risk as all its cash investments and borrowings are short term (one to three months) for a fixed interest rate.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Djerriwarrh is exposed to credit risk from cash, receivables and securities in the investment portfolio respectively. None of these assets are overdue. The risk in relation to each of these items is set out below.

Cash

All cash investments not held in a transactional account are invested in at-call deposits with the Commonwealth Bank of Australia.

In the unlikely event of a bank default or default on the underlying securities in the cash trust, there is a risk of losing the cash deposits and any accrued unpaid interest.

Receivables

Outstanding settlements are on the terms operating in the securities industry, which usually require settlement within two days of the date of a transaction. Receivables are non-interest bearing and unsecured. In the event of a payment default, there is a risk of losing any difference between the price of the securities sold and the price of the recovered securities from the discontinued sale. Receivables also include dividends from securities that have passed the record date for the distribution but have not paid as at balance date.

Trading and Investment Portfolios

Interest-bearing securities that are not equity securities carry credit risk to the extent of their carrying value. This risk would be realised in the event of a shortfall on winding-up of the issuing companies. As at 30 June 2024, no such investments are held (2023: nil).

Liquidity Risk

Liquidity risk is the risk that an entity will not be able to meet its financial liabilities.

Djerriwarrh monitors its cash flow requirements daily. The Investment Committee also monitors the level of contingent payments on a regular basis by reference to known sales and purchases of securities, dividends and distributions to be paid or received, put options that may require Djerriwarrh to purchase securities, and facilities that need to be repaid. Djerriwarrh ensures that it has either cash or access to short term borrowing facilities sufficient to meet these contingent payments.

Djerriwarrh's inward cash flows depend upon the dividends received. Should these drop by a material amount, Djerriwarrh would amend its outward cash flows accordingly or draw down on more debt. Djerriwarrh's major cash outflows are the purchase of securities and dividends paid to shareholders, and both of these can be adjusted by the Board and management. Furthermore, the assets of Djerriwarrh are largely in the form of readily tradeable securities, which can be sold on-market if necessary.

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The table below analyses Djerrivarrh's financial liabilities into relevant maturity groupings. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less Than 6 Months \$'000	6–12 Months \$'000	Greater Than 1 Year \$'000	Total Contractual Cash Flows \$'000	Carrying Amount \$'000
30 June 2024					
Non-derivatives					
Payables	72	–	–	72	72
Borrowings	10,000	–	–	10,000	10,000
	10,072	–	–	10,072	10,072
Derivatives					
Options written*	11,917	–	–	11,917	3,915
	11,917	–	–	11,917	3,915
30 June 2023					
Non-derivatives					
Payables	768	–	–	768	768
Borrowings	93,500	–	–	93,500	93,500
	94,268	–	–	94,268	94,268
Derivatives					
Options written*	12,074	–	–	12,074	3,864
	12,074	–	–	12,074	3,864

* In the case of call options, there are no contractual cash flows as if the option is exercised the contract will be settled in the securities over which the option is written. The contractual cash flows for put options written are the cash sums the Company will pay to acquire securities over which the options have been written, and it is assumed for the purpose of the above disclosure that all options will be exercised (i.e. maximum cash outflow).

C. Unrecognised Items

Directors are not aware of any material contingent liabilities or contingent assets other than those already disclosed elsewhere in the Financial Report.

Notes to the Financial Statements

continued

Further notes to the financial statements are included here. These are grouped into three sections:

- D. Balance Sheet Reconciliations
- E. Income Statement Reconciliations
- F. Further Information

D. Balance Sheet Reconciliations

This section provides information about the basis of calculation of line items in the financial statements.

D1. Current Assets – Cash

	2024 \$'000	2023 \$'000
Cash at bank and in hand (including on-call)	43,132	789

Cash holdings yielded an average floating interest rate of 4.30 per cent (2023: 2.97 per cent). All cash investments are held in a transactional account or a deposit account with the Commonwealth Bank of Australia.

D2. Credit Facilities

The Company was party to agreements under which Commonwealth Bank of Australia and National Australia Bank would extend cash advance facilities. Details of the facilities are given below.

	2024 \$'000	2023 \$'000
Commonwealth Bank of Australia – cash advance facility	130,000	130,000
Amount drawn down at 30 June	–	83,500
Undrawn facilities at 30 June	130,000	46,500
National Australia Bank – cash advance facility	20,000	20,000
Amount drawn down at 30 June	10,000	10,000
Undrawn facilities at 30 June	10,000	10,000
Total short term loan facilities	150,000	150,000
Total drawn down at 30 June	10,000	93,500
Total undrawn facilities at 30 June	140,000	56,500

The above borrowings, with the exception of the NAB facility, are unsecured. Repayment of facilities is done either through the use of cash received from distributions or the sale of securities, or by rolling existing facilities into new ones. Facilities are usually drawn down for no more than three months and hence are classified as current liabilities when drawn.

The current debt facilities are as follows:

Facility Provider	Amount	Expiry Date
Commonwealth Bank	\$30 million	31 December 2024
Commonwealth Bank	\$30 million	29 June 2025
Commonwealth Bank	\$40 million	29 October 2025
Commonwealth Bank	\$30 million	31 December 2025
National Australia Bank	\$20 million	25 July 2024
Total facilities	\$150 million	

The debt facility with National Australia Bank is structured in the form of a securities lending arrangement. The terms of the agreement require that securities be pledged as collateral for the drawn secured borrowings under that facility and that such securities satisfy a minimum value of \$11 million (110 per cent of the total drawn facility). These securities are held by the National Australia Bank but included as part of the Company's investment portfolio. As at 30 June 2024, the market value of the securities pledged as collateral was \$17.1 million (2023: \$15.9 million).

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D3. Revaluation Reserve

	2024 \$'000	2023 \$'000
Opening balance at 1 July	47,673	9,167
Gains/(losses) on investment portfolio	56,181	57,500
Deferred tax on above	(17,532)	(17,587)
Cumulative taxable realised (gains)/losses (net of tax)	(31,911)	(1,407)
	54,411	47,673

This reserve is used to record increments and decrements on the revaluation of the investment portfolio as described in accounting policy Note A2.

D4. Realised Capital Gains Reserve

	2024 \$'000			2023 \$'000		
	Taxable Realised Gains (Net of Tax)	Difference Between Tax and Accounting Costs	Total	Taxable Realised Gains (Net of Tax)	Difference Between Tax and Accounting Costs	Total
Opening balance at 1 July	(4,715)	(64,886)	(69,601)	(10,321)	(60,687)	(71,008)
Dividends paid	-	-	-	-	-	-
Cumulative taxable realised (losses)/gains for period	7,471	26,681	34,152	8,146	(4,199)	3,947
Tax on realised gains/(losses)	(2,241)	-	(2,241)	(2,540)	-	(2,540)
	515	(38,205)	(37,690)	(4,715)	(64,886)	(69,601)

This reserve records gains or losses after applicable taxation arising from disposal of securities in the investment portfolio as described in Note A2. The difference between tax and accounting costs is a result of realised gains or losses being accounted for on an average cost basis, whilst taxable gains or losses are made based on the specific cost of the actual stock sold – i.e. on a parcel selection basis. These differences also include non-taxable realised gains or losses, e.g. losses under off-market buy-backs.

Note that LIC gains paid to shareholders also include the LIC gains received from other LICs that Djerrivarrh invests in.

Since inception, the Company has paid out approximately \$170 million of fully franked dividends from the realised capital gains reserve. No dividends have been paid from the realised capital gains reserve during the current year or the previous year.

D5. Retained Profits

	2024 \$'000	2023 \$'000
Opening balance at 1 July	90,760	86,880
Dividends paid	(38,893)	(35,177)
Profit for the year	38,958	39,057
	90,825	90,760

This reserve reflects cumulative profits less cumulative dividends paid.

Notes to the Financial Statements

continued

D6. Share Capital

Date	Details	Notes	Number of Shares '000	Issue Price \$	Paid-up Capital \$'000
1/7/2022	Balance		237,160		689,325
25/8/2022	Share Purchase Plan	(iii)	22,842	2.78	63,508
26/8/2022	Dividend Reinvestment Plan	(i)	645	2.85	1,838
26/8/2022	Dividend Substitution Share Plan	(ii)	51	2.85	n/a
22/2/2023	Dividend Reinvestment Plan	(i)	704	2.89	2,034
22/2/2023	Dividend Substitution Share Plan	(ii)	62	2.89	n/a
	Costs of issue		–	–	(132)
30/6/2023	Balance		261,464		756,573
25/8/2023	Dividend Reinvestment Plan	(i)	736	2.87	2,112
25/8/2023	Dividend Substitution Share Plan	(ii)	70	2.87	n/a
22/2/2024	Dividend Reinvestment Plan	(i)	659	2.95	1,945
22/2/2024	Dividend Substitution Share Plan	(ii)	63	2.95	n/a
	Costs of issue		–	–	(20)
30/6/2024	Balance		262,992		760,610

- (i) Shareholders elect to have all or part of their dividend payment reinvested in new ordinary shares under the Dividend Reinvestment Plan (DRP). The price of the new DRP shares is based on the average selling price of shares traded on the Australian Securities Exchange and Cboe in the five days after the shares begin trading on an ex-dividend basis.
- (ii) The Company has a Dividend Substitution Share Plan (DSSP) whereby shareholders may elect to forgo a dividend and receive shares instead. Pricing for the DSSP shares is done as per the DRP shares.
- (iii) The Company had a Share Purchase Plan (SPP) during the previous year. Shareholders could apply for up to \$30,000 worth of new securities. Shares were issued at a 2.5 per cent discount to the five-day VWAP calculated prior to the day on which the SPP was announced, being the 19 July 2022. Shares issued under the SPP were not entitled to the final dividend paid on 26 August 2022.

All shares have been fully paid, rank pari passu (except as related to dividends as noted above) and have no par value.

The Company has an on-market buy-back plan in place. No shares were purchased under this plan during the year.

E. Income Statement Reconciliations

E1. Reconciliation of Net Cash Flows From Operating Activities to Profit

	2024 \$'000	2023 \$'000
Profit for the year	38,958	39,057
Net profit from associate	(239)	(448)
(Increase) decrease in trading portfolio	(33)	718
Increase (decrease) in options sold portfolio	51	512
Dividends received as securities under DRP investments	–	–
Decrease (increase) in current receivables	(3,662)	(2,416)
– Less increase (decrease) in receivables for investment portfolio	4,764	19
Increase (decrease) in deferred tax	16,638	17,680
– Less (increase) decrease in deferred tax on investment portfolio	(15,291)	(15,047)
– Add increase (decrease) in CGT losses carried forward	(1,911)	(2,540)
Increase (decrease) in current payables	(696)	(1,412)
– Less decrease (increase) in payables for investment portfolio	–	2,000
Increase (decrease) in provision for tax payable	1,964	(930)
– Less CGT provision	(330)	–
Net cash flows from operating activities	40,213	37,193

E2. Tax Reconciliations

Tax Expense Composition

	2024 \$'000	2023 \$'000
Charge for tax payable relating to the current year	4,630	5,024
Over provision in prior years	(672)	(471)
Decrease (increase) in deferred tax assets (excl. capital losses)	564	93
	4,522	4,646

Amounts Recognised Directly Through Other Comprehensive Income

Capital gains absorbed by brought-forward losses	(1,911)	(2,540)
Tax on capital gains	(330)	–
Net increase in deferred tax assets/liabilities relating to capital gains tax on the movement in gains or losses in the investment portfolio	(15,291)	(15,047)
	(17,532)	(17,587)

Deferred Tax Assets and Liabilities – Other

The deferred tax balances are attributable to:

	2024 \$'000	2023 \$'000
(a) Tax on unrealised (gains)/losses in the options written portfolio	32	(536)
(b) Tax on unrealised (gains)/losses in the trading portfolio	(42)	(31)
(c) Provisions and expenses charged to the accounting profit which are not yet tax deductible	2	21
(d) Interest and dividend income receivable which is not assessable for tax until receipt	(226)	(252)
(e) Capital losses	–	1,911
	(234)	1,113
Movements:		
Opening balance at 1 July	1,113	3,746
Credited/charged to Income Statement	564	(93)
Credited/charged to other comprehensive income	(1,911)	(2,540)
	(234)	1,113

Deferred tax assets arise when provisions and expenses have been charged but are not yet tax deductible or where the Company has carried forward capital losses. These assets are realised when the relevant items become tax deductible, as long as enough taxable income has been generated to claim the assets against, and as long as there are no changes to the tax legislation that affect Djerriwarrh's ability to claim the deduction.

E3. Reconciliation of Profit Before Tax

The Board considers Djerriwarrh's operating result after tax to be a key measure of Djerriwarrh's performance. This amount excludes the impact of unrealised gains/losses on options and any gains or losses on Djerriwarrh's investment portfolio. It reconciles to Djerriwarrh's profit before tax as follows:

	2024 \$'000	2023 \$'000
Operating result after income tax expense	40,282	39,026
Add back income tax expense	5,090	4,633
Net gains (losses) on open options positions	(1,892)	44
Profit for the year before tax	43,480	43,703

Notes to the Financial Statements

continued

F. Further Information

This section covers information that is not directly related to specific line items in the financial statements, including information about related party transactions and other statutory information.

F1. Related Parties

All transactions with related parties were made on normal commercial terms and conditions and approved by independent Directors. The only such transactions were in connection with the services provided by AICS (see Notes B1 and F5).

F2. Remuneration of Auditors

During the year the auditor earned the following remuneration including GST:

	2024 \$	2023 \$
PricewaterhouseCoopers		
Audit or review of financial reports	107,473	105,870
Permitted non-audit services		
CGT compliance review	67,760	63,702
Taxation compliance services	21,036	20,116
Total remuneration	196,269	189,688

F3. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Board, through its sub-committees, has been identified as the chief operating decision-maker, as it is responsible for allocating resources and assessing performance of the operating segments.

Description of Segments

The Board makes the strategic resource allocations for Djerriwarrh. Djerriwarrh has therefore determined the operating segments based on the structure of the reports reviewed by the Board, which are used to make strategic decisions.

The Board is responsible for Djerriwarrh's entire portfolio of investments and considers the business to have a single operating segment. The Board's asset allocation decisions are based on a single, integrated investment strategy, and Djerriwarrh's performance is evaluated on an overall basis.

Segment Information Provided to the Board

The internal reporting provided to the Board for Djerriwarrh's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards, except that net assets are reviewed both before and after the effects of unrealised capital gains tax on investments (as reported in Djerriwarrh's Net Tangible Asset announcements to the ASX).

Other Segment Information

Revenues from external parties are derived from the receipt of dividend, distribution and interest income, and income arising on the trading portfolio and realised income from the options portfolio.

Djerriwarrh is domiciled in Australia and most of Djerriwarrh's income is derived from Australian entities or entities that maintain a listing in Australia. Djerriwarrh has a diversified portfolio of investments, with only one investment comprising more than 10 per cent of Djerriwarrh's income from operating activities – BHP 10.7 per cent (2023: BHP (12.9 per cent)).

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F4. Summary of Other Accounting Policies

This general purpose Financial Report has been prepared in accordance with Australian Accounting Standards, Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. This Financial Report has been authorised for issue on 25 July 2024 in accordance with a resolution of the Board and is presented in the Australian currency. The Directors of Djerriwarrh have the power to amend and reissue the Financial Report.

Djerriwarrh has attempted to improve the transparency of its reporting by adopting 'plain English' where possible. Key 'plain English' phrases and their equivalent AASB terminology are as follows:

Phrase	AASB Terminology
Market value	Fair value for actively traded securities
Cash	Cash and cash equivalents
Share capital	Contributed equity
Options	Derivatives written over equity instruments that are valued at fair value through profit or loss

Other terminology used in the report is defined as follows:

Phrase	Definition
Net operating result	Total operating income after operating expenses and income tax are deducted

Djerriwarrh complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Djerriwarrh is a 'for profit' entity.

Djerriwarrh has not applied any Australian Accounting Standards or AASB Interpretations that have been issued as at balance date but are not yet operative for the year ended 30 June 2024 ('the inoperative standards'). The impact of the inoperative standards has been assessed and the impact has been identified as not being material. Djerriwarrh only intends to adopt other inoperative standards at the date at which their adoption becomes mandatory.

Basis of Accounting

The financial statements are prepared using the valuation methods described in Note A2. All other items have been treated in accordance with the historical cost convention.

Fair Value of Financial Assets and Liabilities

The fair value of cash and non-interest bearing monetary financial assets and liabilities of Djerriwarrh approximates their carrying value.

Rounding of Amounts

Djerriwarrh is a company of the kind referred to in the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the Financial Report. Amounts in the Financial Report have been rounded off in accordance with that Instrument, to the nearest thousand dollars, or in certain cases, to the nearest dollar.

F5. Associate Accounting

Associates are entities over which the Company has significant influence but not control, generally accompanied by a shareholding of between 20 and 50 per cent of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost, in the Company's financial statements.

The Company has one associate – Australian Investment Company Services (AICS), incorporated in Australia, in which it has a 25 per cent shareholding. AICS provides investment and administrative services to the Company and to other Listed Investment Companies, including its Parent, Australian Foundation Investment Company Limited (AFIC) which holds the other 75 per cent.

The Company's share of its associate's post-acquisition profits or losses is recognised in the Income Statement, and its share of post-acquisition movements in reserves is recognised in net income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

The Company has no subsidiaries and therefore the accounting standards do not require it to produce consolidated financial statements.

Section 295(3A)(a) of the *Corporations Act 2001* therefore does not apply to the Company.

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DIRECTORS' DECLARATION

In the Directors' opinion:

- (1) the financial statements and notes set out on pages 24 to 43 are in accordance with the *Corporations Act 2001* including:
 - (a) complying with accounting standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (b) 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 on that date;
- (2) the Consolidated Entity Disclosure Statement is true and correct; and
- (3) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note F4 to the financial statements confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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

This declaration has been made after receiving the declarations required to be made to the Directors by the Managing Director and the Chief Financial Officer regarding the financial statements in accordance with Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024. The declarations received were that, in the opinion of the Managing Director and the Chief Financial Officer to the best of their knowledge, the financial records of the Company have been properly maintained, that the financial statements comply with accounting standards and that they give a true and fair view.



Graham Goldsmith AO
Chairman

Melbourne
25 July 2024

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INDEPENDENT AUDIT REPORT



Independent auditor's report

To the members of Djerriwarrh Investments Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Djerriwarrh Investments Limited (the Company) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the balance sheet as at 30 June 2024
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the cash flow statement for the year then ended
- the income statement for the year then ended
- the notes to the financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 30 June 2024
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, ABN 52 780 433 757
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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Company, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on assessing the financial report for risks of material misstatement in account balances, classes of transactions or disclosures, and designing and performing audit procedures to obtain reasonable assurance that the financial statements as a whole were free of material misstatement due to fraud or error. This included identifying areas of higher risk, based on quantitative and qualitative assessments of the Company's operations and activities.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit Committee.

Key audit matter	How our audit addressed the key audit matter
<p>Investment Portfolio Refer to note A2 (\$844.7 million)</p> <p>The Investment Portfolio held by the Company of \$844.7 million as at 30 June 2024 predominantly consists of listed Australian equities.</p> <p>Whilst there is no significant judgement in determining the existence or valuation of the Company's investments, investments represent a key measure of the Company's performance and comprise a significant proportion of total assets in the balance sheet. The fluctuations in investments will also impact the realised and unrealised gains/(losses) recognised in the statement of comprehensive income. Given the pervasive nature investments have on the Company's key financial metrics, we determined this to be a key audit matter.</p>	<p>Our procedures included the following:</p> <ol style="list-style-type: none"> 1) Agreed the investment quantity holdings at 30 June 2024 to third party confirmations or registry sources 2) Obtained the purchases and sales listing for the year ended 30 June 2024, and agreed a sample of purchases and sales transactions to contracts. 3) Performed a reconciliation of the opening investment portfolio balances (quantity of holdings and value), including purchases, sales and other relevant transactions, and agreed this back to the 30 June 2024 closing investment portfolio. 4) Agreed quoted market prices used to fair value listed equity investments at 30 June 2024 to third party market pricing sources.

INDEPENDENT AUDIT REPORT

continued



Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our auditor's report.

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Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2024.

In our opinion, the remuneration report of Djerrivarrh Investments Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Kate L Logan

Kate L Logan
Partner

Melbourne
25 July 2024

OTHER INFORMATION

Information About Shareholders

At 15 July 2024 there were 15,788 holdings of ordinary shares. These holdings were distributed in the following categories:

Size of Holding	Number of Holdings	% of Share Capital
1 to 1,000	1,863	0.31
1,001 to 5,000	4,485	4.93
5,001 to 10,000	3,246	9.33
10,001 to 100,000	5,931	58.18
100,001 and over	263	27.25
Total	15,788	100.00

20 largest shareholding	12.01%
Average shareholding	16,658

There were 460 shareholdings of less than a marketable parcel of \$500 (163 shares).

Voting Rights of Ordinary Shares

The Constitution provides for votes to be cast:

- (i) on a show of hands, one vote for each shareholder; and
- (ii) on a poll, one vote for each fully paid ordinary share.

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Major Shareholders

The 20 largest holdings of ordinary shares as at 15 July 2024 are listed below:

Rank	Name	Shares	% of Share Capital
1	HSBC Custody Nominees (Australia) Limited	9,004,382	3.42
2	Australian Foundation Investment Company Limited	7,505,346	2.85
3	Bruce Teele	2,474,267	0.94
4	Miss Margaret Frances Erskine	2,000,000	0.76
5	BNP Paribas Nominees Pty Ltd <HUB24 Custodial Serv Ltd>	1,924,007	0.73
6	National Nominees Limited	1,857,446	0.71
7	John Paterson	1,020,185	0.39
8	IOOF Investment Services Limited <IPS Superfund A/C>	626,517	0.24
9	Netwealth Investments Limited <Wrap Services A/C>	493,132	0.19
10	IOOF Investment Services Limited <IOOF IDPS A/C>	473,805	0.18
11	Invia Custodian Pty Limited <Inverary Super Fund A/C>	465,896	0.18
12	Mr Bevan Robert Johnson + Mrs Karen Jane Johnson	459,403	0.17
13	Pure Pride Pty Ltd <Murray Richmond A/C>	434,986	0.17
14	Opera Australia	421,000	0.16
15	P N B W Pty Ltd <F & JA Arrowsmith Family A/C>	420,156	0.16
16	Ms Roslyn Webster + Mr Jon Webster <RJW Super Fund A/C>	417,570	0.16
17	Lavender Purple Pty Ltd <Lavender Purple A/C>	416,500	0.16
18	Mr Ian Stanley Fraser + Mr Andrew Tweedie + Mr Andrew Stanley Fraser <Joe White Bequest Cap A/C>	396,360	0.15
19	Invia Custodian Pty Limited <Ola Cohen A/C>	391,791	0.15
20	Netwealth Investments Limited <Super Services A/C>	391,694	0.15

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OTHER INFORMATION

continued

Sub-underwriting

During the year the Company did not participate as a sub-underwriter in any issues of securities.

Substantial Shareholders

The Company has not been notified of any substantial shareholders.

Transactions in Securities

During the year ended 30 June 2024, the Company recorded 1,697 transactions in securities (including options). \$1,039,282 (including GST) in brokerage was paid or accrued for the year.

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HOLDINGS OF SECURITIES

As at 30 June 2024

Details of the Company's portfolios are given below. The list should not be used to evaluate portfolio performance or to determine the net asset backing per share (which is advised to the Australian Securities Exchange each month and recorded on the toll free telephone service at 1800 780 784 and posted to Djerriwarrh's website djerri.com.au).

Individual holdings in the portfolios may change significantly during the course of the year. In addition, holdings may be subject to call options or sale commitments by which they may be sold at a price significantly different from the market price prevailing at the time of the exercise or sale. Unless otherwise stated, the securities in this list are fully paid ordinary shares, trust units, stapled securities or convertible notes.

Code	Company Name	Number Held 2023 '000	Number Held 2024 '000	Market Value 2024 \$'000
AIA*	Auckland International Airport	1,594	2,009	14,172
ALQ*	ALS	127	127	1,774
AMH	AMCIL	10,599	10,599	11,659
ANZ*	ANZ Group Holdings	487	239	6,734
ARB*	ARB Corporation	524	292	10,951
ASX*	ASX	360	316	18,951
BHP*	BHP	1,498	1,830	78,016
BWP*	BWP Trust	2,744	2,744	9,472
CAR*	CAR Group	907	170	5,965
CBA*	Commonwealth Bank of Australia	581	242	30,203
COH*	Cochlear	30	15	4,834
COL*	Coles Group	1,491	1,444	24,455
CPU*	Computershare	354	333	8,766
CSL*	CSL	188	233	68,490
DMP	Domino's Pizza Enterprises	152	152	5,455
EQT	EQT Holdings	1,002	1,002	32,074
FCL	Fineos Corporation	1,399	1,056	1,785
FPH*	Fisher & Paykel Healthcare Corporation	356	286	7,735
GMG*	Goodman Group	950	199	6,892
IEL	IDP Education	0	633	9,594
JBH*	JB Hi-Fi	673	145	8,762
MAQ	Macquarie Technology Group	46	76	7,182
MFT	Mainfreight (NZX listed)	275	248	15,320
MGR*	Mirvac Group	8,897	8,897	16,629
MIN*	Mineral Resources	0	85	4,583
MIR	Mirrabooka Investments	4,215	4,215	13,361
MQG*	Macquarie Group	272	256	51,545

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HOLDINGS OF SECURITIES

As at 30 June 2024 continued

Code	Company Name	Number Held	Number Held	Market Value
		2023 '000	2024 '000	2024 \$'000
NAB*	National Australia Bank	1,885	638	22,803
NEM*	Newmont Corporation	0	123	7,808
NWL*	Netwealth Group	384	82	1,788
PNI*	Pinnacle Investment Management Group	1,144	275	3,761
POT	Port of Tauranga (NZX listed)	854	1,684	7,275
PXA*	PEXA Group	292	332	4,563
REA*	REA Group	73	33	6,516
REH*	Reece	730	162	4,075
RGN*	Region Group	8,020	9,930	20,852
RHC*	Ramsay Health Care	102	102	4,848
RIO*	Rio Tinto	95	123	14,623
RMD*	ResMed	288	233	6,761
SEK*	Seek	257	231	4,943
STO*	Santos	1,373	1,373	10,503
TCL*	Transurban Group	3,309	4,111	50,935
TLS*	Telstra Group	4,612	16,545	59,788
WBC*	Westpac Banking Corporation	2,442	1,036	27,859
WDS	Woodside Energy Group	548	1,391	39,235
WES*	Wesfarmers	833	284	18,437
WOW*	Woolworths Group	739	1,439	48,370
Total				841,103

* Indicates that options were outstanding against part the holding.

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Major Transactions in the Investment Portfolio

Acquisitions	Cost (\$m)
Telstra Group	46.2
Woodside Energy	26.2
Woolworths Group	22.0
BHP	21.0
CSL	15.0

Disposals*	Proceeds (\$m)
National Australia Bank	42.2
Commonwealth Bank of Australia	36.2
Westpac Banking Corporation	34.6
Wesfarmers	31.3
JB Hi-Fi	26.6

* Because of the exercise of call options.

New Companies Added to the Portfolio

IDP Education
Newmont Corporation (converted due to takeover of Newcrest)
Mineral Resources

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Company Particulars

Djerriwarrh Investments Limited

ABN 38 006 862 693

Directors

Graham B Goldsmith AO, Chairman
Mark Freeman, Managing Director
Bruce R Brook
Kathryn J Fagg AO
Rebecca J McGrath
Geoffrey I Roberts
Alice JM Williams

Company Secretaries

Matthew J Rowe
Andrew JB Porter

Auditor

PricewaterhouseCoopers
Chartered Accountants

Country of Incorporation

Australia

Registered Office and Mailing Address

Level 21, 101 Collins Street
Melbourne Victoria 3000

Contact Details

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Facsimile (03) 9650 9100
Website djerri.com.au
Email invest@djerri.com.au

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

Telephone 1800 780 784 (toll free)

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Shareholder Information

Share Registrar

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

Shareholder

Enquiry Line 1300 653 915
+61 3 9415 4190 (from overseas)

Facsimile +61 3 9473 2500

Website investorcentre.com/contact

For all enquiries relating to shareholdings, dividends and related matters, please contact the Share Registrar as above.

Securities Exchange Code

DJW Ordinary shares

Annual General Meeting

Time 1.30pm
Date Tuesday 8 October 2024
Venue Westin Hotel
Location 205 Collins Street
Melbourne 3000

The AGM will be a hybrid meeting with a physical meeting and access via an online platform. Further details are provided in the Notice of Annual General Meeting.

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Australian Equities,
Enhanced Yield

Annual Review

2024

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DJERRIWARRH INVESTMENTS LIMITED IS A LISTED INVESTMENT COMPANY INVESTING IN A DIVERSIFIED PORTFOLIO OF AUSTRALIAN AND NEW ZEALAND EQUITIES. FOR STOCKS WHERE THERE IS AN OPTIONS MARKET, THE COMPANY OFTEN USES EXCHANGE TRADED AND OVER-THE-COUNTER OPTIONS TO ENHANCE THE INCOME RETURN TO INVESTORS.

Year in Summary

2024

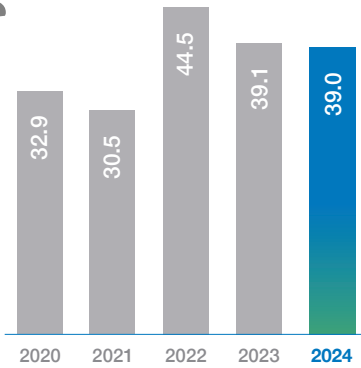
Profit for the Year	\$39.0m	\$39.1m in 2023		
Net Operating Result	\$40.3m	\$39.0m in 2023		
Fully Franked Dividend Per Share	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; padding: 5px;">8.0¢ <small>Final</small></td> <td style="text-align: center; padding: 5px;">15.25¢ <small>Total</small></td> </tr> </table>	8.0¢ <small>Final</small>	15.25¢ <small>Total</small>	15.0 cents total in 2023
8.0¢ <small>Final</small>	15.25¢ <small>Total</small>			
Portfolio Dividend Yield	6.5% <small>Including franking*</small>	S&P/ASX 200 Index Yield 4.7% (grossed up for franking credits)		
Management Expense Ratio	0.42%	0.40% in 2023		
Total Portfolio Return	13.6% <small>Including franking*</small>	S&P/ASX 200 Accumulation Index including franking* 13.5%		
Total Portfolio	\$884.2m	Including cash at 30 June. \$911.0 million in 2023		

* Assumes a shareholder can take full advantage of the franking credits.

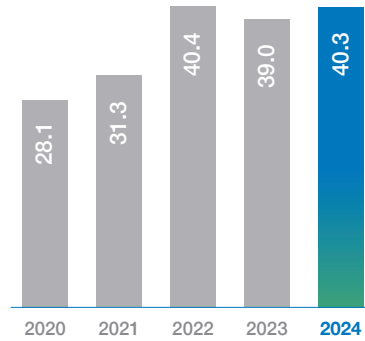
DIRECTORS' REPORT

5 Year Summary

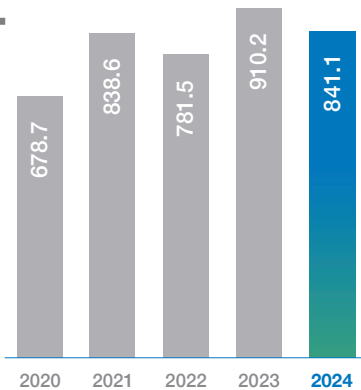
Net Profit After Tax
(\$ Million)



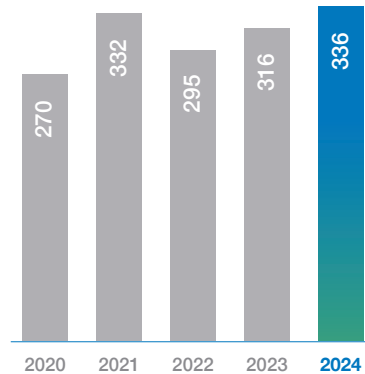
Net Operating Result
(\$ Million)



Investments at Market Value
(\$ Million)^(b)

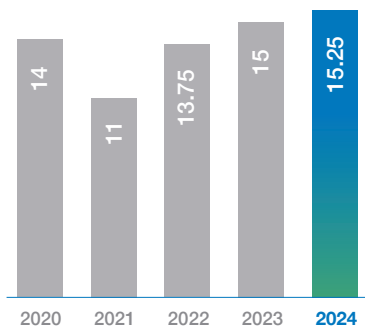


Net Asset Backing Per Share
(Cents)^(c)

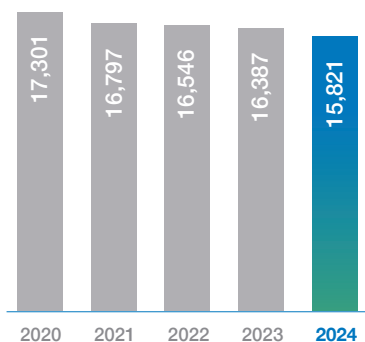


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Dividends Per Share
(Cents)^(a)



Number of Shareholders
(30 June)



Notes

- (a) All dividends were fully franked. For 2021 the final dividend carried an attributable LIC gain of 1.43 cents per share. For 2019 the final dividend carried an attributable LIC gain of 4.29 cents per share and the interim dividend carried an attributable LIC gain of 7.14 cents per share.
- (b) Excludes cash.
- (c) Net asset backing per share based on year-end data before the provision for the final dividend. The figures do not include a provision for capital gains tax that would apply if all securities held as non-current investments had been sold at balance date as Directors do not intend to dispose of the portfolio.

About the Company

Djerriwarrh Investments Limited is a Listed Investment Company (LIC) investing in a diversified portfolio of Australian and New Zealand equities. For stocks where there is an options market, the Company often uses exchange traded and over-the-counter options to enhance the income return to investors.

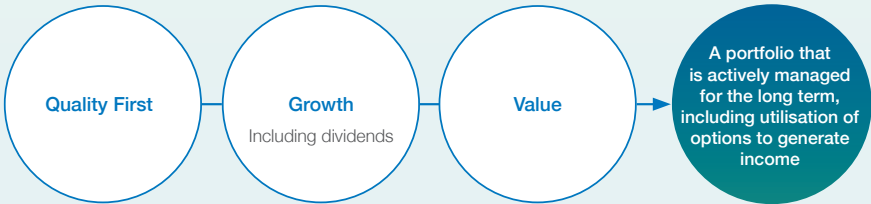
Investment Objectives

Djerriwarrh seeks to provide an enhanced level of fully franked income that is higher than that available from the S&P/ASX 200 Index.

In this regard the primary investment goals are:

- to pay a higher level of fully franked dividend than is available from the market in general; and
- to provide attractive total return including capital growth over the medium to long term.

How Djerriwarrh Invests – What We Look For in Companies



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Approach to Investing

Investment Philosophy

Our investment philosophy is built on taking a medium to long term view on companies in a diversified portfolio with an emphasis on identifying and investing in quality companies that are likely to sustainably grow their earnings and dividends over this timeframe.

Quality in this context is an outcome of our assessment of the following factors:

1. We prefer companies that have a leadership position or are developing one within the industry in which they operate. This will often mean we are investing in a unique set of assets with competitive advantages that produces attractive returns on invested capital.
2. As a long term, tax aware investor, we seek to be in companies that have a long term sustainable business model, with low risk of disruption. This helps to ensure portfolio turnover remains low. The analysis may consider technological disruption, environmental issues, including the impact of climate change, and social risks as all of these factors can have a material impact on the assessment of a company's long term sustainability.
3. We consider how a company's business can be potentially impacted by influences outside the control of management such as change in government regulation and/or policy.
4. We are attracted to companies with outstanding management teams and boards with strong governance processes, whose interests are closely aligned with shareholders, and act in the best interest of all their stakeholders, including their employees, customers, suppliers and wider communities. We consider matters including safety, diversity, social impacts, environmental impact, and modern slavery where material or appropriate in the context of that company. We regularly review and meet with companies to ensure ongoing alignment with our investment frameworks. Our process may include an assessment of the board in terms of its past performance, history of capital allocation, level of accountability, mix of skills, relevant experience and succession planning. We also consider a company's degree of transparency and disclosure.
5. We prefer companies with more stable income flows. We are wary of companies that have large, inconsistent profit streams.
6. We like our companies to be financially strong and the assessment of the balance sheet and the degree to which the company is self-funding is critical in our analysis. Cash generation is also an important consideration.

Voting on resolutions is one of the key functions that a shareholder has in ensuring better long term returns and management of investment risk. We take input from proxy advisers but conduct our own evaluation of the merits of any resolution. We vote on all company resolutions as part of our regular engagement with the companies in the portfolio and our voting record is on the Company's website. We actively engage with companies when we are concerned about resolutions that are not aligned with shareholders' interests. We seek to stay engaged with the companies and satisfy ourselves that any issues are taken seriously and worked through constructively. Ideally we seek to remain invested to influence a satisfactory outcome for stakeholders.

About the Company

continued

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Analysis of the above factors helps to inform us of the structure of the industry and a company's sustainable competitive position as well as the quality of the people running the business, strength of the balance sheet and consistency of earnings. Within this analysis some key financial metrics are considered. These include return on capital employed, return on equity, the level of gearing in the balance sheet, margins and free cash flow generation.

Alongside the assessment of quality is an analysis of the ability of companies to grow earnings over time, which ultimately should drive good dividend growth.

Recognising value is also an important aspect of sound long term investing. Short term measures such as the price earnings ratio, price to book or price to sales may be of some value but aren't necessarily strong predictors of future performance. Our assessment of value tries to capture the opportunity a business has to prosper and thrive over the medium to long term.

Reporting of social and environmental issues will be influenced by the development of standards by the International Sustainability Standards Board (ISSB). Their potential introduction in Australia should enable investors over time to better make informed decisions on these issues based on company disclosures arising from these standards.

Assessment of commitments and plans by companies to reach net zero by 2050 may also be considered having regard to several factors. These include the industry in which they operate, progress against their plans, their broader contribution to social good in addressing the challenge of reducing global carbon emissions, and the impact on their

value if they fail to achieve their stated goals. In applying external data for benchmarking*, our most recent assessment of the carbon intensity of Djerriwarrh's portfolio showed that it is less than the S&P/ASX 200 Index.

The selling of options over part of its investment and trading portfolios is an important component of Djerriwarrh's ability to pay a higher yield than the S&P/ASX 200 Index. This activity generates current income from the option premium Djerriwarrh receives for selling the options. The use of options will however typically reshape the profile of returns producing more immediate income at the expense of potential capital growth.

The amount that the Company receives from selling options depends on a number of factors:

- level of volatility in share price anticipated for the underlying stock;
- level of the option exercise price and particularly how far it is from the current share price;
- time to expiry, i.e. how far the option has to run;
- level of interest rates: the lower interest rates are, other things being equal, the lower the option premium received; and
- the percentage of the portfolio over which we are prepared to sell options.

It is our preference for the options to either lapse at expiry or, prior to exercise, to seek to buy the options back and sell new options with a later expiry date and preferably at a higher exercise price.

From time to time, where the share price increases strongly, we do take decisions to allow the options to be exercised (meaning the shares are disposed of) when we have formed the view that it is economic to allow that to occur. Gains or losses on disposals of investments upon the exercise of such options, after applicable tax, are taken to the realised capital gains reserve. Any gains when taxed are available for distribution to shareholders as fully franked dividends. It should be noted option positions are monitored daily and the portfolio is managed to try and maintain an appropriate balance between income generation and capital growth.

Djerriwarrh also has access to lines of credit, which allows the Company to gear its balance sheet when appropriate investment returns are available to enhance shareholder returns. Gearing is kept to a maximum of around 10 per cent. When it is appropriate, exposure to rising interest rates is also capped.

In building the investment portfolio with the principles outlined, we believe we can offer investors a well-diversified portfolio of quality companies structured to deliver a higher level of fully franked dividend than is available from the market in general, and which can provide an attractive total return including capital growth over the medium to long term.

* Data provided by ISS ESG.
Portfolio at 30 June 2024.



Review of Operations and Activities

Profit

The full year profit was \$39.0 million, largely in line with the previous corresponding period figure of \$39.1 million.

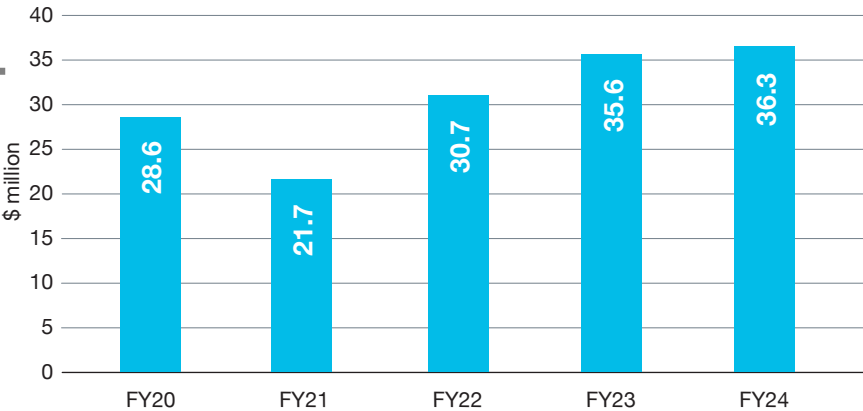
Net operating result, which excludes the impact of open option positions, is considered a better measure of the Company's income from its investment activities, was \$40.3 million, up from the previous corresponding period figure of \$39.0 million.

Dividend income increased 1.9 per cent to \$36.3 million from \$35.6 million in the previous financial year (Figure 1). The portfolio benefitted this year from large increases in dividend income

received from Telstra Group, Woodside Energy Group, National Australia Bank, Transurban and Rio Tinto because of our increased holdings in these companies. We also benefitted from higher dividends paid by Computershare, as well as Auckland Airport which resumed paying a dividend. These contributions helped offset the expected fall in dividend provided by BHP and JB Hi-Fi. Key contributors to dividend income are shown on Figure 2.

In the financial year to 30 June 2024 there was significant improvement in the amount of option income generated, \$16.6 million versus \$14.8 million in the previous financial year (Figure 3). Key contributors to option income are shown on Figure 4.

Figure 1: Total Dividend Income Financial Years 2020 to 2024 (Excludes Special Dividends)



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Figure 2: Profile of Dividend Income Received in Financial Year 2024 by Holding

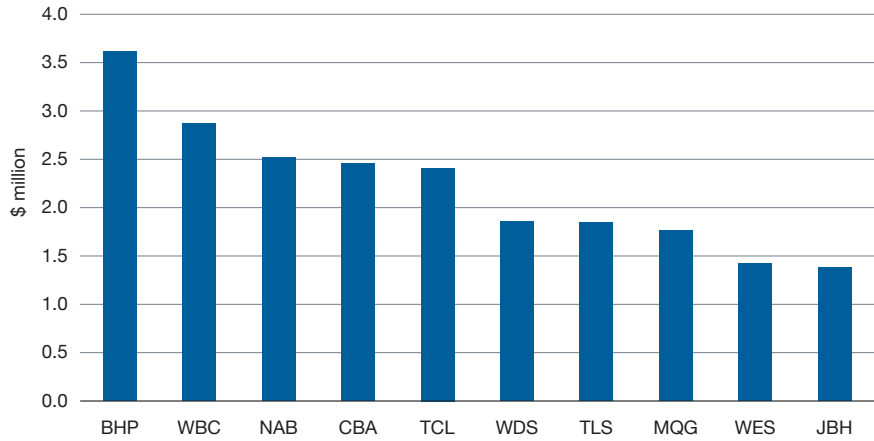
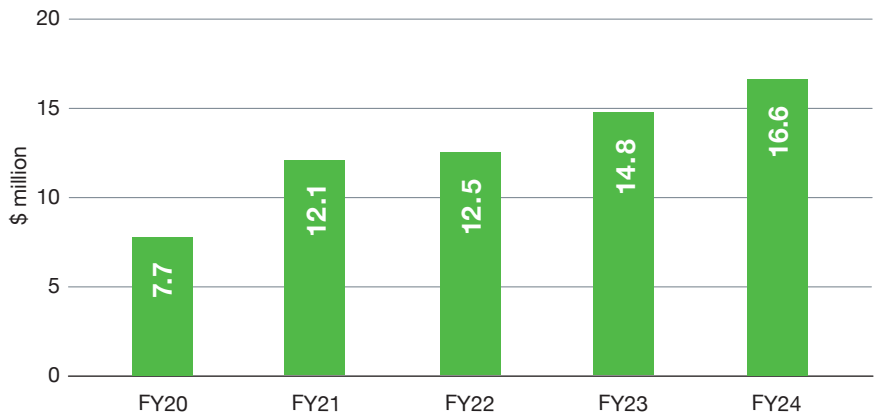


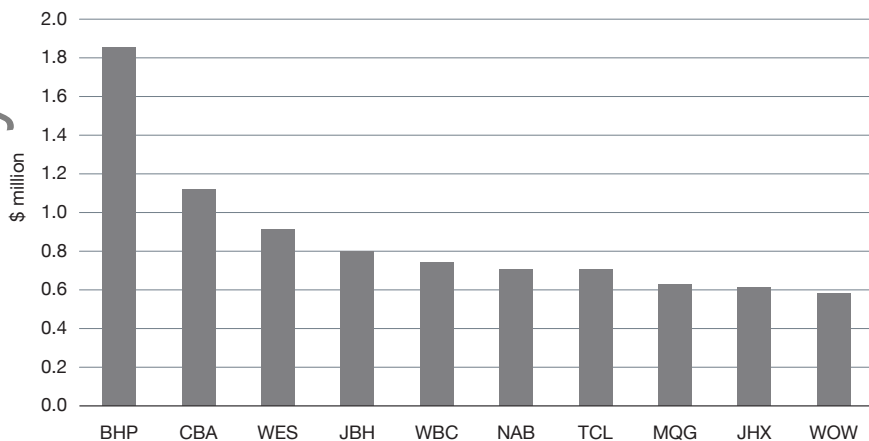
Figure 3: Total Option Income Financial Years 2020 to 2024



Review of Operations and Activities

continued

Figure 4: Profile of Option Income Received in Financial Year 2024 by Holding



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Dividend

Djerriwarrh seeks to provide an enhanced level of fully franked income that is higher than is available from the S&P/ASX 200 Index, and which is delivered at a low cost to shareholders. The enhanced yield is achieved through a bias to investing in companies with higher dividend income, produced over the short and long term, as well as using option strategies to generate additional income.

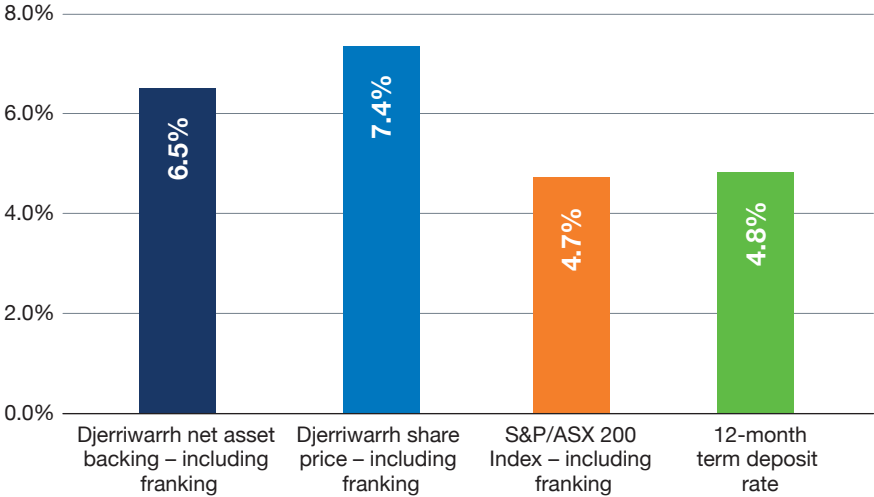
The level of dividend declared each period is determined by taking into consideration the net operating result (which is made up of the dividends received from the companies that Djerriwarrh invests in, as well as the income generated from option strategies) and a prudent distribution of realised capital gains

when available. The Company believes the net operating result, which excludes the valuation impact of open option positions, is a better measure of Djerriwarrh's income from its investment activities.

The net operating result per share for the year to 30 June 2024 was 15.4 cents per share.

The final dividend has been increased to 8.0 cents per share fully franked, up from 7.75 cents per share fully franked for the corresponding period last year. Total dividends for the year are 15.25 cents per share compared with last financial year's total dividend of 15.0 cents per share. This is the third consecutive year where total dividends have increased for shareholders.

Figure 5: Yield at 30 June 2024 (Based on the Interim Dividend Paid and Final Dividend Declared)



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

Based on the total dividends for the year, the dividend yield on the net asset backing at 30 June 2024 was 4.5 per cent, and 6.5 per cent grossed up for franking credits (assuming a shareholder can take full advantage of the franking credits). Based on the net asset backing and including franking, this represents an enhanced yield of 1.8 percentage points higher than that available from the S&P/ASX 200 Index when franking is included. Based on the share price of \$2.95 (at 30 June 2024), the yield was 5.2 per cent and 7.4 per cent, grossed up for franking (Figure 5).



Review of Operations and Activities

continued

Market and Portfolio Performance

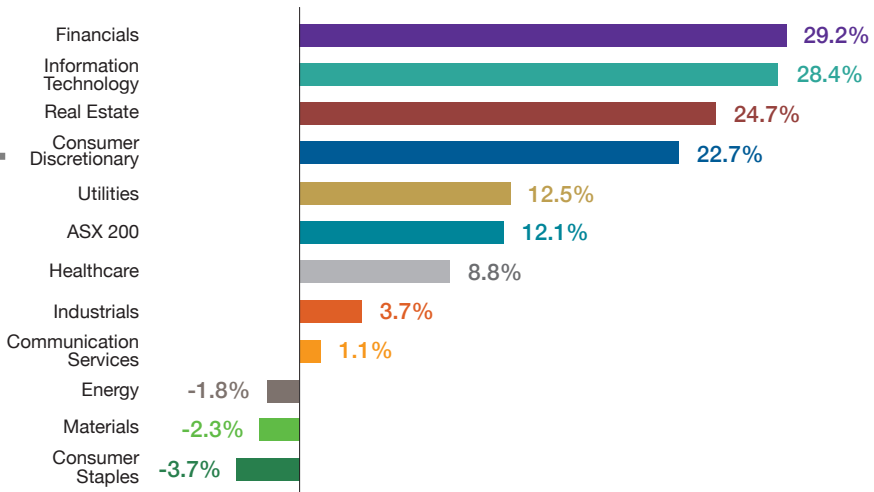
The Australian equity market produced another strong year despite market-wide concerns about high inflation, the direction of interest rates and geopolitical tensions.

Overall, for the financial year to 30 June 2024 the largest returns came from Financials, up 29.2 per cent, Information Technology, which was up 28.4 per cent (following the strong lead from the NASDAQ Composite Index over recent months amid growing interest in the future applications of artificial

intelligence) and Consumer Discretionary, up 22.7 per cent. In terms of negative returns these were only marginal with Consumer Staples down 3.7 per cent over the financial year and Materials down 2.3 per cent over this period (Figure 6).

The use of options will typically reshape the profile of returns producing more immediate income at the expense of potential capital growth. In the context of the strong market over the financial year, Djerriwarrh produced good capital growth in addition to the enhanced income from the portfolio.

Figure 6: Sector Performance for the 12 Months to 30 June 2024*



* Does not include franking.

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Djerriwarrh's total portfolio return for the 12 months to 30 June 2024 was 13.6 per cent after including the benefit of franking credits (Figure 7). This was just ahead of the S&P/ASX 200 Accumulation Index return of 13.5 per cent when franking is included.

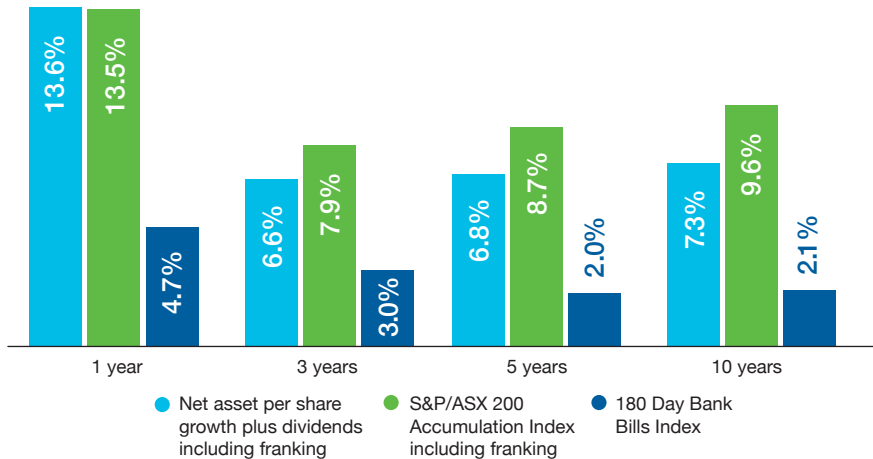
The more significant contributors (including dividends and option income) to Djerriwarrh's portfolio performance over the 12-month period were National Australia Bank, Westpac Banking Corporation, Commonwealth Bank of Australia, Wesfarmers, and Macquarie Group.

Portfolio Adjustments

We continue to focus on constructing a portfolio that will deliver a suitable balance between short term income yield and long term growth in capital and income.

In the financial year a portion of our holdings in several companies were sold as a result of call option exercises because of share price strength. Key exercises were across major Banks National Australia Bank, Westpac and Commonwealth Bank of Australia, and Consumer Discretionary companies JB Hi-Fi and Wesfarmers.

Figure 7: Portfolio Performance to 30 June 2024 – Per Annum Returns, Including the Benefit of Franking Credits*



* Assumes an investor can take full advantage of the franking credits. Past performance is not indicative of future performance.

Note Djerriwarrh's net asset per share growth plus dividend series is calculated after management fees, income tax and capital gains tax paid on realised sales of investments. It should be noted that Index returns for the S&P/ASX 200 do not include management expenses and tax.

Review of Operations and Activities

continued

The majority of these sales occurred in late March and April following the market's strong run. In most cases, we chose not to buy back these stocks given they were trading at elevated share prices.

We were also active sellers of our small remaining holdings in James Hardie Industries, Temple & Webster, IAG and AMP.

The capital realised from these sales was used to invest in what we consider to be high-quality companies trading at attractive prices.

The largest purchase for the 12-month period was Telstra Group. Market concerns about Telstra's pricing power in mobile plans drove a fall in the share price, which allowed us to substantially increase our holding at very attractive prices.

We also significantly increased our position in Woodside Energy on share price weakness. The company gives us exposure to a globally unique portfolio of high-quality liquefied natural gas (LNG) and oil assets, which underpins solid cash flows and fully franked dividends.

We chose to add to our holding in Woolworths as it faced intense regulatory scrutiny during the financial year with multiple inquires reviewing the company's conduct and grocery pricing. Although this headwind is ongoing, we believe the large fall in Woolworths' share price underappreciated the defensive nature of the company's earnings, superior store network and leading online offering.

We added three new holdings during the period – Newmont Corporation, Mineral Resources and IDP Education.

Our position in Newmont resulted from its takeover of Newcrest Mining in October 2023. We purchased Newcrest prior to the deal being completed, which enabled us to benefit from the large special dividend that was paid to Newcrest shareholders as part of the takeover. Newmont is a diversified gold and copper mining company that owns high-quality assets in attractive jurisdictions. We think Newmont offers a good mix of income and growth along with some extra diversification for our portfolio given its gold exposure.

Mineral Resources is a diversified mining company. Its largest commodity exposure is lithium, but it also has operations in iron ore, energy and mining services. We rate the management team highly and back it to deliver strong earnings growth, which is underpinned by the company's iron ore and lithium production growth.

IDP Education is the leading global provider of English language testing and student placements to tertiary institutions. We are attracted to the company's long term outlook for earnings growth given there is a significant opportunity to gain market share in large addressable markets. The company's share price has more than halved in the past 18 months as a result of regulatory changes aimed at curtailing the number of international students across IDP's key markets.

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Despite this we believe the sector still has potential for strong structural growth, with the share price providing an attractive entry point.

At 30 June 2024, the investment portfolio comprised holdings in 47 ASX and NZX listed companies with a total market value of \$845 million. We finished the year with a net cash position of \$33 million.

Option Activity

In terms of our overall option strategy, our goal remains to write single stock options against companies held in the portfolio to generate additional income. This is a key contributor to Djerriwarrh's ability to meet its enhanced yield objective. We also limit our overall call option coverage of the portfolio in order to achieve long-term capital growth.

Option income increased 12 per cent to \$16.6 million for the financial year. This was a very pleasing result, especially given the portfolio's average call option coverage for the financial year was 34 per cent, slightly below the mid-point of our target range of 30 per cent to 40 per cent. This meant that we generated a significant amount of option income while still benefiting from the majority of the capital growth produced by the market.

Call option positions were actively managed through the financial year. At the beginning of the year, the portfolio's call option coverage was at 32 per cent, towards the bottom end of our normal range of 30 per cent to 40 per cent.



Review of Operations and Activities

continued

As the market strengthened, call option coverage was increased, taking it to 40 per cent by mid-September 2023.

The subsequent fall in the overall market from the start of August to the end of October enabled us to lock in a significant amount of call option income. We chose not to re-write call options given the value we saw in the market at this point, with many share prices having returned to very attractive levels. As such, call option coverage at the end of October fell to 28 per cent. Around this time, we also took the opportunity to write put options in several of our portfolio holdings, including companies such as CSL and Telstra, given the value that was on offer.

The portfolio's positioning at the end of October with the lower-than-average call option coverage and the put option positions proved highly beneficial as the market ran strongly between the end of October until the beginning of April. During this time, we increased our option coverage, which peaked at 42 per cent in mid-March.

In late March, a significant amount of our call options written against Banks (Commonwealth Bank, Westpac, Macquarie Group) and Consumer Discretionary companies (JB Hi-Fi, Wesfarmers) were exercised. This resulted in our option coverage falling to 32 per cent, which following April's call option exercises and expiries, fell further to 27 per cent.

We finished the financial year with a portfolio call option coverage of 29 per cent. Overall, call options contributed \$16.3 million of option income for the financial year.

Put options were also selectively written throughout the period when we saw good value. Overall, \$0.3 million of income was generated from put options, and we were not exercised on any of these positions.

Figure 8 provides an overview of some of the key components of our option activities during the financial year relative to the performance of the Australian share market.

Share Price

The share price continued to trade at a discount to net asset backing through the financial year (Figure 9). At 30 June 2024 the discount was 12 per cent whereas at 30 June 2023 the discount was 10 per cent. Nevertheless, as a result of the increase in value of the net asset backing over the financial year, share price return was 11.6 per cent when the benefit of franking is included.

Outlook

Despite concerns around inflation, interest rates and geopolitical events, the market was incredibly strong over the financial year hitting an all-time high level in early April. In this context the market continues to look moderately expensive, especially against long term averages for the market's price to earnings ratio and dividend yield.

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Figure 8: S&P/ASX 200 Price Index and Djerriwarrh Option Activity for the Financial Year

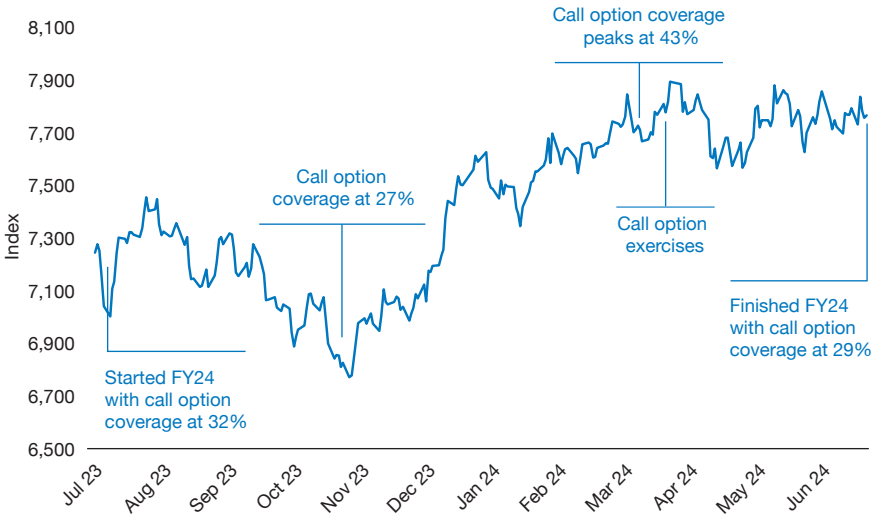
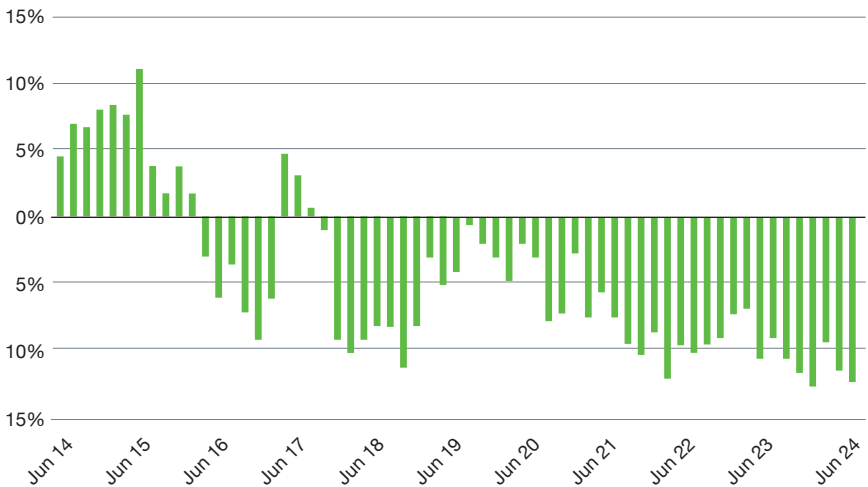


Figure 9: Share Price Premium to Net Asset Banking



Review of Operations and Activities

continued

As a result, we enter this financial year with a net cash position and high option coverage against companies that outperformed strongly during the year. In particular the major Banks and Consumer Discretionary companies.

The overall positioning of the options book is encouraging. We finished the financial year with call option coverage of the portfolio at 29 per cent, which is below our target range of 30 per cent to 40 per cent. This was primarily due to low coverage in companies we recently increased our holdings, in particular, Telstra Group, Woolworths, Woodside and CSL.

The current positioning of the option book gives us flexibility to generate more option income over the next 12 months, while still maintaining exposure to potential capital growth in these companies, which we believe continue to trade at attractive valuations.

Our capacity to match or slightly improve on last year's option income result will largely be a function of our ability to write more call option coverage in the latter part of this calendar year. In addition, option income will continue to be influenced by volatility levels across the broader share market, which can vary depending on investor sentiment, noting it has been in decline (Figure 10) as the market continued to climb higher in recent years.

In terms of the other key component of our earnings, dividend income, we believe the portfolio is well positioned in the coming financial year. Increased holdings in high dividend yielding stocks Telstra Group, Transurban Group, Woodside Energy and BHP should be a positive contributor to our dividend income.

Figure 10: Average Volatility of the Market Financial Years 2020 to 2024



ASX VIX, Source FactSet.

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Overall, we expect modest growth in dividends for the market. In the case of resources, after a significant, albeit expected fall in the dividends paid by BHP and Rio Tinto in the financial year 2024, expectations are for modest dividend growth for financial year 2025.

The financial health of Australian households will have a large influence on the profitability of retail businesses such as Woolworths, Coles, JB Hi-Fi and Wesfarmers. The outlook for consumer spending remains uncertain. Rising cost of living pressures as well as a risk of a rate hike or deferral of interest rate cuts might further soften consumer sentiment, which is already low.

We remain confident about the strength of these companies' balance sheets and the sustainability of dividend payout ratios, but we will monitor their outlook statements in the upcoming August profit reporting season.

Despite the short term uncertainties about the direction of economies and financial markets, we continue to believe Djerrivarrh, with its diversified portfolio of high-quality companies is well positioned to meet its enhanced yield objective as well as delivering capital growth over the long term.

Directorship Matters

Ms Karen Wood retired on 23 January 2024 as a Non-Executive Director of the Company, having been a member of the Board since July 2016.

Ms Rebecca McGrath was appointed as a Non-Executive Director of the Company on the same day, 23 January 2024.

The Board wishes to record its deep thanks to Ms Wood for her contribution to the Board deliberations over the years. The Board has benefited greatly from her deep understanding and invaluable experience.

Rebecca is an experienced professional company Director and Chairman, with substantial international business experience. Rebecca spent 25 years at BP plc, where she held various executive positions, including Chief Financial Officer Australasia and served as a member of BP's Executive Management Board for Australia and New Zealand.

Rebecca is currently a Director of Macquarie Group Limited, Melbourne Business School, the Australian Institute of Company Directors and is Chair of Investa Property Group. Rebecca has also served as a Director of Goodman Group, CSR Limited, Big Sky Credit Union and Incitec Pivot Ltd, and as Chairman of Oz Minerals Limited, Scania Australia Pty Limited and Kifflin Australia.

We are delighted to welcome Rebecca to the Board. As well as bringing her expertise in financial and corporate governance matters, she also has a breadth of experience as a company director and in senior executive leadership across a number of industries. Her depth of knowledge across all aspects of business both in Australia and internationally will be of great assistance to the Board.

Top 20 Investments

As at 30 June 2024

Includes investments held in both the investment and trading portfolios.

Value at Closing Prices at 28 June 2024

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		Total Value \$ Million	% of the Portfolio
1	BHP*	78.0	9.3
2	CSL*	68.5	8.1
3	Telstra Group*	59.8	7.1
4	Macquarie Group*	51.5	6.1
5	Transurban Group*	50.9	6.1
6	Woolworths Group*	48.4	5.8
7	Woodside Energy Group	39.2	4.7
8	EQT Holdings	32.1	3.8
9	Commonwealth Bank of Australia*	30.2	3.6
10	Westpac Banking Corporation*	27.9	3.3
11	Coles Group*	24.5	2.9
12	National Australia Bank*	22.8	2.7
13	Region Group*	20.9	2.5
14	ASX*	19.0	2.3
15	Wesfarmers*	18.4	2.2
16	Mirvac Group*	16.6	2.0
17	Mainfreight	15.3	1.8
18	Rio Tinto*	14.6	1.7
19	Auckland International Airport*	14.2	1.7
20	Mirrabooka Investments	13.4	1.6
Total		666.1	

As percentage of total portfolio value (excludes cash)

79.2%

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

Income Statement

For the Year Ended 30 June 2024

	2024 \$'000	2023 \$'000
Dividends and distributions	36,294	35,613
Revenue from deposits and bank bills	476	118
Total revenue	36,770	35,731
Net gains on trading portfolio	32	93
Income from options written portfolio	16,579	14,829
Income from operating activities	53,381	50,653
Finance costs	(4,242)	(3,541)
Administration expenses	(3,767)	(3,453)
Operating result before income tax	45,372	43,659
Income tax	(5,090)	(4,633)
Net operating result	40,282	39,026
Net capital gains/(losses) on options		
Net gains/(losses) on open options positions	(1,892)	44
Tax expense on above	568	(13)
	(1,324)	31
Profit for the year	38,958	39,057
	Cents	Cents
Net operating result per share	15.35	15.16
Profit for the year per share	14.85	15.18

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Balance Sheet

As at 30 June 2024

	30 June 2024 \$'000	30 June 2023 \$'000
Current assets		
Cash	43,132	789
Receivables	9,755	6,093
Trading portfolio	289	256
Total current assets	53,176	7,138
Non-current assets		
Investment portfolio	844,729	913,798
Deferred tax assets – investment portfolio	-	368
Deferred tax assets – other	-	1,113
Shares in associate	1,773	1,534
Total non-current assets	846,502	916,813
Total assets	899,678	923,951
Current liabilities		
Payables	72	768
Borrowings – cash advance facilities	10,000	93,500
Tax payable	2,378	414
Options sold portfolio	3,915	3,864
Total current liabilities	16,365	98,546
Non-current liabilities		
Deferred tax liabilities – investment portfolio	14,923	-
Deferred tax liabilities – other	234	-
Total non-current liabilities	15,157	-
Total liabilities	31,522	98,546
Net assets	868,156	825,405
Shareholders' equity		
Share capital	760,610	756,573
Revaluation reserve	54,411	47,673
Realised capital gains reserve	(37,690)	(69,601)
Retained profits	90,825	90,760
Total shareholders' equity	868,156	825,405

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Summarised Statement of Changes in Equity

For the Year Ended 30 June 2024

	2024 \$'000	2023 \$'000
Total equity at the beginning of the year	825,405	714,364
Dividends paid	(38,893)	(35,177)
Shares issued – Dividend Reinvestment Plan	4,057	3,872
Shares issued – Share Purchase Plan	-	63,508
Cost of share issues	(20)	(132)
Total transactions with shareholders	(34,856)	32,071
Profit for the year	38,958	39,057
Revaluation of investment portfolio	56,181	57,500
Provision for tax on revaluation	(17,532)	(17,587)
Net revaluation of investment portfolio	38,649	39,913
Total comprehensive income for the year	77,607	78,970
Realised gains on securities sold	34,152	3,947
Tax expense on realised gains on securities sold	(2,241)	(2,540)
Net realised gains on securities sold	31,911	1,407
Transfer from revaluation reserve to realised gains reserve	(31,911)	(1,407)
Total equity at the end of the year	868,156	825,405

A full set of Djerriwarrh's final accounts are available on the Company's website.

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Holdings of Securities

At 30 June 2024

Details of the Company's portfolios are given below. The list should not be used to evaluate portfolio performance or to determine the net asset backing per share (which is advised to the Australian Securities Exchange each month and recorded on the toll free telephone service at 1800 780 784 and posted to Djerriwarrh's website djerri.com.au).

Individual holdings in the portfolios may change significantly during the course of the year. In addition, holdings may be subject to call options or sale commitments by which they may be sold at a price significantly different from the market price prevailing at the time of the exercise or sale. Unless otherwise stated, the securities in this list are fully paid ordinary shares, trust units, stapled securities or convertible notes.

Code	Company Name	Number Held 2023 '000	Number Held 2024 '000	Market Value 2024 \$'000
AIA*	Auckland International Airport	1,594	2,009	14,172
ALQ*	ALS	127	127	1,774
AMH	AMCIL	10,599	10,599	11,659
ANZ*	ANZ Group Holdings	487	239	6,734
ARB*	ARB Corporation	524	292	10,951
ASX*	ASX	360	316	18,951
BHP*	BHP Group	1,498	1,830	78,016
BWP*	BWP Trust	2,744	2,744	9,472
CAR*	CAR Group	907	170	5,965
CBA*	Commonwealth Bank of Australia	581	242	30,203
COH*	Cochlear	30	15	4,834
COL*	Coles Group	1,491	1,444	24,455
CPU*	Computershare	354	333	8,766
CSL*	CSL	188	233	68,490
DMP	Domino's Pizza Enterprises	152	152	5,455
EQT	EQT Holdings	1,002	1,002	32,074
FCL	Fineos Corporation	1,399	1,056	1,785

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Code	Company Name	Number Held 2023 '000	Number Held 2024 '000	Market Value 2024 \$'000
FPH*	Fisher & Paykel Healthcare Corporation	356	286	7,735
GMG*	Goodman Group	950	199	6,892
IEL	IDP Education	0	633	9,594
JBH*	JB Hi-Fi	673	145	8,762
MAQ	Macquarie Technology Group	46	76	7,182
MFT	Mainfreight (NZX listed)	275	248	15,320
MGR*	Mirvac Group	8,897	8,897	16,629
MIN*	Mineral Resources	0	85	4,583
MIR	Mirrabooka Investments	4,215	4,215	13,361
MQG*	Macquarie Group	272	256	51,545
NAB*	National Australia Bank	1,885	638	22,803
NEM*	Newmont Corporation	0	123	7,808
NWL*	Netwealth Group	384	82	1,788
PNI*	Pinnacle Investment Management Group	1,144	275	3,761
POT	Port Of Tauranga (NZX listed)	854	1,684	7,275
PXA*	PEXA Group	292	332	4,563
REA*	REA Group	73	33	6,516
REH*	Reece	730	162	4,075
RGN*	Region Group	8,020	9,930	20,852
RHC*	Ramsay Health Care	102	102	4,848
RIO*	Rio Tinto	95	123	14,623
RMD*	ResMed	288	233	6,761
SEK*	Seek	257	231	4,943
STO*	Santos	1,373	1,373	10,503
TCL*	Transurban Group	3,309	4,111	50,935

Holdings of Securities

At 30 June 2024 continued

Code	Company Name	Number Held 2023 '000	Number Held 2024 '000	Market Value 2024 \$'000
TLS*	Telstra Group	4,612	16,545	59,788
WBC*	Westpac Banking Corporation	2,442	1,036	27,859
WDS	Woodside Energy Group	548	1,391	39,235
WES*	Wesfarmers	833	284	18,437
WOW*	Woolworths Group	739	1,439	48,370
Total				841,103

* Indicates that options were outstanding against part the holding.

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Major Transactions in the Investment Portfolio

Acquisitions	Cost (\$m)
Telstra Group	46.2
Woodside Energy	26.2
Woolworths Group	22.0
BHP	21.0
CSL	15.0
Disposals [#]	Proceeds (\$m)
National Australia Bank	42.2
Commonwealth Bank of Australia	36.2
Westpac Banking Corporation	34.6
Wesfarmers	31.3
JB Hi-Fi	26.6

Because of the exercise of call options.

New Companies Added to the Portfolio

IDP Education

Newmont Corporation (converted due to takeover of Newcrest)

Mineral Resources

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Company Particulars

Djerriwarrh Investments Limited

ABN 38 006 862 693

Directors

Graham B Goldsmith AO, Chairman
Mark Freeman, Managing Director
Bruce R Brook
Kathryn J Fagg AO
Rebecca J McGrath
Geoffrey I Roberts
Alice JM Williams

Company Secretaries

Matthew J Rowe
Andrew JB Porter

Auditor

PricewaterhouseCoopers
Chartered Accountants

Country of Incorporation

Australia

Registered Office and Mailing Address

Level 21, 101 Collins Street
Melbourne Victoria 3000

Contact Details

Telephone (03) 9650 9911
Facsimile (03) 9650 9100
Website djerri.com.au
Email invest@djerri.com.au

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

Telephone 1800 780 784 (toll free)

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Shareholder Information

Share Registrar

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

Shareholder

Enquiry Line 1300 653 915
+61 3 9415 4190
(from overseas)
Facsimile +61 3 9473 2500
Website investorcentre.com/contact

For all enquiries relating to shareholdings, dividends and related matters, please contact the Share Registrar as above.

Securities Exchange Code

DJW Ordinary shares

Annual General Meeting

Time 1.30pm
Date Tuesday 8 October 2024
Venue Westin Hotel,
Location 205 Collins Street
Melbourne 3000

The AGM will be a hybrid meeting with a physical meeting and access via an online platform. Further details are provided in the Notice of Annual General Meeting.

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23 August 2024



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MR JOHN SAMPLE
FLAT 123
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN VIC 3030

Djerriwarrh Investments Limited
ABN 38 006 862 693
Level 21, 101 Collins St
Melbourne VIC 3000
T 03 9650 9911
F 03 9650 9100
invest@djjerri.com.au
djjerri.com.au

Dear Shareholder,

I am pleased to invite you to the 37th Annual General Meeting (AGM) of Djerriwarrh Investments Limited (Djerriwarrh or the Company) which has been scheduled as follows:

Date: Tuesday 8 October 2024

Time: 1.30pm Australian Eastern Daylight Time (AEDT)

The AGM will be held as a hybrid meeting providing shareholders with an opportunity to either attend in person or to participate online.

To attend in person and engage with Directors, shareholders are invited to attend at **The Westin Melbourne, 205 Collins St, Melbourne, Victoria, Australia.**

If shareholders are attending online they must use the Computershare Meeting Platform (AGM Platform) to participate in the meeting. To participate in the meeting, you can log in by entering the following URL <https://meetnow.global/MG49CC7> on your computer, tablet or smartphone.

Shareholders who participate in the AGM online using the online platform are able to ask questions via this platform and vote in real time.

Full details on how to lodge a proxy, attend and participate in the AGM are set out in our Notice of Meeting.

Notice of Meeting

Please visit www.djerri.com.au to view and download our Notice of Meeting, Our Annual Report and other meeting documents are also available on this webpage.

Proxy Form

If you are unable to join us for the AGM, we encourage you to lodge a vote prior to the meeting or, alternatively, to appoint a proxy to attend either in person or virtually, and vote on your behalf. Enclosed with this letter is a hard copy of your Proxy Form which is personalised to you. Please complete the Proxy Form if you would like to appoint a proxy to attend the meeting and vote on your behalf. The Notice of Meeting sets out the various ways in which you can submit the Proxy Form. Please note that for a proxy appointment or direct vote to be effective, it must be received by 1.30pm (AEDT) on Sunday 6 October 2024.

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Questions from shareholders

Shareholders will have a reasonable opportunity to ask questions at the AGM (including an opportunity to ask questions of the Auditor) verbally or via the meeting platform.

As was the case last year, we also welcome shareholder questions in advance of the meeting. These can be submitted using the hard copy form provided with your Proxy Form or via the Computershare platform.

On behalf of the Board, I thank you for your continuing support as a shareholder. We look forward to welcoming you to our hybrid AGM either virtually or in person on 8 October 2024.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Graham Goldsmith', written in a cursive style.

Graham Goldsmith AO
Chairman

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**Australian Equities,
Enhanced Yield**

**Notice of Annual
General Meeting**

2024

The Annual General Meeting of
Djerriwarrh Investments Limited,
ABN: 38 006 862 693 ('Company')
will be held at 1.30pm (AEDT)
on Tuesday 8 October 2024

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BUSINESS OF THE MEETING

The Annual General Meeting of **Djerriwarrh Investments Limited** (ABN: 38 006 862 693, 'Company') will be held at **1.30pm (AEDT)** on **Tuesday 8 October 2024** at **The Westin Melbourne, 205 Collins Street, Melbourne, Victoria, Australia** and via an online AGM platform at **meetnow.global/MG49CC7**.

Shareholders are requested to participate in the AGM in person, via our online AGM platform or via the appointment of a proxy. Further information on how to participate virtually is set out in this Notice and the Online Meeting Guide.

The Company has determined that, for the purpose of voting at the meeting, shares will be taken to be held by those persons recorded on the Company's register at **7.00pm (AEDT)** on **Sunday 6 October 2024**.

Item 1. Financial Statements and Reports

To consider the Directors' Report, Financial Report and Independent Audit Report for the financial year ended 30 June 2024.

(Please note that no resolution will be required to be passed on this matter).

Item 2. Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution (as an ordinary resolution):

"That the Remuneration Report for the financial year ended 30 June 2024 be adopted."

(Please note that the vote on this item is advisory only)

Items 3. to 5. Election and Re-election of Directors

To consider and, if thought fit, to pass the following resolutions (as ordinary resolutions):

3. "That Catherine Brenner, a Director appointed to the Board since the last Annual General Meeting and retiring from office in accordance with Rule 45 of the Constitution, being eligible is elected as a Director of the Company."
4. "That Rebecca McGrath, a Director appointed to the Board since the last Annual General Meeting and retiring from office in accordance with Rule 45 of the Constitution, being eligible is elected as a Director of the Company."
5. "That Bruce Brook, a Director retiring from office in accordance with Rule 46 of the Constitution, being eligible is re-elected as a Director of the Company."

Item 6. Renewal of Proportional Takeover Provisions in the Constitution

To consider and, if thought fit, pass the following resolution (as a special resolution):

"That, pursuant to Sections 136(2) and 648G of the *Corporations Act 2001* (Cth), the proportional takeover provisions in Rules 79 and 80 of the Company's constitution are renewed for a period of three years from the date of this meeting".

By Order of the Board



Matthew Rowe
Company Secretary

23 August 2024

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EXPLANATORY NOTES

The Explanatory Notes below provide additional information regarding the items of business proposed for the Annual General Meeting.

IMPORTANT: Shareholders are urged to direct their proxy how to vote by clearly marking the relevant box for each item on the proxy form.

Please ensure that your properly completed proxy form reaches the share registry by the deadline of 1.30pm (AEDT) on Sunday 6 October 2024.

Where permitted, the Chairman of the meeting intends to vote undirected proxies in favour of all items of business.

Item 1. Financial Statements and Reports

During this item there will be a reasonable opportunity for shareholders to ask questions and comment on the Directors' Report, Financial Report and Independent Audit Report for the financial year ended 30 June 2024. No resolution will be required to be passed on this matter.

Shareholders who have not elected to receive a hard copy of the Company's 2024 Annual Report can view or download it from the Company's website at:

djerri.com.au/Company-Reports.aspx

Item 2. Adoption of Remuneration Report

During this item there will be a reasonable opportunity for shareholders at the meeting to comment on and ask questions about the Remuneration Report which is contained within the 2024 Annual Report.

The vote on the proposed resolution is an advisory one.

Voting Exclusions on Item 2

Pursuant to Sections 250BD and 250R of the *Corporations Act 2001* (Cth), votes may not be cast, and the Company will disregard any votes cast, on the resolution proposed in Item 2 ('Resolution 2'):

- by or on behalf of any member of the key management personnel of the Company (a 'KMP member') whose remuneration details are included in the Remuneration Report or any of their closely related parties; or
- as a proxy by a person who is a KMP member at the date of the meeting or any of their closely related parties, unless the votes are cast:
- as a proxy for a person who is entitled to vote on Resolution 2 in accordance with a direction in the proxy appointment; or
- by the Chairman of the Annual General Meeting as a proxy for a person who is entitled to vote on Resolution 2 in accordance with an express authorisation in the proxy appointment to cast the votes even though Resolution 2 is connected directly or indirectly with the remuneration of a KMP member.

If the Chairman of the Annual General Meeting is appointed, or taken to be appointed, as a proxy, the shareholder can direct the Chairman to vote for or against, or to abstain from voting on, Resolution 2 by marking the appropriate box opposite Item 2 on the proxy form.

For the purposes of these voting exclusions, a 'closely related party' of a KMP member means (1) a spouse or child of the KMP member, (2) a child of the KMP member's spouse, (3) a dependant of the KMP member or of the KMP member's spouse, (4) anyone else who is one of the KMP member's family and may be expected to influence the KMP member, or be influenced by the KMP member, in the KMP member's dealings with the Company, or (5) a company the KMP member controls.

The Company will also apply these voting exclusions to persons appointed as attorney by a shareholder to attend and vote at the Annual General Meeting under a power of attorney, as if they were appointed as a proxy.

Pursuant to Sections 250BD(2) and 250R(5) of the *Corporations Act 2001*, if the Chairman of the meeting is a proxy and the relevant shareholder does not mark any of the boxes opposite Item 2, the relevant shareholder will be expressly authorising the Chairman to exercise the proxy in relation to Item 2.

Board recommendation: Noting that each director has a personal interest in their own remuneration from the Company, as described in the Remuneration Report, the Board unanimously recommends that shareholders vote IN FAVOUR of this resolution.

Items 3. to 5. Election and Re-election of Directors

Ms Catherine Brenner and Ms Rebecca McGrath were appointed to the Board on 23 August and 23 January 2024 respectively and so are required to seek election by shareholders for the first time at this AGM. Mr Bruce Brook was elected as a Director by shareholders at the 2021 AGM, as such he is required to seek re-election by shareholders at this AGM. Their biographical details are set out below:

Catherine Brenner
Independent Non-Executive Director
(BEc LLB MBA FAICD)

Catherine has extensive business experience and has held executive and non-executive roles across many sectors. Catherine is currently Chair of Australian Payments Plus (BPAY, eftpos, NPP, ConnectID) and a non-executive director of Scentre Group Limited, Carindale Property Trust, The George Institute for Global Health and Australian Schools Plus. Catherine was previously non-executive Chair of AMP Limited and a non-executive Director of Boral Limited and Coca-Cola Amatil Limited. She was also a Trustee of the Sydney Opera House Trust and the Art Gallery of NSW and a member of the Takeovers Panel. During her executive career, Catherine was a senior investment banker.

EXPLANATORY NOTES

continued

Rebecca McGrath

Independent Non-Executive Director
BTP (hons) (UNSW), MAppSc (ProjMgt) (RMIT), FAICD

Member of the Investment Committee

Ms McGrath was appointed to the Board in January 2024. Rebecca is an experienced professional company director and Chairman, with substantial international business experience. She spent 25 years at BP plc, where she held various executive positions, including Chief Financial Officer Australasia and served as a member of BP's Executive Management Board for Australia and New Zealand. Rebecca is currently a director of Macquarie Group Limited, Melbourne Business School, the Australian Institute of Company Directors and is Chair of Investa Property Group. She has also served as a director of Goodman Group, CSR Limited, Big Sky Credit Union and Incitec Pivot Ltd, and as Chairman of Oz Minerals Limited, Scania Australia Pty Limited and Kilfinan Australia.

Bruce Brook

Independent Non-Executive Director
Bcom, BAcc, FCA, MAICD

Member of the Investment and Nomination Committees

Mr Bruce Brook joined the Board on 1 August 2021. Mr Brook is a Non-Executive Director of Incitec Pivot Limited and Newmont Corporation. Mr Brook was formerly a Non-Executive Director of CSL Limited. During his executive career, Mr Brook was the Chief Financial Officer of Western Mining Corporation Resources Limited and Deputy Chief Financial Officer of the Australia & New Zealand Banking Group.

Board recommendation and undirected proxies: The Board (with the exceptions of Ms Brenner, Ms McGrath and Mr Brook in relation to their own election and re-election) recommends that shareholders vote IN FAVOUR of these resolutions, and the Chairman of the meeting intends to vote any undirected proxies IN FAVOUR of these resolutions.

Further information regarding the Company's corporate governance arrangements and the Board's role can be found on the Company's website at:

djerricom.au/Corporate-Governance

Item 6. Renewal of Proportional Takeover Provisions in the Constitution Background

The *Corporations Act 2001* (Cth) permits a company to include rules in its Constitution which enable the company to refuse to register a transfer of shares resulting from a proportional takeover bid unless shareholders in the bid class in a meeting approve the takeover bid.

It is a requirement of the Corporations Act that such proportional takeover approval provisions in a company's constitution apply for a maximum period of three years, unless earlier renewed. In the case of the Company, such proportional takeover approval provisions (existing Rules 79 and 80 of the Company's constitution) were approved by shareholders at the 2021 AGM and will expire on 9 October 2024.

The Directors consider that it is in the best interests of shareholders to renew these provisions in their existing form. Accordingly, a special resolution is being put to shareholders under Section 648G of the Corporations Act to renew Rules 79 and 80 of the Company's constitution.

If approved by shareholders at the meeting, Rules 79 and 80 will operate for three years from the date of the meeting (that is, until 8 October 2027) unless renewed earlier.

Proportional Takeover Bids

A proportional takeover bid involves the bidder offering to buy a proportion only of each shareholder's shares in the target company.

This means that control of the target company may pass without members having the chance to sell all their shares to the bidder. It also means the bidder may acquire control of the target company without paying an adequate premium for gaining control.

To address this possibility, a company may provide in its Constitution that, in the event of a proportional takeover bid being made for shares in the company, the directors must convene a meeting of shareholders to vote on a resolution to approve that bid.

A meeting convened under the proportional takeover approval provisions is treated as a general meeting of the company and the majority decision of the company's members will be binding on all individual members.

Effect of Proposed Proportional Takeover Approval Provisions

Where a proportional takeover bid is made, the Directors must convene a meeting of shareholders to vote on a resolution to approve the proportional bid before the 14th day prior to the closing of the bid period.

The vote is decided on a simple majority. Each person who, as at the end of the day on which the first offer under the takeover bid was made, held bid class shares is entitled to vote. Neither the bidder nor its associates are entitled to vote on the resolution.

If a meeting is not held, Section 648E of the Corporations Act deems a resolution approving the proportional bid to have been passed thereby allowing the proportional bid to proceed. Further, the Directors will contravene the Act if they fail to ensure a resolution to approve the bid is voted on.

If the resolution is rejected, the registration of any transfer of shares resulting from that proportional takeover bid will be prohibited and the bid will be deemed to be withdrawn. If the resolution is passed or deemed to have been passed, the transfer of shares resulting from acceptance of an offer under that bid will be permitted and the transfer of shares will be registered provided they comply with the other provisions of the Constitution.

Rules 79 and 80 will not apply to full takeover bids.

Reason for proposing the resolution

The Directors consider that the renewal of Rules 79 and 80 is in the best interests of all shareholders of the Company. In the Directors' view, shareholders should have the opportunity to vote on a proposed proportional takeover bid.

In the absence of Rules 79 and 80 (as renewed), a proportional takeover bid for the Company may enable effective control of the Company to be acquired by a party who has not offered to acquire 100% of the Company's shares (and, therefore, has not offered to pay a 'control premium' that reflects 100% ownership).

As a result, if a proportional takeover bid for the Company is made:

- shareholders may not have the opportunity to dispose of all their shares; and
- shareholders risk being locked into a minority position in the Company or suffering loss following such a change of control if the bid causes a decrease in the market value of shares.

If Rules 79 and 80 are renewed, the Board considers that this risk will be minimised by enabling shareholders to decide whether or not a proportional takeover bid should be allowed to proceed.

Present Acquisition Proposals

As at the date of this notice, the Directors are not aware of any proposal by any person to acquire, or increase the extent of, a substantial interest in the Company.

Review of Proportional Takeover Approval Provisions

The Corporations Act requires these explanatory notes to discuss retrospectively the potential advantages and disadvantages of the proportional takeover approval provisions for both Directors and shareholders.

While the proportional takeover approval provisions have been in effect, there have been no takeover bids for the Company – either proportional or otherwise. So there are no actual examples against which to review the advantages and disadvantages of the existing proportional takeover approval provisions for the Directors and shareholders of the Company. The Directors are not aware of any potential takeover bid which was discouraged by Rules 79 and 80.

Advantages and Disadvantages

In addition to looking at the provisions retrospectively, the Corporations Act also requires these explanatory notes to discuss the potential future advantages and disadvantages of the proposed proportional takeover approval provisions for both Directors and shareholders.

The Directors consider that there are no advantages or disadvantages for the Directors in renewing the proposed proportional takeover approval provisions. In particular, there is no restriction on their ability to make a recommendation on whether a proportional takeover bid should be accepted.

For shareholders, the potential advantage of renewing the proportional takeover approval provisions is that they provide shareholders with the opportunity to consider, discuss in a meeting called specifically for the purpose, and vote on whether a proportional takeover bid should be approved. This ensures that shareholders have an opportunity to have a say in the future ownership and control of the Company. The Directors believe that this would encourage any future proportional bids to be structured so as to be attractive to a majority of shareholders. It may also discourage the making of a proportional takeover bid that might be considered opportunistic. Finally, knowing the view of a majority of the shareholders may help each individual shareholder to assess the likely outcome of the proportional takeover bid and decide whether or not to accept an offer under the bid.

A potential disadvantage for shareholders arising from renewing the proportional takeover approval provisions is that they may discourage proportional takeover bids being made and may reduce any speculative element in the market price of the Company's shares arising from the possibility of a proportional bid being made. As a result, shareholders may not have the opportunity to dispose of a portion of their shares at an attractive price where the majority rejects an offer from a party seeking control of the Company.

The Directors consider that the potential advantages for shareholders of the proposed proportional takeover approval provisions outweigh the potential disadvantages.

Shareholder Approval

To pass as a special resolution, this item of business requires the support of 75% or more of the votes cast on the resolution.

Board recommendation and undirected proxies: The Board recommends that shareholders vote IN FAVOUR of Item 6. The Chairman of the meeting intends to vote undirected proxies IN FAVOUR of Item 6.

SHAREHOLDER INFORMATION

Shareholders and Proxyholders have two options for participating at the AGM:

In person

Online via the Computershare Meeting Platform (access via meetnow.global/MG49CC7)

In Person

The AGM will be held at The Westin Melbourne, 205 Collins St, Melbourne, Victoria.

Via the Online Platform

If shareholders are attending online, they must use the Computershare Meeting Platform to participate in the meeting.

To participate in the meeting, you can log in by entering the following URL meetnow.global/MG49CC7 on your computer, tablet, or smartphone.

Online registration will open one hour before the meeting.

To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready. Proxyholders will need to contact Computershare prior to the meeting to obtain their login details.

To participate in the meeting online follow the instructions below.

1. Click on 'Join Meeting Now'.
2. Enter your SRN/HIN. Proxyholders will need to contact Computershare on +61 3 9415 4024 one hour prior to the meeting to obtain their login details.
3. Enter your postcode registered to your holding if you are an Australian securityholder. If you are an overseas securityholder select the country of your registered holding from the drop-down list.
4. Accept the Terms and Conditions and 'Click Continue'.

A detailed guide on how to participate virtually is set out in the Online Meeting Guide (computershare.com.au/virtualmeetingguide) or on our website at djerri.com.au. This Guide explains how you can ensure your browser is compatible with the online platform, as well as a step-by-step guide to successfully log in and navigate the site.

Voting Options for the AGM

- Voting in person at the meeting
- Direct voting via the online AGM platform during the AGM
- Appointing a proxy

All Resolutions Will be Conducted by Poll

As some shareholders may participate virtually in the Meeting each resolution considered at the Meeting will be conducted by a poll. The Board considers voting by poll to be in the interests of the shareholders as a whole and ensures the views of as many shareholders as possible are represented at the Meeting.

Direct Voting Via Online AGM Platform – During the AGM

In accordance with the Company's Constitution ('Constitution'), the Directors have determined that at the AGM, a shareholder who is entitled to vote on a resolution at the AGM is entitled to a direct vote in respect of that resolution and have approved the use of the online AGM platform as the means by which shareholders can deliver their direct vote in real time during the AGM.

Shareholders can participate in the AGM via the online AGM platform and will be able to vote directly through the online platform in real time. Shareholders and proxyholders can vote directly online at any time between the start of the AGM at 1.30pm (AEDT) and the closure of voting as announced by the Chairman during the Meeting.

More information regarding direct voting during the AGM is detailed in the Online Meeting Guide available on our website djerri.com.au.

Proxies

If you cannot attend the meeting in person or online at the scheduled time, you can participate in the AGM by appointing a proxy to attend and vote at the AGM. Shareholders can appoint a proxy on the enclosed Proxy Form.

1. A shareholder entitled to attend and vote at this meeting is entitled to appoint not more than two proxies (who need not be members of the Company) to attend, vote and speak in the shareholder's place and to join in any demand for a poll.
2. A shareholder who appoints two proxies may specify a proportion or number of the shareholder's votes each proxy is appointed to exercise. Where no such specification is made, each proxy may exercise half of the votes (any fractions of votes resulting from this are disregarded).
3. Proxy forms may be lodged online by visiting investorvote.com.au or by scanning the QR Code on the proxy form with a mobile device.
4. Relevant custodians may lodge their proxy forms online by visiting intermediaryonline.com
5. Proxy forms and any authorities (or certified copies of those authorities) under which they are signed may be also delivered, by mail or by fax to the Company's Share Registry (see details below) no later than 48 hours before the meeting, being 1.30pm (AEDT) on Sunday 6 October 2024. Further details are on the proxy form.
6. A proxy need not vote in that capacity on a poll (unless the proxy is the Chairman of the meeting). However, if the proxy's appointment specifies the way to vote on a resolution, and the proxy decides to vote in that capacity on that resolution, the proxy must vote the way specified (subject to the other provisions of this Notice, including the voting exclusions noted above).

For personal use only

7. In certain circumstances the Chairman of the meeting will be taken to have been appointed as the proxy of the relevant shareholder in respect of the meeting or the poll on that resolution even if the shareholder has not expressly appointed the Chairman of the meeting as their proxy. This will occur where:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution; and
- the appointed proxy is not the Chairman of the meeting; and
- at the meeting, a poll is called on the resolution; and
- either of the following apply:
 - if a record of attendance is made for the AGM and the proxy is not recorded as attending
 - the proxy does not vote on the resolution.

Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the meeting. Evidence of the appointment of a corporate representative must comply with Section 250D of the *Corporations Act 2001* and be lodged with the Company before the AGM.

Attorneys

A shareholder may appoint an attorney to vote on their behalf. To be effective for the meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the deadline for the receipt of proxy forms (see above), being no later than 48 hours before the meeting.

Questions from Shareholders

We welcome shareholders' questions at the meeting. However, in the interests of all attending the meeting, we request that shareholders confine their questions to matters before the meeting that are relevant to shareholders as a whole.

For shareholders present at the meeting, you will have the opportunity to ask questions from the floor.

For shareholders attending online at **meetnow.global/MG49CC7** then follow the instructions in the platform on how to ask a question. Please note, only shareholders may ask questions online.

Shareholders who are unable to attend the meeting or who prefer to register questions in advance are invited to use the question form included with their proxy form or via the Computershare platform. The deadline for receipt of questions to be considered at the AGM is 24 September 2024. During the course of the meeting, the Chairman will endeavour to address the themes most frequently raised in the submitted question forms. Please note that individual responses will not be sent to shareholders.

Share Registry

The Company's Share Registry details are as follows:

Computershare Investor Services Pty Ltd

Postal Address

GPO Box 242, Melbourne VIC 3001

Street Address

Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067

Telephone

1300 653 915 (within Australia)
0800 333 501 (within New Zealand)
+61 3 9415 4190 (outside Australia)

Facsimile

1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

Internet

investorcentre.com/contact

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Need assistance?



Phone

1300 653 915 (within Australia)
+61 3 9415 4190 (outside Australia)



Online

www.investorcentre.com/contact

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SAM

MR JOHN SMITH 1

FLAT 123

123 SAMPLE STREET

THE SAMPLE HILL

SAMPLE ESTATE

SAMPLEVILLE VIC 3030



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **1.30pm (AEDT) Sunday 6 October 2024**.

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions. Each resolution considered at the meeting will be conducted by a poll.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is:



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

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MR JOHN SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.



I 1234567890

I N D

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a proxy to vote on your behalf

XX

I/We being a shareholder/s of DJERRIWARRH INVESTMENTS LIMITED hereby appoint

the Chairman of the meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the meeting. Do not insert your own name(s).

or failing the individual or body corporate named in relation to the meeting generally or in relation to a poll on a given resolution, or if no individual or body corporate is named, the Chairman of the meeting, as my/our proxy to act generally at the meeting or in relation to a poll on the given resolution (as applicable) on my/our behalf, including to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of **Djerriwarrh Investments Limited** held at **The Westin Melbourne, 205 Collins St, Melbourne, Victoria, Australia and via an online platform at 1.30pm (AEDT) on Tuesday 8 October 2024** and at any adjournment or postponement of that meeting.

Chairman to vote undirected proxies in favour: I/We acknowledge that the Chairman of the meeting intends to vote undirected proxies in favour of each item of business, to the extent permitted by law.

Chairman authorised to exercise proxies on remuneration related matters: If I/we have appointed the Chairman of the meeting as my/our proxy (or the Chairman of the meeting becomes my/our proxy by default), I/we expressly authorise the Chairman of the meeting (to the extent permitted by law) to exercise my/our proxy in respect of item 2 even though the item is connected directly or indirectly with the remuneration of a member of key management personnel of Djerriwarrh Investments Limited, which includes the Chairman of the meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Item 2	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Election of Director - Ms Catherine Brenner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Election of Director - Ms Rebecca McGrath	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	Re-election of Director - Mr Bruce Brook	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6	Renewal of Proportional Takeover Provisions in the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Board recommendations and undirected proxies: The Board recommends shareholders vote in favour of each item of business. The Chairman of the meeting intends to vote undirected proxies in favour of each item of business, to the extent permitted by law.

SIGN Signature of Shareholder(s) *This section must be completed.*

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____ Date ____/____/____

D J W

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