

Australia & International Holdings Limited

ABN 98 009 706 414

Interim Financial Report

for the half-year ended 31 December 2022

Australia & International Holdings Limited
Corporate Directory
31 December 2022

Directors	Roger J Burrell Gregory John Vickery Christopher T Burrell Steven Pritchard
Company secretary	Ian F Davey Saskia Jo
Registered office	Level 4, 24 Little Edward Street Spring Hill QLD 4000 Phone: 61 7 3006 7200 Fax: 61 7 3839 6964
Principal place of business	Level 4, 24 Little Edward Street Spring Hill QLD 4000
Share register	Newcastle Capital Markets Registries Pty Limited 10 Murray Street Hamilton NSW 2303 Telephone: 61 2 4920 2877 Facsimile: 61 2 4920 2878
Auditor	PKF Brisbane Audit Level 6, 10 Eagle Street Brisbane QLD 4000
Bankers	DDH Graham Limited 18th Floor, 344 Queen Street Brisbane QLD 4000
Stock exchange listing	Australia & International Holdings Limited shares are listed on the National Stock Exchange (NSX code: AID)
Website	http://www.burrell.com.au

Australia & International Holdings Limited
Directors' Report
For the half-year ended 31 December 2022

The directors present their report, together with the financial statements of Australia & International Holdings Limited (the Company) for the half-year ended 31 December 2022.

Directors

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

Roger J Burrell
 Gregory John Vickery
 Christopher T Burrell
 Steven Pritchard

Principal Activities

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

Dividends

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

Final dividend

	31-Dec-22	31-Dec-21
	\$	\$
Final dividend paid	<u>91,396</u>	<u>74,586</u>
Year ended	30/06/2022	30/06/2021
Cents per share	5.5 ¢	4.5 ¢
Franking %	100%	80%
Date paid	14/10/2022	3/11/2021

Review of operations

	31-Dec-22	31-Dec-21
	\$	\$
Net profit for the Company for the half year after providing for income tax	<u>85,102</u>	<u>128,085</u>

Overview

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

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Directors' Report
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Market Overview

The Australian domestic market delivered gains for the six month period to 31 December 2022. The S&P/ASX200 Accumulation Index was up 9.8% from the start of the financial year. Over the twelve month calendar year period, the index was slightly down 1.1%. The main driver of markets globally has been the advent of rising interest rates in an attempt to fight rising inflation after a lengthy period of easy monetary policy. Already high valuations amongst market constituents coupled with supply chain constraints, staffing shortages and wage inflation continued to dampen investors' expectations for company earnings going forward. Energy, Mining & Materials and Utilities were the best performing sectors over the six and twelve month period to 31 December 2022.

On the global front, the US Federal Reserve, BoE and ECB all continued on an interest rate hiking path and also looked to continue unwinding their bloated balance sheets. The MSCI World Net Index (AUD) finished the calendar year down 12.5%. Investor uncertainty has increased and many have turned their focus to company fundamentals such as balance sheet strength, debt levels, pricing power and operating cash flow in an effort to mitigate and manage portfolio risk. As a result, profits have been taken in the portfolio where valuations have overrun and overall cash weightings have been increased in order to take advantage of opportunities that may arise early in the new year.

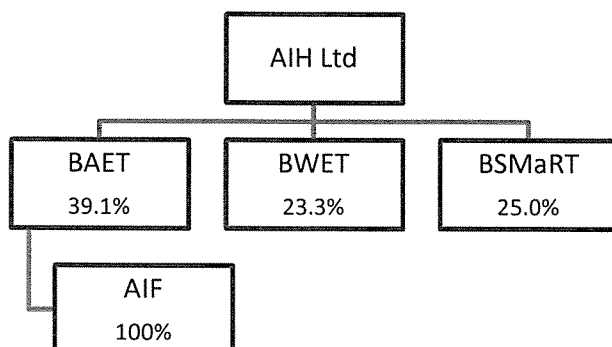
Structure

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

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

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As at 31 December 2022, approximately 86.6% of AIH's investment portfolio comprised of investments in BAET, BWET and BSMaRT in the percentages of 53.2%, 21.8% and 11.6% respectively. This was achieved through the following ownership structure, whereby AIH owned 39.1% of the units on issue in BAET, 23.3% of the units on issue in BWET and 25.0% of the units on issue in BSMaRT.



Performance Outcomes

Net Return

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

Net returns to shareholders for the half-year ended	31-Dec-22 %	31-Dec-21 %
Post-tax return	5.76	2.36
Pre-tax return	6.27	2.14

Gross Returns

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

The performances of the individual portfolios that the Company invested in for the half-year ended 31 December 2022 and the comparative period are shown in the table below. These returns are expressed on a pre-tax basis and are defined as the movement for the period in the net asset values of the portfolios.

	31-Dec-22 %	31-Dec-21 %
Burrell Australian Equities Trust (excl. AIF)	8.9	3.7
Burrell Australian Equities Trust (incl. AIF)	8.9	3.7
Burrell World Equities Trust	6.5	6.1
Burrell Small-cap, Mid-cap and Resources Trust	13.3	3.1
Australian All Ordinaries Accumulation Index	9.7	4.6
Australian Small Ordinaries Accumulation Index	7.0	5.5
MSCI World Index ex Australia (in AUD terms)	3.5	10.8

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

	31-Dec-22	31-Dec-21
	%	%
Energy	5.6	9.6
Materials	16.9	14.2
Industrials	6.6	3.9
Consumer discretionary	6.0	4.8
Consumer staples	3.8	4.3
Financials	38.4	36.0
Real estate investment trusts	0.4	1.8
Managed funds and LICs	6.7	9.1
Exchange traded funds	-	0.7
Health care	7.9	6.8
Information technology & telecoms	6.7	7.9
Utilities	1.0	0.9

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

	31-Dec-22	31-Dec-21
	%	%
Australia & New Zealand	78.6	77.0
Americas	6.3	5.8
United Kingdom	0.2	-0.1
Europe excl. United Kingdom	2.5	2.2
Asia Pacific excl. Australia	0.8	0.9
Global	11.6	14.0

Securities representing 5% or more of the combined investments and trading portfolio as at 31 December 2022 are:

	31-Dec-22	31-Dec-21
	% of portfolio	% of portfolio
Commonwealth Bank of Australia	8.0	10.3

Net Asset Value per Share

	31-Dec-22	30-Jun-22
Net Asset Value per share post- tax	\$3.16	\$3.04
Net Asset Value per share pre- tax	\$3.42	\$3.27

Earnings Per Share

	31-Dec-22	31-Dec-21
Earnings Per Share based on the net operating result (cents)	5.07 c	7.73 c

Significant changes in the state of affairs

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

Australia & International Holdings Limited
Directors' Report
For the half-year ended 31 December 2022

Matters subsequent to the end of the financial half-year

The ongoing Russia-Ukraine conflict continues to support firmer energy and commodity prices. Further supporting this thematic is the re-opening of China post- COVID which is expected to increase commodity demand in 2023. The pending "mortgage repayment reset" is an overhang for Australian banks and overall consumer confidence currently. However, Australia's unemployment rate remains at historically low levels. Half-yearly earnings season has been so far mixed and corporate activity has remained elevated and expected to continue into 2023.

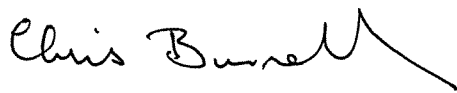
No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6.

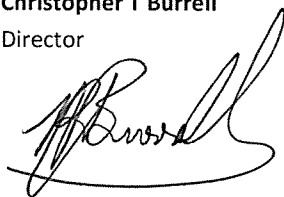
This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Christopher T Burrell

Director



Roger J Burrell

Director

8 March 2023

Brisbane

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

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2022, there have been:

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



PKF BRISBANE AUDIT



LIAM MURPHY
PARTNER

8 MARCH 2023
BRISBANE

Australia & International Holdings Limited
Index to the condensed financial statements
For the half-year ended 31 December 2022

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General information

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

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

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

Level 4, 24 Little Edward Street
Brisbane QLD 4000

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

The financial report was authorised for issue, in accordance with a resolution of directors, on 8 March 2023. The directors have the power to amend and reissue the financial report.

Australia & International Holdings Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022

	Note	31-Dec-22 \$	31-Dec-21 \$
Continuing operations			
Revenue	4	116,385	183,264
Expenses			
Accounting and audit fees		(7,810)	(8,173)
Legal expenses		(1,998)	(3,279)
Listing fees		(4,963)	(4,964)
Managed portfolio service fees		(1,814)	(2,049)
Secretarial expenses		(6,237)	(6,545)
Stock exchange fees		(6,955)	(7,800)
Other expenses		<u>(1,332)</u>	<u>(884)</u>
Profit before income tax expense		<u>85,276</u>	<u>149,570</u>
Income tax expense		<u>(174)</u>	<u>(21,485)</u>
Profit after income tax expense for the half-year attributable to the owners of Australia & International Holdings Limited		85,102	128,085
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Unrealised changes in the value of equity investments at fair value		182,771	(716)
Realised net fair value gain(loss) on equity investments at fair value		<u>42,245</u>	<u>(11,951)</u>
Other comprehensive income for the half-year, net of tax		<u>225,016</u>	<u>(12,667)</u>
Total comprehensive income for the half-year attributable to the owners of Australia & International Holdings Limited		<u><u>310,118</u></u>	<u><u>115,418</u></u>
		Cents	Cents
Basic earnings per share	10	5.07 ¢	7.73 ¢
Diluted earnings per share	10	5.07 ¢	7.73 ¢

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

Australia & International Holdings Limited
Statement of financial position
As at 31 December 2022

	Note	31-Dec-22 \$	30-Jun-22 \$
Assets			
Current assets			
Cash and cash equivalents	5	300,368	113,574
Prepayments		8,953	-
Trade and other receivables		93,694	126,490
Total current assets		<u>403,015</u>	<u>240,064</u>
Non-current assets			
Financial assets	6	5,605,639	5,223,190
Total non-current assets		<u>5,605,639</u>	<u>5,223,190</u>
Total assets		<u>6,008,654</u>	<u>5,463,254</u>
Liabilities			
Current liabilities			
Trade and other payables		2,754	2,320
Provision for income tax		19,148	18,974
Total current liabilities		<u>21,902</u>	<u>21,294</u>
Non-current liabilities			
Deferred tax liability		464,797	386,467
Total non-current liabilities		<u>464,797</u>	<u>386,467</u>
Total liabilities		<u>486,699</u>	<u>407,761</u>
Net assets		<u>5,521,955</u>	<u>5,055,493</u>
Equity			
Issued capital	7	4,264,869	4,017,129
Reserves		811,876	586,860
Retained profits		445,210	451,504
Total equity		<u>5,521,955</u>	<u>5,055,493</u>

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

Australia & International Holdings Limited
Statement of changes in equity
For the half-year ended 31 December 2022

	Note	Contributed equity \$	Other Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2021		4,004,020	902,784	369,822	5,276,626
Profit after income tax (expense)/benefit for the half-year		-	-	128,085	128,085
Other comprehensive income for the half-year, net of tax		-	(12,667)	-	(12,667)
Total comprehensive income for the half-year		-	(12,667)	128,085	115,418
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs		7,869	-	-	7,869
Dividends paid	8	-	-	(74,586)	(74,586)
Balance at 31 December 2021		<u>4,011,889</u>	<u>890,117</u>	<u>423,321</u>	<u>5,325,327</u>
	Note	Contributed equity \$	Other Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2022		4,017,129	586,860	451,504	5,055,493
Profit after income tax (expense)/benefit for the half-year		-	-	85,102	85,102
Other comprehensive income for the half-year, net of tax		-	225,016	-	225,016
Total comprehensive income for the half-year		-	225,016	85,102	310,118
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	7	247,740	-	-	247,740
Dividends paid	8	-	-	(91,396)	(91,396)
Balance at 31 December 2022		<u>4,264,869</u>	<u>811,876</u>	<u>445,210</u>	<u>5,521,955</u>

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

Australia & International Holdings Limited
Statement of cash flows
For the half-year ended 31 December 2022

	Note	31-Dec-22	31-Dec-21
		\$	\$
Cash flows from operating activities			
Dividends received		9,450	32,533
Interest received		1,901	57
Trust distributions received from related parties		137,829	101,199
Payments to suppliers		(40,062)	(47,472)
Income taxes paid		(23)	-
		<u>109,095</u>	<u>86,317</u>
Cash flows from investing activities			
Payments for financial assets		(126,897)	-
Proceeds from sale of financial assets		47,795	7,148
		<u>(79,102)</u>	<u>7,148</u>
Cash flows from financing activities			
Proceeds from the issue of shares		247,740	7,869
Dividends paid		(90,939)	(74,423)
		<u>156,801</u>	<u>(66,554)</u>
Net cash from/(used in) financing activities		<u>156,801</u>	<u>(66,554)</u>
Net increase in cash and cash equivalents		186,794	26,911
Cash and cash equivalents at the beginning of the half-year		<u>113,574</u>	<u>9,104</u>
Cash and cash equivalents at the end of the half-year	5	<u><u>300,368</u></u>	<u><u>36,015</u></u>

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

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2022

Note 1. Significant accounting policies

Statement of compliance

These general purpose financial statements for the half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Australia & International Holdings Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2022, together with any public announcements made during the following half-year.

Basis of preparation

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the year ended 30 June 2022. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Investments in Associates

AASB 128 – Investments in Associates

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

Investments in the Trusts

At the end of the half-year the Company held investments in the Burrell Australian Equities Trust, the Burrell World Equities Trust and the Burrell Smallcaps Midcaps and Resources Trust ("the Trusts") representing 39.11%, 23.28% and 25.01% respectively of the units on issue of each trust. This would normally mean that the investments by the Company in these entities be accounted for by adopting the AASB 128 *Investments in Associates* Accounting Standard. However, the directors have considered the nature of the company's investment in the Trusts and determined the Company does not have significant influence. Accordingly, the Company, as an investor, has adopted the accounting treatment under AASB 9 and recorded the investments as 'financial assets at fair value through other comprehensive income'. This has been done because all three trusts are investment vehicles which invest in the shares of listed companies and managed funds and these assets held by the trusts are accounted for as 'financial assets at fair value through other comprehensive income' assets. Therefore, the Company has 'looked through' to the nature of its underlying assets and applied the same accounting treatment to maintain consistency and avoid confusion to the readers of these financial statements. It should be noted that the affect on the net assets of the Company under equity accounting and the current treatment is the same.

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2022

Note 2. Critical accounting judgements, estimates and assumptions

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

Note 3. Operating segments

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

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2022

Note 3. Operating segments (continued)

Operating segment information

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

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2022

Note 3. Operating segments (continued)

	Australian Large-cap Long-Term Shares	Australian Small-Mid- cap Shares	Overseas Long-Term Shares	Intersegment eliminations/ unallocated	Total
31 December 2021	\$	\$	\$	\$	\$
Revenue					
Dividend income	32,533	-	-	-	32,533
Interest revenue	57	-	-	-	57
Trust distributions from related parties	110,069	15,452	25,153	-	150,674
Total revenue	<u>142,659</u>	<u>15,452</u>	<u>25,153</u>	<u>-</u>	<u>183,264</u>
Segment result	<u>142,659</u>	<u>15,452</u>	<u>25,153</u>	<u>(33,694)</u>	<u>149,570</u>
Profit/(loss) before income tax benefit	<u>142,659</u>	<u>15,452</u>	<u>25,153</u>	<u>(33,694)</u>	<u>149,570</u>
Income tax benefit					(21,485)
Profit after income tax benefit					<u>128,085</u>
Assets					
Segment assets	3,781,310	655,365	1,408,015	45,798	5,890,488
Intersegment eliminations					-
Total assets					<u>5,890,488</u>
Liabilities					
Segment liabilities	387,840	(1,693)	143,199	35,815	565,161
Total liabilities					<u>565,161</u>

Note 4. Revenue

	31-Dec-22 \$	31-Dec-21 \$
Dividends	9,450	32,533
Interest	1,901	57
Trust distributions from related parties	105,034	150,674
Revenue	<u>116,385</u>	<u>183,264</u>

Note 5. Current assets - cash and cash equivalents

	31-Dec-22 \$	30-Jun-22 \$
Cash and cash equivalents	<u>300,368</u>	<u>113,574</u>

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2022

Note 6. Non-current assets - financial assets

	31-Dec-22	30-Jun-22
	\$	\$
Non-Current		
Equity investments at fair value	5,605,639	5,223,190
	<u>5,605,639</u>	<u>5,223,190</u>

Reconciliation

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

Opening fair value	5,223,190	5,713,862
Additions	126,897	15,452
Disposals	(5,550)	(29,382)
Revaluation increments/(decrements)	261,102	(476,742)
Closing fair value	<u>5,605,639</u>	<u>5,223,190</u>

Note 7. Equity - issued capital

	31-Dec-22	30-Jun-22	31-Dec-22	30-Jun-22
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>1,748,367</u>	<u>1,662,189</u>	<u>4,264,869</u>	<u>4,017,129</u>

Movements in ordinary share capital

	Date	No. of shares	Issue price	\$
Balance	30 Jun 2022	1,662,189		4,017,129
Dividend reinvestment plan	14 Oct 2022	3,063	\$3.09	9,522
DRP cost				(1,643)
Non-renounceable Entitlement Offer	28 Nov 2022	83,115	\$2.94	244,358
Entitlement Offer Cost				(4,497)
Balance	31 Dec 2022	<u>1,748,367</u>		<u>4,264,869</u>

Note 8. Equity - dividends

Dividends

Final dividend

	31-Dec-22	31-Dec-21
	\$	\$
Final dividend paid	<u>91,396</u>	<u>74,586</u>

Year ended	30/06/2022	30/06/2021
Cents per share	5.5 ¢	4.5 ¢
Franking %	100%	80%
Date paid	14/10/2022	3/11/2021

Australia & International Holdings Limited
Notes to the financial statements
For the half-year ended 31 December 2022

Note 9. Events after the reporting period

The ongoing Russia-Ukraine conflict continues to support firmer energy and commodity prices. Further supporting this thematic is the re-opening of China post- COVID which is expected to increase commodity demand in 2023. The pending "mortgage repayment reset" is an overhang for Australian banks and overall consumer confidence currently. However, Australia's unemployment rate remains at historically low levels. Half-yearly earnings season has been so far mixed and corporate activity has remained elevated and expected to continue into 2023.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 10. Earnings per share

	31-Dec-22	31-Dec-21
	\$	\$
Profit after income tax attributable to the owners of Australia & International Holdings Limited	<u>85,102</u>	<u>128,085</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,678,394</u>	<u>1,657,951</u>
	<u>1,678,394</u>	<u>1,657,951</u>
	Cents	Cents
Basic earnings per share	5.07 ¢	7.73 ¢
Diluted earnings per share	5.07 ¢	7.73 ¢

Note 11. Contingencies

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

Australia & International Holdings Limited
Directors' declaration

To the Members of Australia & International Holdings Limited

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

1. The financial statements and notes, as set out on pages 7 to 17, are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134 - Interim Financial Reporting, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - b. giving a true and fair view of the entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the directors


Christopher T Burrell
Director


Roger J Burrell
Director

Brisbane
8 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF AUSTRALIA & INTERNATIONAL HOLDINGS LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Australia & International Holdings Limited ("the Company"), which comprises the statement of financial position as at 31 December 2022 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Australia & International Holdings Limited is not in accordance with the *Corporations Act 2001* including:-

- (a) giving a true and fair view of the Company's financial position as at 31 December 2022, and of its financial performance for the half-year ended on that date; and
- (b) complying with the Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Independence

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

Responsibility of the Directors for the Financial Report

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

PKF Brisbane Audit ABN 33 873 151 348

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Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the company's financial position as at 31 December 2022 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



PKF BRISBANE AUDIT



LIAM MURPHY
PARTNER

8 MARCH 2023
BRISBANE