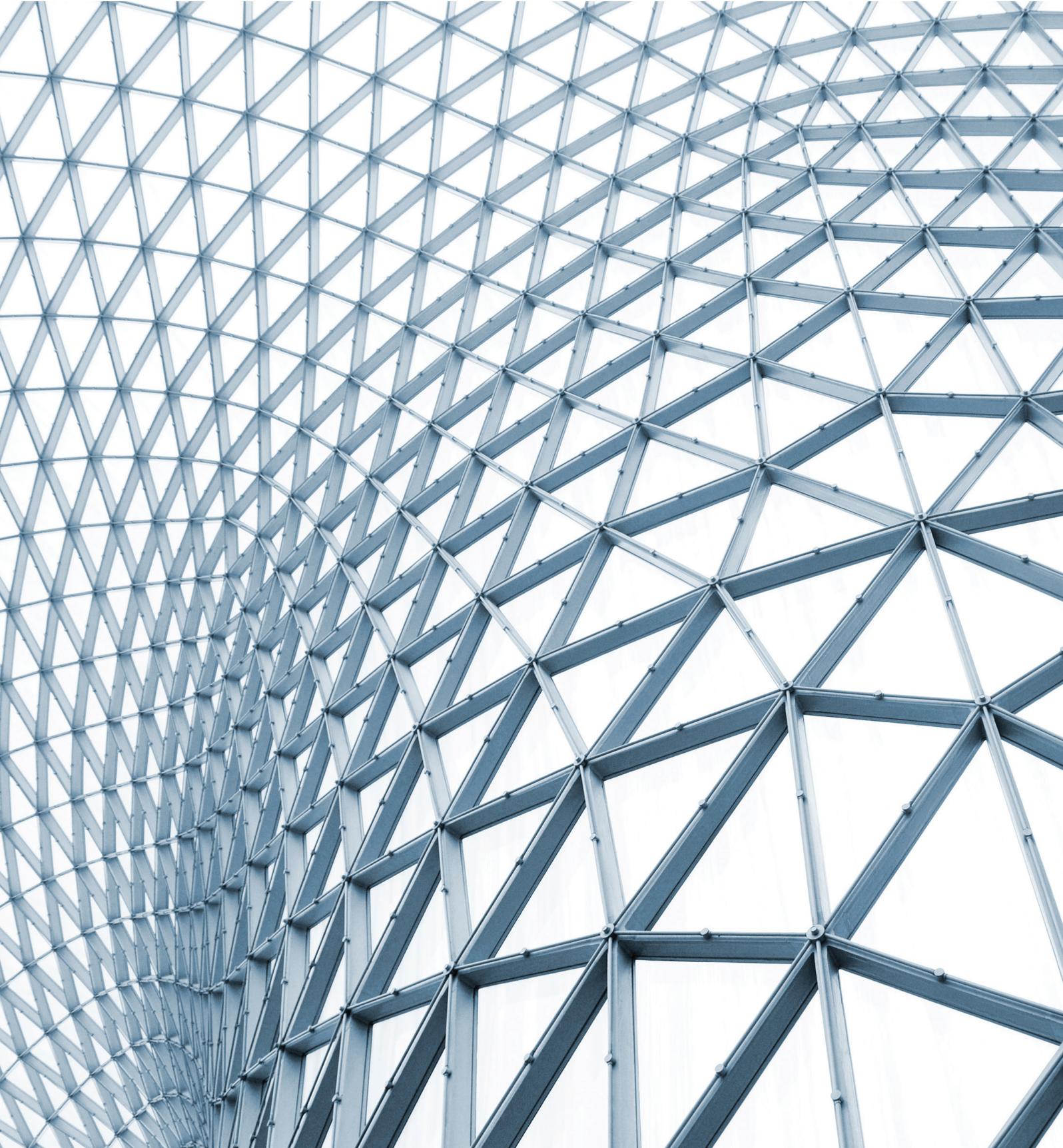




MIRRABOOKA
Investments Limited

Finding opportunities in small
and medium-sized companies

Annual Report
2020



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

Year in Summary

2020

Profit for the Year

\$6.4m

Down 28.3%
from 2019

Fully Franked Dividend

6.5¢
Final

10¢
Total

20 cents total
in 2019 including
a 10 cent special
interim dividend

Total Portfolio Return

7.1%
Including franking*

Combined S&P/ASX
Mid Cap 50 and Small
Ordinaries Accumulation
Indices including
franking* -1.9%

Total Shareholder Return

1.3%

Share price
plus dividend
including franking*

Management Expense Ratio

0.63%

0.61%
in 2019

Total Portfolio

\$392.5m

Including cash at
30 June \$393.9 million
in 2019

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

DIRECTORS' REPORT

5 Year Summary

Profit After Tax (\$ Million)

2020	6.4
2019	8.9
2018	10.4
2017	7.6
2016	8.8

Net Profit Per Share (Cents)

2020	4.0
2019	5.6
2018	6.6
2017	4.8
2016	5.9

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

2020	392.5
2019	393.9
2018	410.0
2017	379.2
2016	377.0

Dividends Per Share (Cents)^(b)

2020	10
2019	20
2018	12
2017	14
2016	15

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

2020	242
2019	239
2018	259
2017	239
2016	238

Number of Shareholders (30 June)

2020	7,029
2019	7,241
2018	7,132
2017	6,963
2016	6,541

Notes

(a) Includes cash.

(b) All dividends, including special dividends, were fully franked.

(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

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

Investment Objectives

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

To provide attractive fully franked dividend returns.

What We Look For When Investing

Business Quality

Attractive, sustainable return on capital prospects

No impediments to continued growth

Financial Strength

Balance sheet providing resilience and reinvestment potential

Returns supported by cash flow

Management

Act like a substantial shareholder, and often are

Experienced, effective, passionate

Approach to Managing the Portfolio

Buy with a medium to long term view

Pay fair value for quality, wary of overpaying

Holdings often grow with increased conviction or price dips

Sell when investment case adversely changes

Monitor holdings for excessive valuations to manage risk

Maintain a spread of holdings; enhancing consistency of returns

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

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

Review of Operations and Activities

Profit and Dividend

Full year profit was \$6.4 million compared with \$8.9 million last year. The fall in profit was due primarily to a reduced contribution from investment income as companies reduced or suspended dividend payments. This fall was partially offset by an improved contribution from the trading portfolio. In the corresponding period last year, the trading portfolio contributed \$1.8 million to income, whereas in the year to 30 June 2019, the contribution to income was \$0.6 million.

The final dividend was maintained at 6.5 cents per share fully franked. Total fully franked ordinary dividends for the year are 10 cents per share. Last financial year, total dividends were 20 cents per share. This included a 10 cent special interim dividend. No special dividend was paid for the financial year.

The entire 6.5 cents of the final dividend was sourced from realised capital gains, on which the Company has paid or will pay tax. The amount of the pre-tax attributable gain, known as an 'LIC capital gain', attached to this dividend is 9.29 cents. This enables some shareholders to claim a tax deduction in their tax return. Further details are in the dividend statement.

Market and Portfolio Returns

The significance of the impact of the COVID-19 pandemic on society and businesses is without parallel in Mirrabooka's 20-year history. The degree of uncertainty created by the pandemic saw equity markets fall dramatically from their significant high point in February to a low point in March. Since then, markets have rebounded as investors responded to significant monetary and fiscal stimulus globally.

The Combined Mid Cap 50 and Small Ordinaries benchmark, which Mirrabooka compares itself with, returned negative 1.9 per cent, including franking, over the 12 months to 30 June 2020. This return was quite remarkable given that this benchmark suffered a fall of 33.6 per cent (excluding franking) from the start of the year to its low point on 23 March.

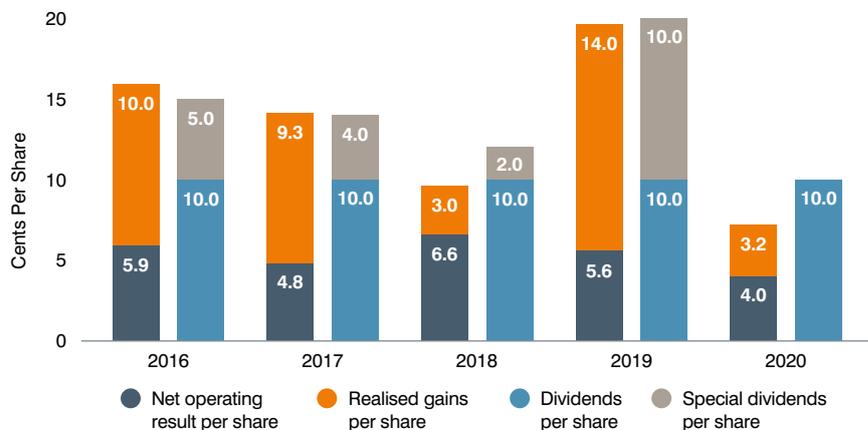
Mirrabooka has delivered a positive return of 7.1 per cent for the 12 months to 30 June 2020, including the benefit of franking. This result is around 9 per cent ahead of the small and mid-cap benchmark return over this period. Strong contributors to Mirrabooka's outperformance included Macquarie Telecom, Objective Corporation, Fisher & Paykel Healthcare, Breville Group and NEXTDC.



Macquarie Telecom and Objective Corporation more than doubled their share prices over the 12 months as the broader market recognised the high historical return on capital and future long-term growth potential of these businesses. This reinforces Mirrabooka's approach of identifying quality, founder-led businesses well before they are identified by a significant number of institutional investors and included in ASX indices.

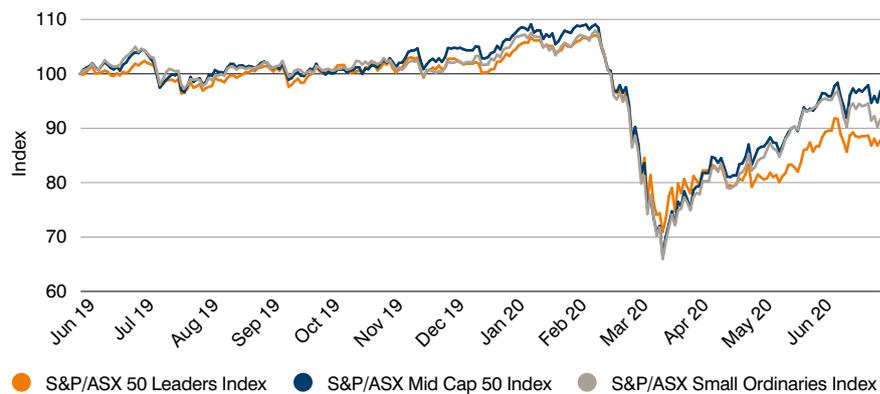
Over the 10 years to 30 June 2020, Mirrabooka has returned 13.3 per cent per annum, including the benefit of franking, whereas its benchmark has returned 8.3 per cent per annum, including franking.

Figure 1: Earnings per Share and Dividends Per Share



Note: For 2020 dividends carried an LIC capital gain attributable part of 9.29 cents per share. For 2019 it was 20.72 cents, 2018 it was 9.66 cents, for 2017 it was 12.9 cents, and for 2016 it was 13.6 cents.

Figure 2: Performance of Small and Mid Cap Sectors Versus 50 Leaders – Year to 30 June 2020



Source: FactSet



Review of Operations and Activities

continued

The tax paid on realised gains can impact relative performance figures against the Index which does not have this impost. The inclusion of the benefit of franking credits attached to the dividend distributed to shareholders is one way of redressing this.

Figure 4 outlines the cumulative return of Mirrabooka's portfolio relative to its Mid Cap 50 and Small Ordinaries benchmark over a 10-year period (includes the reinvestment of dividends and benefit of franking). It is also interesting to note that Mirrabooka has also outperformed the broader S&P/ASX 200 Accumulation Index over this period.

Portfolio Changes

Mirrabooka has significantly reduced the number of holdings in its portfolio in recent years. This approach has been driven by the view that very low interest rates and the impact of fiscal stimulus were boosting equity prices to the point where prices were not reflecting sufficient compensation for the risk associated with many investments. This challenging dynamic has been particularly relevant to investments in small and mid-cap companies, where many stock valuations have re-rated significantly higher by historical standards, yet smaller companies typically exhibit greater variations in profit and share price volatility.

The extreme volatility and deteriorating economic outlook over the financial year saw Mirrabooka further consolidate its investment portfolio from 63 to 52 holdings. Tough calls were required on exiting some interesting early stage companies, as funds were required to buy higher quality companies that were also sold off heavily during the year and are better placed for the deteriorating economic outlook.

Figure 3: Portfolio Return Percentage Per Year to 30 June 2020 – Including the Benefit of Franking

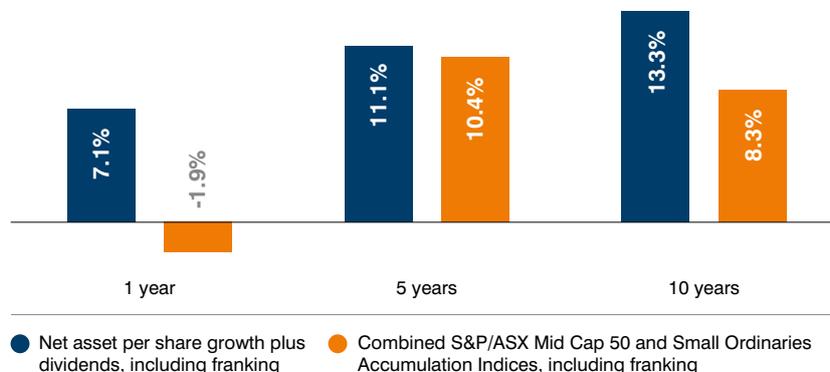


Figure 4: Growth in the Portfolio (Including Full Benefit of Franking) – 10 Years to 30 June 2020

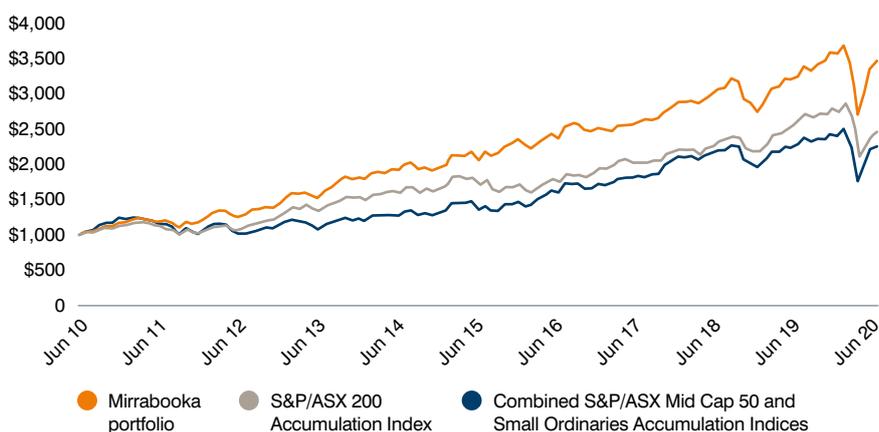
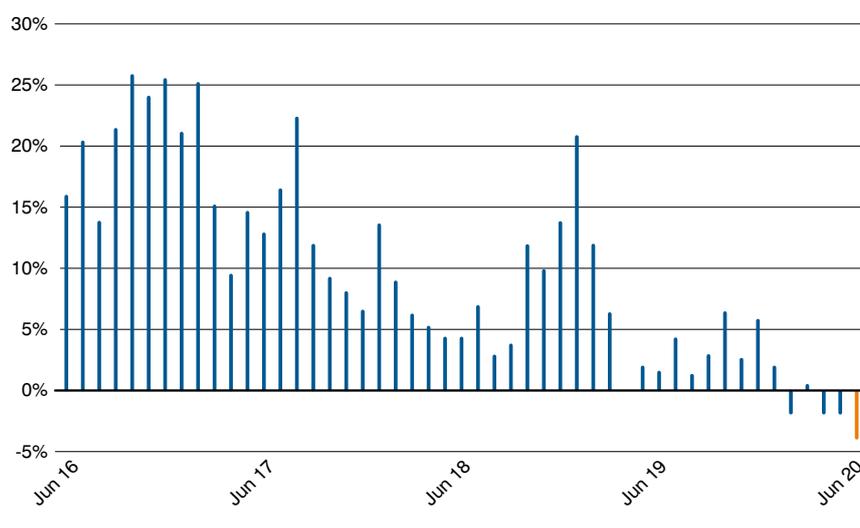
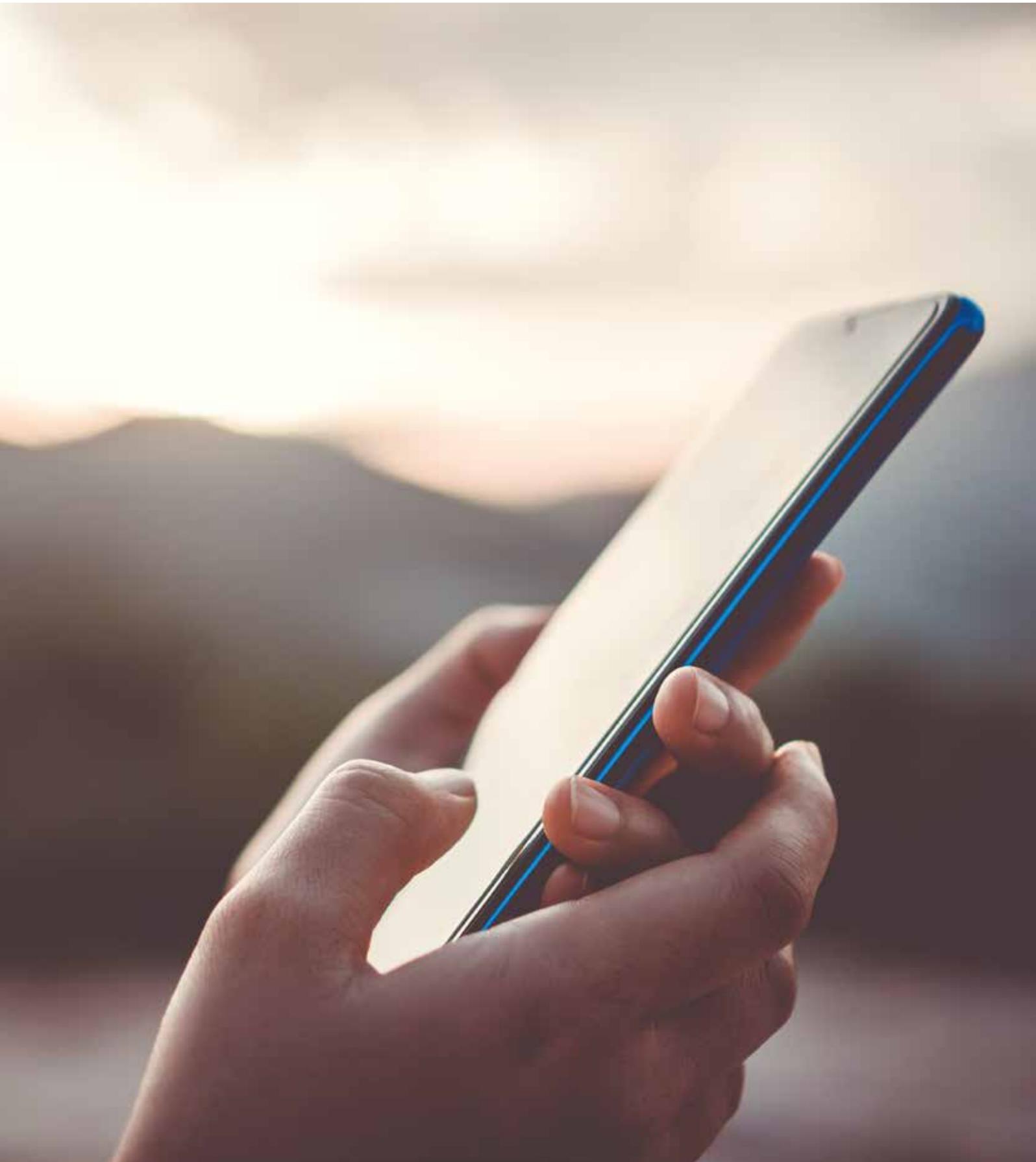


Figure 5: Share Price Relative to Net Asset Backing





Review of Operations and Activities

continued

Much of our buying through the market correction in March came through discounted rights issues and placements, in total \$20 million was invested in 13 share issues. Our largest participation was in raisings by Auckland International Airport (new to the portfolio), Atlas Arteria, InvoCare, Reece, NEXTDC, Oil Search (new to the portfolio) and Qube Holdings. Other purchases in share price weakness included Netwealth, Xero, Infomedia, Cleanaway Waste Management and Breville Group, all of which are quality businesses which have strong positions in their respective industries.

In addition to the new holdings mentioned in the previous paragraph, REA Group and Temple & Webster are also new to the portfolio in the second half of the financial year.

In looking to consolidate the portfolio into preferred holdings, some companies were sold completely. This included Computershare and TPG Telecom. Two large positions in the portfolio, Wellcom Group and DuluxGroup, were taken over and the position in Lifestyle Communities was reduced substantially.

Share Price Performance

At 30 June 2020, the share price was trading at a discount of 4 per cent to the net asset backing per share, which is down from the 1 per cent premium at the beginning of the financial year. The recent history is shown in Figure 5.

Figure 6 outlines the long-term view of Mirrabooka's share price return (including the reinvestment of dividends and benefit of franking) versus the return from the combined Mid Cap 50 and Small Ordinaries Accumulation Indices.

Figure 6: Growth in Investment in Mirrabooka Shares (Including Full Benefit of Franking) – 10 Years to 30 June 2020

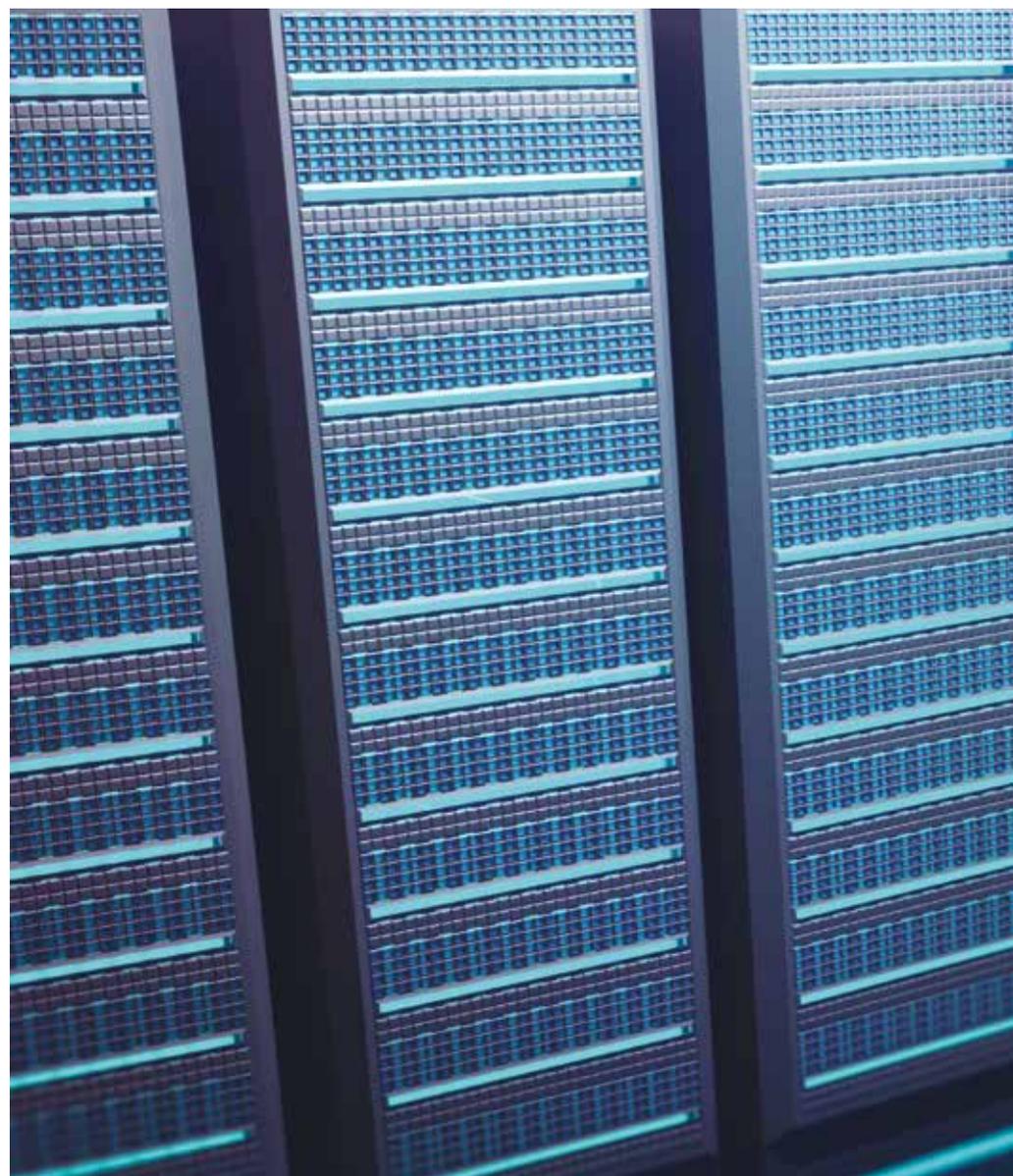
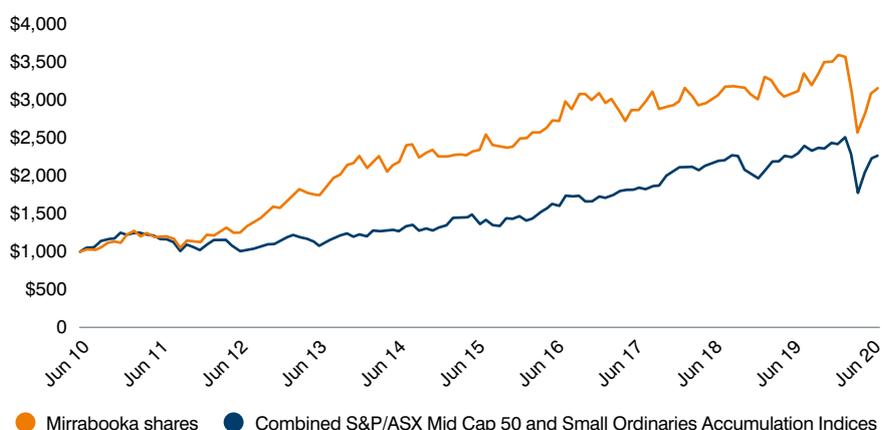


Figure 7: Price Earnings Ratio – Small Ordinaries Industrials



Source: FactSet

Opportunities to Invest

We are confident about the quality of the portfolio, particularly given many of our investments have gained extra balance sheet resilience through recent equity raisings. These strong foundations will be important, as the outlook for the economy and earnings remains uncertain in the near term.

With the sharp rebound in equity markets again providing little compensation for the elevated risk to earnings, we intend to be patient and disciplined with our investment activity as we move into this financial year.

Figure 8: Price Earnings Ratio – Mid Cap 50 Industrials



Source: FactSet

Review of Operations and Activities

continued

Capital Changes

As a result of the reinvestment of dividends, 768,376 shares were issued in August 2019 at a price of \$2.50 per share and 372,866 shares were issued in February 2020 at a price of \$2.57.

The Company's contributed equity, net of share issue costs, rose \$2.9 million to \$209.5 million from \$206.6 million. At the close of the year the Company had 161.6 million shares on issue.

Dividends

A final fully franked dividend of 6.5 cents per share has been declared. This is in line with last year's final dividend.

The dividends paid during the year ended 30 June 2020 were as follows:

	\$'000
Final dividend for the year ended 30 June 2019 of 6.5 cents fully franked at 30 per cent paid 12 August 2019	10,430
Interim dividend for the year ended 30 June 2020 of 3.5 cents per share fully franked at 30 per cent paid 14 February 2020	5,643
	16,073

Financial Condition

The Company's financing consists primarily of shareholders' funds.

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. These include economic growth rates, inflation, interest rates, exchange rates and taxation levels. There are also industry and company specific issues such as management competence, capital strength, industry economics and competitive behaviour and their approach to, and management of, material Environmental, Social and Governance ('ESG') risks.

We do not believe it is possible or appropriate to make a prediction on the future course of markets or the performance of our investments. Accordingly, we do not provide a forecast of the likely results of our activities. However, the Company's focus is on providing medium to long term investment gains through holding core investments in selected small and medium size companies and providing attractive dividend returns to shareholders from these investments.

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 statements 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 Directors' Report and Financial Report. Unless specifically stated otherwise, amounts in the Directors' Report and Financial Report have been rounded off to the nearest thousand dollars in accordance with that Instrument.

Top 20 Investments

As at 30 June 2020

Includes investments held in both the investment and trading portfolios.

Valued at Closing Prices at 30 June 2020

		Total Value \$ Million	% of the Portfolio
1	Macquarie Telecom Group	20.3	5.5
2	Mainfreight	18.4	4.9
3	Objective Corporation	14.9	4.0
4	Qube Holdings	14.6	3.9
5	Breville Group	13.7	3.7
6	ARB Corporation	13.2	3.5
7	Reece	11.9	3.2
8	Carsales.com	11.7	3.1
9	NextDC	11.6	3.1
10	Seek	10.8	2.9
11	IRESS	10.5	2.8
12	James Hardie Industries	10.2	2.7
13	Invocare	9.8	2.6
14	Fisher & Paykel Healthcare	9.7	2.6
15	EQT Holdings	9.1	2.5
16	AUB Group	9.1	2.4
17	ResMed	9.1	2.4
18	Netwealth Group	9.0	2.4
19	Xero	8.9	2.4
20	Auckland International Airport	8.0	2.1
Total		234.6	

As a percentage of total portfolio value (excludes cash)

63.0%

Board Members

Terrence A Campbell AO

**Chairman and
Independent
Non-Executive
Director**

BCom (Melb)

Chairman of the Investment Committee.

Mr Campbell has been a Director of the Company since December 1998. He is Chairman Emeritus of Goldman Sachs Australia (formerly Goldman Sachs JBWere). Mr Campbell was formerly Chairman and Chief Executive of Goldman Sachs JBWere. He is a former Chairman of Australian Foundation Investment Company Limited (AFIC) and AMCIL Limited and a former Director of Djerriwarrh Investments Limited.

Mark Freeman

Managing Director

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

Member of the Investment Committee.

Mr Freeman was appointed as 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 AFIC, Djerriwarrh Investments Limited and AMCIL Limited.

Ross E Barker

**Non-Executive
Director**

BSc (Hons), MBA
(Melb), F Fin

Member of the Audit and Investment Committees.

Mr Barker has been a Director of the Company since December 1998 and was Managing Director from February 2001 to December 2017. Mr Barker transitioned to a Non-Executive Director in January 2018. He is also a Non-Executive Director of AFIC, AMCIL Limited and AICS (Australian Investment Company Services Limited, a subsidiary of AFIC), Chairman of Melbourne Business School Ltd, and an Advisory Board member of the Faculty of Business and Economics at the University of Melbourne.

Ian A Campbell

**Independent
Non-Executive
Director**

FAICD

Member of the Audit and Investment Committees.

Mr Campbell is a company Director who was appointed a Director of the Company in November 2007. He is a Non-Executive Director and Chairman of BWX Limited. He was formerly Managing Director of GUD Holdings Limited and Deputy President of Australian Industry Group (VIC). He was also formerly Managing Director of Pacific Dunlop Cables Group.

Jacinth K Fairley

**Independent
Non-Executive
Director**

BSc, BVSc (Hons),
MBA, FTSE, GAICD

Member of the Audit Committee.

Dr Fairley was appointed a Director of the Company in February 2018. She is currently the Chief Executive Officer of Starpharma Holdings Ltd, having held this position since 2006. Dr Fairley has more than 30 years of operational experience in the pharmaceutical and biotechnology industries working in business development and senior management roles in companies which include CSL and Faulding/Hospira (now part of Pfizer). Dr Fairley is also Chair of the Invest Victoria Advisory Board, a board member of the Melbourne Business School and is an adviser to the Carnegie Innovation Fund.

David E Meiklejohn AM

**Independent
Non-Executive
Director**

BCom, Dip Ed, FCPA,
FAIM, FAICD

Chairman of the Audit Committee. Member of the Investment Committee.

Mr Meiklejohn was appointed a Director of the Company in March 2006. He is a former Chairman of PaperlinX Limited, SPC Ardmona Limited, a former Deputy Chairman of GasNet Australia Limited, a former President of the Melbourne Cricket Club, a former Director of WMC Resources Limited, Coca-Cola Amatil Limited, One Steel Limited and ANZ Banking Group Limited. He was formerly Chief Financial Officer and a Director of Amcor Limited.

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 2020 and the numbers of meetings attended by each Director were:

	Board		Investment		Audit	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
TA Campbell	13	13	21	20	-	4 [#]
RM Freeman	13	13	21	21	-	4 [#]
RE Barker	13	13	21	21	4	4
IA Campbell	13	12	21	21	4	3
JK Fairley	13	13	-	19 [#]	4	4
DE Meiklejohn	13	13	21	20	4	4

[#] Attended meetings by invitation.

Retirement, Election and Continuation in Office of Directors

Mr IA Campbell, having been last re-elected by shareholders at the 2017 Annual General Meeting (AGM), will retire and being eligible, will offer himself for re-election at the forthcoming 2020 AGM.

Insurance of Directors and Officers

During the financial year the Company paid insurance premiums for Directors' and officers' liability insurance covering Directors named in this report. The terms of the insurance contract restrict disclosure of further details.

Senior Executives

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).

Andrew JB Porter

Chief Financial Officer

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

Mr Porter joined the Company in January 2005. He is a Chartered Accountant and has had over 24 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 the immediate former Chair of The Group of 100 (G100), the peak body for CFOs and remains on the Board, is a Director of the Auditing and Assurance Standards Board (AUASB) and a Director of the Anglican Foundation.

Matthew Rowe

Company Secretary

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

Mr Rowe joined the Company in July 2016. He is a Chartered Secretary with over 15 years of experience in corporate governance with a particular focus in listed investment companies. He was previously a corporate governance advisor 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.

Remuneration Report

Directors of the Company, meeting as a Board, determine the fees of Directors within the aggregate limit established by shareholders in general meeting.

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

The constitution of Mirrabooka requires approval by the shareholders in general meeting of a maximum amount of remuneration to be allocated between Non-Executive Directors as they determine. In proposing the maximum amount for consideration in general meeting, and in determining the allocation, 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. The amount of remuneration for each Director excludes amounts owing when the Directors' retirement allowances were frozen at 30 June 2004. The maximum amount of remuneration for Non-Executive Directors approved by shareholders at the Annual General Meeting in 2018 was \$600,000.

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.

Mirrabooka does not pay any performance based remuneration. Mr Freeman is made available as Managing Director of Mirrabooka 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. The performance criteria include quantitative and qualitative assessments which include, amongst other things, the services that he has provided to Mirrabooka and for which AICS is paid.

(b) Remuneration of Directors

Details of the nature and amounts of each Director's remuneration in respect of the year to 30 June 2020 were as follows:

	Primary	Post Employment	Total
	Fee	Superannuation	Remuneration
	\$	\$	\$
TA Campbell – Chairman (Non-Executive)			
2020	136,987	13,013	150,000
2019	136,987	13,013	150,000
RE Barker – (Non-Executive)			
2020	68,493	6,507	75,000
2019	68,493	6,507	75,000
IA Campbell – (Non-Executive)			
2020	68,493	6,507	75,000
2019	68,493	6,507	75,000
JK Fairley – (Non-Executive)			
2020	68,493	6,507	75,000
2019	68,493	6,507	75,000
RM Freeman – (Executive)			
2020	-	-	-
2019	-	-	-
DE Meiklejohn – (Non-Executive)			
2020	68,493	6,507	75,000
2019	68,493	6,507	75,000
Total remuneration: Directors			
2020	410,959	39,041	450,000
2019	410,959	39,041	450,000

(c) Directors' Retirement Allowances

The Board proposed and shareholders approved discontinuing the practice of paying Directors' retirement allowances.

The Directors' retirement allowance provided in past years was equal to the total emoluments that the Director received in the three years immediately preceding retirement where a Director had held office for five or more years and a proportionate part for less than five years' service.

For Directors in office at 30 June 2004, the amounts accrued as at that date will be paid to them upon their ultimate retirement. No further accruals of Directors' retiring allowances will be made after 30 June 2004. New Directors appointed to the Company after that date will not be entitled to any Directors' retirement allowance.

The amounts payable to the respective current Directors who were in office at 30 June 2004, which will be paid when they retire, are set out below. These amounts were expensed in prior years as the retirement allowances accrued.

	Amount Payable on Retirement
	\$
RE Barker	87,000
TA Campbell	174,000
	261,000

(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 (2019: four Executives).

No remuneration is paid to the Executives directly by Mirrabooka as their services are provided pursuant to an arrangement with AICS as outlined in the Notes to the Financial Statements. However, all Executives are required to purchase Mirrabooka shares as part of their Annual Incentive Plans.

Holdings of Securities Issued by the Company

As at 30 June 2020, 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:

	Balance at 1 July 2019	Net Changes	Balance at 30 June 2020
TA Campbell	2,795,152	32,603	2,827,755
RE Barker	537,425	61,705	599,130
IA Campbell	91,660	3,664	95,324
JK Fairley	10,000	8,663	18,663
RM Freeman	201,592	8,058	209,650
DE Meiklejohn	149,779	-	149,779
GN Driver	47,424	11,896	59,320
AJB Porter	30,996	(9,347)	21,649
MJ Rowe	676	3,080	3,756

In accordance with the Company's policy, no Mirrabooka shares held by Directors or Executives are held subject to margin loans.

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 Auditors' Independence Declaration is set out on page 19.

This report in relation to the financial year to 30 June 2020 is presented by the Directors of the Company in accordance with a resolution of Directors.



Terrence Campbell AO
Chairman

Melbourne
6 August 2020

Auditor's Independence Declaration



Auditor's Independence Declaration

As lead auditor for the audit of Mirrabooka Investments Limited for the year ended 30 June 2020, 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.

Nadia Carlin

Nadia Carlin
Partner
PricewaterhouseCoopers

Melbourne
6 August 2020

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FINANCIAL STATEMENTS

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Income Statement

For the Year Ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Dividends and distributions	A3	7,530	9,855
Revenue from deposits and bank bills		209	449
Other revenue		60	40
Total revenue		7,799	10,344
Net gains on trading portfolio		1,824	609
Income from options written portfolio		(75)	1,057
Income from operating activities		9,548	12,010
Borrowing expenses		(122)	(85)
Administration expenses	B1	(2,452)	(2,370)
Profit for the year before income tax		6,974	9,555
Income tax expense	B2, E2	(581)	(642)
Profit for the year		6,393	8,913
		Cents	Cents
Basic earnings per share	A5	3.96	5.59

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

Statement of Comprehensive Income

For the Year Ended 30 June 2020

	Year to 30 June 2020			Year to 30 June 2019		
	Revenue ¹ \$'000	Capital ¹ \$'000	Total \$'000	Revenue \$'000	Capital \$'000	Total \$'000
Profit for the year	6,393	-	6,393	8,914	(1)	8,913
Other comprehensive income						
Gains for the period on securities	-	15,533	15,533	-	5,140	5,140
Tax on above	-	(4,669)	(4,669)	-	(1,437)	(1,437)
Total other comprehensive income	-	10,864	10,864	-	3,703	3,703
Total comprehensive income	6,393	10,864	17,257	8,914	3,702	12,616

1. 'Capital' includes realised or unrealised gains or losses on securities in the investment portfolio, and the relevant taxation charge/credit. Income in the form of distributions and dividends is recorded as 'revenue'. All other items, including expenses, are included in 'profit for the year', which is categorised under 'revenue'.

None of the items included in other comprehensive income will be recycled through the Income Statement.

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

Balance Sheet

As at 30 June 2020

	Note	2020 \$'000	2019 \$'000
Current assets			
Cash	D1	20,207	30,453
Receivables		620	443
Trading portfolio		-	3,000
Total current assets		20,827	33,896
Non-current assets			
Deferred tax assets	E2	20	-
Investment portfolio	A2	372,370	361,055
Total non-current assets		372,390	361,055
Total assets		393,217	394,951
Current liabilities			
Payables		268	270
Tax payable		1,518	9,647
Options sold		49	628
Total current liabilities		1,835	10,545
Non-current liabilities			
Deferred tax liabilities	E2	-	190
Deferred tax liabilities – investment portfolio	B2	42,286	39,168
Total non-current liabilities		42,286	39,358
Total liabilities		44,121	49,903
Net assets		349,096	345,048
Shareholders' equity			
Share capital	A1, D5	209,466	206,602
Revaluation reserve	A1, D2	84,032	78,332
Realised capital gains reserve	A1, D3	35,774	43,474
Retained profits	A1, D4	19,824	16,640
Total shareholders' equity		349,096	345,048

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

Statement of Changes in Equity

For the Year Ended 30 June 2020

Year Ended 30 June 2020	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains Reserve \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the year		206,602	78,332	43,474	16,640	345,048
Dividends paid	A4	-	-	(12,864)	(3,209)	(16,073)
Shares issued under Dividend Reinvestment Plan	D5	2,879	-	-	-	2,879
Other share capital adjustments		(15)	-	-	-	(15)
Total transactions with shareholders		2,864	-	(12,864)	(3,209)	(13,209)
Profit for the year		-	-	-	6,393	6,393
Other comprehensive income (net of tax)						
Net gains for the period		-	10,864	-	-	10,864
Other comprehensive income for the year		-	10,864	-	-	10,864
Transfer to realised capital gains of cumulative gains on investments sold		-	(5,164)	5,164	-	-
Total equity at the end of the year		209,466	84,032	35,774	19,824	349,096

Year Ended 30 June 2019	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains Reserve \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the year		200,911	97,227	47,851	15,664	361,653
Dividends paid	A4	-	-	(26,974)	(7,938)	(34,912)
Shares issued under Dividend Reinvestment Plan	D5	5,713	-	-	-	5,713
Other share capital adjustments		(22)	-	-	-	(22)
Total transactions with shareholders		5,691	-	(26,974)	(7,938)	(29,221)
Profit for the year		-	(1)	-	8,914	8,913
Other comprehensive income (net of tax)						
Net gains for the period		-	3,703	-	-	3,703
Other comprehensive income for the year		-	3,703	-	-	3,703
Transfer to realised capital gains of cumulative gains on investments sold		-	(22,597)	22,597	-	-
Total equity at the end of the year		206,602	78,332	43,474	16,640	345,048

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

Cash Flow Statement

For the Year Ended 30 June 2020

	Note	2020 \$'000 Inflows/ (Outflows)	2019 \$'000 Inflows/ (Outflows)
Cash flows from operating activities			
Sales from trading portfolio		5,648	3,536
Purchases for trading portfolio		(5,903)	(10,942)
Interest received		209	463
Proceeds from entering into options in options written portfolio		1,597	1,937
Payment to close out options in options written portfolio		(2,252)	(1,037)
Dividends and distributions received		6,988	9,544
		6,287	3,501
Other receipts		60	40
Administration expenses		(2,452)	(2,372)
Borrowing expenses		(122)	(85)
Income taxes paid		(574)	(1,073)
Net cash inflow/(outflow) from operating activities	E1	3,199	11
Cash flows from investing activities			
Sales from investment portfolio		124,280	116,237
Purchases for investment portfolio		(114,758)	(83,321)
Tax paid on capital gains		(9,760)	(1,393)
Net cash inflow/(outflow) from investing activities		(238)	31,523
Cash flows from financing activities			
Dividend Reinvestment Plan costs		(15)	(22)
Dividends paid		(13,192)	(29,199)
Net cash inflow/(outflow) from financing activities		(13,207)	(29,221)
Net increase/(decrease) in cash held		(10,246)	2,313
Cash at the beginning of the year		30,453	28,140
Cash at the end of the year	D1	20,207	30,453

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.

NOTES TO THE FINANCIAL STATEMENTS

A. Understanding Mirrabooka's Financial Performance

A1. How Mirrabooka Manages its Capital

Mirrabooka's objective is to provide shareholders with attractive investment returns through a stream of fully-franked dividends and capital growth.

Mirrabooka 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 sell assets to settle any debt.

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

	2020 \$'000	2019 \$'000
Share capital	209,466	206,602
Revaluation reserve	84,032	78,332
Realised capital gains reserve	35,774	43,474
Retained profits	19,824	16,640
	349,096	345,048

Refer to Notes D2–D5 for a reconciliation of movement for each equity account from period to period.

A2. Investments Held and How They Are Measured

Mirrabooka 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 and are relatively small in size when utilised. The Board has therefore focused the information below on the investment portfolio.

The balance and composition of the investment portfolio was:

	2020 \$'000	2019 \$'000
Equity instruments (at market value)	372,370	361,055
	372,370	361,055

All options written by the Company and open at year end are call options. If all options were exercised, this would lead to the sale of \$1.0 million worth of securities at an agreed price – the 'exposure' (2019: \$22.3 million).

\$9.9 million of shares are lodged with ASX Clear Pty Ltd as collateral for sold option positions written by the Company (2019: \$7.9 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.

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 Mirrabooka are classified as Level 1 (other than an immaterial amount of call options) and the Company's investment in Marketplacer (which is 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.

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 in Mirrabooka's long-term investment portfolio. Deferred tax is calculated as set out in Note B2. The relevant amounts as at 30 June 2020 and 30 June 2019 were as follows:

	30 June 2020	30 June 2019
	\$	\$
Net Tangible Asset Backing Per Share		
Before tax	2.42	2.39
After tax	2.16	2.15

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 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

Where securities are sold, 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.

During the period \$123.9 million (2019: \$114.2 million) of equity securities were sold. The cumulative gain on the sale of securities from the investment portfolio was \$5.2 million for the period after tax (2019: \$22.6 million). 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.

A3. Operating Income

Dividend Income

The total dividends and distributions received from Mirrabooka's investments in 2020 is set out below.

	2020	2019
	\$'000	\$'000
Dividends and distributions		
Securities held in investment portfolio at 30 June	5,939	8,653
Investment securities sold during the year	1,591	1,043
Trading securities sold during the year	-	159
	7,530	9,855

Dividends and distributions 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.

Notes to the Financial Statements

continued

Trading Income

Net gains (before tax) on the trading and options portfolios are set out below.

	2020 \$'000	2019 \$'000
Net Gains		
Net realised gains/(losses) from trading portfolio	1,824	131
Realised gains/(losses) on options written portfolio	(52)	983
Unrealised gains/(losses) from trading portfolio	-	479
Unrealised gains/(losses) from options written portfolio	(23)	74
Gains/(losses) on convertible notes classified as debt	-	(1)
	1,749	1,666

A4. Dividends Paid

The dividends paid and payable for the year ended 30 June 2020 are shown below:

	2020 \$'000	2019 \$'000
(a) Dividends Paid During the Year		
Final dividend for the year ended 30 June 2019 of 6.5 cents fully franked paid on 12 August 2019 (2019: 6.5 cents fully franked plus special dividend of 2 cents also fully franked at 30 per cent paid on 13 August 2018)	10,430	13,443
Interim dividend for the year ended 30 June 2020 of 3.5 cents per share fully franked paid 14 February 2020 (2019: 3.5 cents fully franked at 30 per cent plus special dividend of 10 cents also fully franked at 30 per cent paid 15 February 2019)	5,643	21,469
	16,073	34,912
Dividends paid in cash	13,194	29,199
Dividends reinvested in shares	2,879	5,713
	16,073	34,912
(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	16,972	19,536
Impact on the franking account of dividends declared but not recognised as a liability at the end of the financial year:	(4,502)	(4,470)
Net available	12,470	15,066
These franking account balances would allow Mirrabooka to frank additional dividend payments (at a franking rate of 30 per cent) up to an amount of:	29,097	35,154

Mirrabooka's ability to continue to pay franked dividends is dependent upon the receipt of franked dividends from the trading and investment portfolios and on Mirrabooka paying tax.

	2020 \$'000	2019 \$'000
(c) Dividends Declared After Balance Date		
Since the end of the year Directors have declared a final dividend of 6.5 cents per share fully franked at 30 per cent. The aggregate amount of the final dividend for the year to 30 June 2020 to be paid on 17 August 2020, but not recognised as a liability at the end of the financial year is:	10,504	
(d) Listed Investment Company Capital Gain Account		
Balance of the Listed Investment Company (LIC) capital gain account	34,209	43,731
This equates to an attributable amount of	48,870	62,472

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. \$15.0 million of the attributable amount will be paid out as part of the final dividend on 17 August 2020.

A5. Earnings Per Share

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

	2020 Number	2019 Number
Basic Earnings Per Share		
Weighted average number of ordinary shares used as the denominator	161,283,107	159,455,226
	\$'000	\$'000
Profit for the year	6,393	8,913
	Cents	Cents
Basic earnings per share	3.96	5.59

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.

Notes to the Financial Statements

continued

B. Costs, Tax and Risk

B1. Management Costs

The total management expenses for the period are as follows:

	2020 \$'000	2019 \$'000
Administration fees paid to AICS	(1,454)	(1,382)
Other administration expenses	(998)	(988)
	(2,452)	(2,370)

Administration Fees Paid to AICS

Australian Investment Company Services Limited ('AICS') undertakes the day-to-day administration of Mirrabooka's investments and its operations, including financial reporting.

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 \$
2020			
Directors	410,959	39,041	450,000
2019			
Directors	410,959	39,041	450,000

Mirrabooka recognises Directors' retirement allowances that have been crystallised as 'amounts payable'. There are no further retirement allowances that will need to be expensed.

B2. Tax

Mirrabooka'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. Deferred tax balances are calculated at the rate of 30 per cent (2019: 30 per cent).

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 also has to be 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 Mirrabooka 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.

Tax Expense

The income tax expense for the period is shown below:

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

	2020 \$'000	2019 \$'000
Net profit before income tax expense	6,974	9,555
Tax at the Australian tax rate of 30 per cent (2019 – 30 per cent)	2,092	2,867
Tax offset for franked dividends received	(1,395)	(2,309)
Tax effect of sundry items taxable but not included in income or not taxable in the current year	(81)	105
	616	663
Over provision in prior years	(35)	(21)
Total tax expense	581	642

Deferred Tax Liabilities – Investment Portfolio

The accounting standards require us to recognise a deferred tax liability for the potential capital gains tax on the unrealised gain in the investment portfolio. This amount is shown in the Balance Sheet. However, the Board does not intend to sell the investment portfolio, so this tax liability is unlikely to arise at this amount. Any sale of securities would also be affected by any changes in capital gains tax legislation or tax rate applicable to such gains when they are sold. The rate used at 30 June 2020 is 30 per cent (30 June 2019: 30 per cent).

	2020 \$'000	2019 \$'000
Deferred tax liabilities on unrealised gains in the investment portfolio	42,286	39,168
Opening balance at 1 July	39,168	47,493
Tax on realised gains (at 30 per cent)	(1,551)	(9,762)
Charged to OCI for ordinary securities on gains or losses for the period	4,669	1,437
	42,286	39,168

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, Mirrabooka can never be free of 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, if spread equally over all assets in the investment portfolio, would have led to a reduction in Mirrabooka's comprehensive income of \$13.0 million and \$26.1 million respectively, at a tax rate of 30 per cent (2019: \$12.6 million and \$25.3 million).

A general fall in market prices of 5 per cent and 10 per cent, if spread equally over the liabilities in the options portfolio, would be immaterial (2019: \$83,000 and \$166,000 reduction).

Mirrabooka 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 and risk can be managed by reducing exposure where necessary. Mirrabooka does not have a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

Notes to the Financial Statements

continued

Mirrabooka's total investment exposure by sector is as below:

	2020	2019
	%	%
Energy	2.52	2.75
Materials	6.52	13.67
Industrials	24.33	22.52
Consumer Discretionary	11.47	11.86
Consumer Staples	1.93	3.55
Healthcare	7.70	6.17
Financials	10.59	8.34
Real Estate	0.80	2.98
Information Technology and Telecoms	28.99	20.43
Cash	5.15	7.73

There was one security representing over 5 per cent of the investment portfolio at 30 June 2020 – Macquarie Telecom (5.5 per cent) (2019: Mainfreight – 5.4 per cent).

Mirrabooka is not currently materially exposed to interest rate risk as the majority of its cash investments are in an over-night 'at call' account invested in cash management trusts which invest predominantly in securities with an A1+ rating which are for fixed rates for short-term duration. Mirrabooka is also not directly exposed to material currency risk as most of its investments are quoted in Australian dollars.

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 portfolio.

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. Mirrabooka is exposed to credit risk from cash, receivables, securities in the trading portfolio 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 cash management trusts which invest predominantly in securities with an A1+ rating.

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 the current date.

Trading and Investment Portfolios

Converting and convertible notes or other interest-bearing securities that are not equity securities carry credit risk to the extent of their carrying value. Any loss as a consequence of this risk will be realised in the event of a shortfall on winding-up of the issuing companies.

Liquidity Risk

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

Mirrabooka 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 Mirrabooka to purchase securities, and facilities that need to be repaid. Mirrabooka ensures that it has either cash or access to short-term borrowing facilities sufficient to meet these contingent payments.

Mirrabooka's inward cash flows depend upon the dividends received. Should these drop by a material amount, Mirrabooka would amend its outward cash flows accordingly. Mirrabooka'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 Mirrabooka are largely in the form of readily tradeable securities which can be sold on-market if necessary.

The table below analyses Mirrabooka'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 2020					
Non-derivatives					
Payables	268	-	-	268	268
	268	-	-	268	268
30 June 2019					
Non-derivatives					
Payables	270	-	-	270	270
	270	-	-	270	270

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.

C. Unrecognised Items

Unrecognised items, such as contingencies, do not appear in the financial statements, usually because they do not meet the requirements for recognition. However, they have the potential to have a significant impact on the Company's financial position and performance.

C1. Contingencies

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

	2020 \$'000	2019 \$'000
Cash at bank and in hand (including on-call)	20,207	30,453
	20,207	30,453

Cash holdings yielded an average floating interest rate of 1.04 per cent (2019: 2.08 per cent). All cash investments are held in a transactional account or an over-night 'at call' account invested in cash management trusts which invest predominantly in securities with an A1+ rating.

The Company also has access to a \$10 million liquidity facility with the Commonwealth Bank of Australia. This commenced on 6 May and has a term of one year. It remains undrawn at balance date.

D2. Revaluation Reserve

	2020 \$'000	2019 \$'000
Opening balance at 1 July	78,332	97,227
Gains/(losses) on investment portfolio		
– Equity instruments	15,533	5,140
– Non-equity instruments (transferred from retained profits)	-	(1)
Provision for tax on above	(4,669)	(1,437)
Cumulative taxable realised (gains)/losses (net of tax)	(5,164)	(22,597)
	84,032	78,332

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

D3. Realised Capital Gains Reserve

	2020 \$'000	2019 \$'000
Opening balance at 1 July	43,474	47,851
Dividends paid	(12,864)	(26,974)
Cumulative taxable realised gains for period through OCI (net of tax)	5,164	22,597
	35,774	43,474

This reserve records gains or losses after applicable taxation arising from disposal of securities in the investment portfolio as described in A2.

D4. Retained Profits

	2020 \$'000	2019 \$'000
Opening balance at 1 July	16,640	15,664
Dividends paid	(3,209)	(7,938)
Profit for the year	6,393	8,913
Transfer to revaluation reserve (non-equity investments) (net of tax)	-	1
	19,824	16,640

This reserve relates to past profits.

D5. Share Capital

Date	Details	Notes	Number of Shares '000	Issue Price \$	Paid-up Capital \$'000
1/7/2018	Balance		158,151		200,911
13/8/2018	Dividend Reinvestment Plan	i	879	2.58	2,269
15/2/2019	Dividend Reinvestment Plan	i	1,435	2.40	3,444
Various	Costs of issue		-		(22)
30/6/2019	Balance		160,465		206,602
12/8/2019	Dividend Reinvestment Plan	i	769	2.50	1,921
14/2/2020	Dividend Reinvestment Plan	i	373	2.57	958
Various	Costs of issue		-		(15)
30/6/2020	Balance		161,607		209,466

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 Chi-X in the five days after the shares begin trading on an ex-dividend basis.

All shares have been fully paid, rank pari passu and have no par value.

E. Income Statement Reconciliations

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

	2020 \$'000	2019 \$'000
Profit for the year	6,393	8,913
Change in fair value of non-equity investments	-	1
Net decrease (increase) in trading portfolio	3,000	(2,022)
Sale of stock from trading portfolio to investment portfolio	(5,081)	(5,992)
Increase (decrease) in options written portfolio	(579)	(157)
Dividends received as securities under DRP investments	(224)	-
Decrease (increase) in current receivables	(177)	927
– Less increase (decrease) in receivables for investment portfolio	-	(1,151)
Increase (decrease) in deferred tax liabilities	2,908	(8,012)
– Less (increase) decrease in deferred tax liability on investment portfolio	(3,118)	8,325
Increase (decrease) in current payables	(2)	4
– Less decrease (increase) in payables for investment portfolio	-	-
Increase (decrease) in provision for tax payable	(8,129)	7,544
– Less CGT provision	(1,552)	(9,762)
– Add taxes paid on capital gains	9,760	1,393
Net cash flows from operating activities	3,199	11

Notes to the Financial Statements

continued

E2. Tax Reconciliations

Tax Expense Composition

	2020 \$'000	2019 \$'000
Charge for tax payable relating to the current year	826	350
Over provision in prior years	(35)	(21)
Increase (decrease) in deferred tax liabilities	(210)	313
	581	642
Amounts Recognised Directly Through Other Comprehensive Income		
Net increase in deferred tax liabilities relating to capital gains tax on the movement in gains in the investment portfolio	4,669	1,437
	4,669	1,437

Deferred Tax Assets and Liabilities

The deferred tax balances are attributable to:

	2020 \$'000	2019 \$'000
(a) Tax on unrealised gains or losses in the trading portfolio	-	(144)
(b) Tax on unrealised gains/losses in the options written portfolio	7	(22)
(c) Provisions and expenses charged to the accounting profit which are not yet tax deductible	78	78
(d) Interest and dividend income receivable which is not assessable for tax until receipt	(65)	(102)
	20	(190)
Movements:		
Opening asset balance at 1 July	(190)	123
Credited/(charged) to Income Statement	210	(313)
	20	(190)

Deferred tax assets arise when provisions and expenses have been charged but are not yet tax deductible. 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 Mirrabooka's ability to claim the deduction. As noted in B2, deferred tax assets and liabilities have been calculated at a rate of 30 per cent (2019: 30 per cent).

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 deemed related parties were made on normal commercial terms and conditions and approved by independent Directors.

F2. Remuneration of Auditors

For the year the auditor earned or will earn the following remuneration:

	2020 \$	2019 \$
PricewaterhouseCoopers		
Audit or review of Financial Reports	104,678	96,424
Non-audit services		
Taxation compliance services	12,720	12,411
Total remuneration	117,398	108,835

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 Mirrabooka. Mirrabooka has therefore determined the operating segments based on the reports reviewed by the Board, which are used to make strategic decisions.

The Board is responsible for Mirrabooka'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 Mirrabooka's performance is evaluated on an overall basis.

Segment Information Provided to the Board

The internal reporting provided to the Board for Mirrabooka'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 capital gains tax on investments (as reported in Mirrabooka'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.

Mirrabooka is domiciled in Australia and most of Mirrabooka's income is derived from Australian entities or entities that maintain a listing in Australia. Mirrabooka has a diversified portfolio of investments, with no investment comprising more than 10 per cent of Mirrabooka's income, including realised income from the trading and options written portfolios. (2019: 1: Alumina: 13.6 per cent).

Notes to the Financial Statements

continued

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 in accordance with a resolution of the Board on 6 August 2020 and is presented in the Australian currency. The Directors of Mirrabooka have the power to amend and reissue the Financial Report.

Mirrabooka 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

Mirrabooka complies with International Financial Reporting Standards (IFRS). Mirrabooka is a 'for profit' entity.

Mirrabooka 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 2020 ('the inoperative standards'). The impact of the inoperative standards has been assessed and the impact has been identified as not being material. Mirrabooka 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 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 cash equivalents, and non-interest bearing monetary financial assets and liabilities of Mirrabooka approximates their carrying value.

Rounding of Amounts

Mirrabooka 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.

DIRECTORS' DECLARATION

In the Directors' opinion:

- 1) the financial statements and notes set out on pages 21 to 38 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 2020 and of its performance for the financial year ended on that date; and
- 2) 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 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 2020.

The declarations received were that, in the opinion of the Managing Director and the Chief Financial Officer and 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.



Terrence Campbell AO
Chairman

Melbourne
6 August 2020

INDEPENDENT AUDIT REPORT



Independent auditor's report

To the members of Mirrabooka Investments Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Mirrabooka 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 2020 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 2020
- 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, which include a summary of significant accounting policies
- 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 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Liability limited by a scheme approved under Professional Standards Legislation.



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.



Materiality

- For the purpose of our audit we used overall materiality of \$3.49 million, which represents approximately 1% of the Company's net assets.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole. We chose net assets as the benchmark because, in our view, net assets is:
 - the metric against which the performance of the Company is most commonly measured; and
 - the key driver of the business and the determinant of the Company's value.
- We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly acceptable net asset related thresholds.

Audit Scope

- Our audit focused on assessing the financial statements for risks of material misstatement in account balances 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
- The administration and investment operations for the Company are conducted by Australian Investment Company Services Limited. In addition to our audit procedures, we obtained a report from other auditors that the controls over administration and investment operations operating at Australian Investment Company Services Limited were suitably designed and operated effectively for the year. We assessed the report by considering the other auditor's independence, competency, and results of procedures.

INDEPENDENT AUDIT REPORT

continued



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.

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p><i>Existence and valuation of Investment Portfolio</i> <i>Refer to note A2</i></p> <p><i>\$372.4m</i></p> <p>The Investment Portfolio consists mainly of listed Australian equities.</p> <p>Whilst there is no significant judgement in determining the 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 investment valuation will also impact the realised and unrealised gains/(losses) recognised in the statement of comprehensive income, which also affects the deferred tax provisions. Given the pervasive nature investments have on the Company's key financial metrics, we determined the existence and valuation of investments to be a key audit matter.</p>	<p>1) Performed an investment reconciliation of the investments balance from the opening investment balance, addition/subtraction of purchases, sales and other relevant transactions and agreeing back to the 30 June 2020 balance.</p> <p>2) Obtained the purchases and sales listing for the year ended 30 June 2020, and</p> <ul style="list-style-type: none">• agreed a sample of purchases and sales to original contracts; and• agreed a sample of original contracts to the purchases and sales listing. <p>3) Agreed all the investment quantity holdings at 30 June 2020 to third party registry sources.</p> <p>4) Agreed all listed equities investment prices to third party market pricing sources.</p>



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 2020, 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.

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 that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

INDEPENDENT AUDIT REPORT

continued



Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 16 to 17 of the directors' report for the year ended 30 June 2020.

In our opinion, the remuneration report of Mirrabooka Investments Limited for the year ended 30 June 2020 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.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', is written over a thin horizontal line.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'Nadia Carlin', is written below the PricewaterhouseCoopers name.

Nadia Carlin
Partner

Melbourne
6 August 2020

OTHER INFORMATION

Information About Shareholders

At 17 July 2020 there were 7,013 holdings of shares. These holdings were distributed in the following categories:

Size of Holding	Holdings	% by Share Capital
1 to 1,000	638	0.16
1,001 to 5,000	1,536	2.94
5,001 to 10,000	1,398	6.65
10,001 to 100,000	3,275	56.39
100,000 and over	166	33.86
Total		100
Percentage held by the 20 largest holders		18.22%
Average shareholding		23,043

There were 209 shareholdings of less than a marketable parcel of \$500 (189 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.

Major Shareholders

The 20 largest registered shareholders of the Company's ordinary shares as at 17 July 2020 are noted below:

Rank	Name	Units	%
1	AFIC Ltd	8,727,827	5.40
2	Djerriwarrh Investments Limited	4,214,810	2.61
3	HSBC Custody Nominees (Australia) Limited	3,262,547	2.02
4	T Campbell	2,827,755	1.75
5	Netwealth Investments Limited <Wrap Services A/C>	1,635,293	1.01
6	The Ian Potter Foundation Ltd <No 1 A/C>	1,400,000	0.87
7	Melbourne Business School Limited	702,532	0.43
8	Nulis Nominees (Australia) Limited <Navigator Mast Plan Sett A/C>	689,117	0.43
9	Mr Ian Stanley Fraser + Mr Andrew Tweedie + Mr Andrew Stanley Fraser <Joe White Bequest Cap A/C>	666,240	0.41
10	Somoke Pty Limited <Pulman Super Fund A/C>	615,152	0.38
11	Ross Barker	599,130	0.37
12	Navigator Australia Ltd <Mlc Investment Sett A/C>	521,245	0.32
13	Fivewood Nominees Pty Ltd <PJ Woodward Family A/C>	514,636	0.32
14	Yelgarn Pty Ltd <Montgomery Super Fund A/C>	500,000	0.31
15	Mutual Trust Pty Ltd	486,571	0.30
16	Citicorp Nominees Pty Limited	453,487	0.28
17	Baker Custodian Corporation	450,000	0.28
17	Chalcott Nominees Pty Ltd <Mcgregor Family S/Fund A/C>	404,517	0.25
19	Mr Ross Gordon Miller + Mrs Sybil Marie Miller	392,525	0.24
20	Netwealth Investments Limited <Super Services A/C>	385,062	0.24

OTHER INFORMATION

continued

Sub-underwriting

During the year the Company participated as a sub-underwriter in the following issues of securities:

Company	Underwritten By	Description	Amount Underwritten
Qube Holdings Limited	UBS AG/Merrill Lynch Equities	1 for 6.35 pro-rata accelerated entitlement offer for c. \$500 million	\$1,359,663

Substantial Shareholders

The Company has been notified of substantial shareholdings as follows:

Holder	Number of Shares	Date Notified
Australian Foundation Investment Company Limited	5,200,000	28/06/01

The above notice was lodged prior to the rights issues of September 2003 and February 2008. Current shareholding reflected on page 45.

Transactions in Securities

During the year ended 30 June 2020, the Company recorded 748 transactions in securities. \$598,349 in brokerage (including GST) was paid or accrued for the year.

Major Transactions in the Investment Portfolio

Acquisitions	Cost \$'000
Oil Search (includes participation in placement @\$2.10 per share)	11,173
Cleanaway Waste Management	7,154
InvoCare (includes participation in placement @\$10.40 per share)	6,192
Auckland International Airport (includes participation in placement @\$4.54 per share)	6,110
Infomedia (includes participation in placement @\$1.50 per share)	5,820

Sales	Proceeds \$'000
Wellcom Group (takeover by Innocean Worldwide)#	10,182
Lifestyle Communities	10,137
Computershare#	5,994
DuluxGroup (takeover by Nippon Paint)#	5,730
TPG Telecom#	5,047

Complete disposals from the portfolio.

New Companies Added to the Portfolio

Oil Search
 Cleanaway Waste Management
 Auckland International Airport
 Infomedia
 Pinnacle Investment Management
 REA Group
 Premier Investments
 Fineos Corporation
 Temple & Webster
 OptiComm
 Marketplacer (unlisted)
 CountPlus
 Plexure Group (NZX listed)

Holdings of Securities

At 30 June 2020

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

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

Code	Name	Principal Activity	Number Held 2019 '000	Number Held 2020 '000	Market Value 2020 \$'000
MAQ	Macquarie Telecom Group	Provider of voice and telecommunication services as well as data hosting and co-location services to businesses and government customers	352	462	20,333
MFT	Mainfreight (NZX listed)	Provider of managed warehousing and international and domestic freight forwarding services	500	500	18,420
OCL	Objective Corporation	Provider of information technology software and services	2,100	2,020	14,906
QUB	Qube Holdings	Provider of import and export logistics services with national operations	4,409	5,000	14,550
BRG	Breville Group	Manufacturer and wholesaler of electrical consumer products	565	600	13,656
ARB	ARB Corporation	Manufacturer and distributor of four-wheel drive vehicle accessories in Australia and internationally	573	734	13,176
REH	Reece	Distributor and retailer of plumbing, building and hardware supplies	935	1,298	11,925
CAR	Carsales.com	The largest online automotive classifieds business in Australia. They also have interests in leading online automotive classified businesses in Brazil, South Korea, Malaysia, Indonesia, Thailand and Mexico	625	657	11,655
NXT	NEXTDC	Owns and operates large scale data centres across Australia	885	1,178	11,641
SEK	Seek	Operator of employment classifieds websites in Australia and offshore with interests in education and training	544	495	10,836
IRE	IRESS	Provider of share market and wealth management information systems	775	960	10,510
JHX	James Hardie Industries	Building materials company focused on fibre cement products, predominantly in the United States	558	370	10,182
IVC	InvoCare	Provider of services related to funerals, burials and cremations	415	938	9,829
FPH	Fisher & Paykel Healthcare Corporation	Designs, manufactures and markets a range of medical devices used in respiratory care and the treatment of obstructive sleep apnoea	435	295	9,688
EQT	EQT Holdings	Provider of private client, trustee, estate administration and funds management services	370	370	9,148
AUB	AUB Group	Investor in a network of small to medium size Australian insurance brokers	725	620	9,114
RMD	ResMed	Leading developer, manufacturer and distributor of medical equipment for treating, diagnosing, and managing sleep-disordered breathing and other respiratory disorders	370	330	9,088
NWL	Netwealth Group	Provider of independent investment platform services to institutional, corporate and retail clients	268	1,009	9,048

Code	Name	Principal Activity	Number Held 2019 '000	Number Held 2020 '000	Market Value 2020 \$'000
XRO	Xero	Develops cloud based accounting software for small and medium sized businesses in New Zealand, Australia, the United Kingdom and the United States	60	99	8,932
AIA	Auckland International Airport	Owner and operator of New Zealand's largest airport	0	1,297	7,991
CWY	Cleanaway Waste Management	Engages in the provision of waste management, industrial, and environment services	0	3,550	7,810
ALX*	Atlas Arteria	Owns stakes in a number of toll roads in France and the United States	950	1,104	7,261
ANN	Ansell	Designer, manufacturer and distributor of a wide range of industrial, surgical and examination gloves and other protective products	240	190	6,973
ALQ	ALS	Provider of analytical laboratory services to mining, life sciences, energy and industrial clients	900	1,000	6,560
OZL	Oz Minerals	Engages in the mining of copper and gold at developed mines as well as engaging in mining exploration and development projects	515	565	6,190
NZX	NZX (NZX listed)	Operator of a securities exchange, and also provides wealth management services for New Zealand advisers via its wealth technologies business	4,000	4,191	5,491
OSH	Oil Search	Oil and gas explorer, developer and producer with assets predominantly in PNG	0	1,718	5,447
IFM	Infomedia	Engages in the development and provision of applications and information solutions to the after sales parts and service sector of the automotive industry	0	3,130	5,384
REA	REA Group	Engages in the provision of property and property-related services on websites and mobile apps across Australia and Asia	0	48	5,129
AWC	Alumina	40 per cent interest in a joint venture with Alcoa involved in bauxite mining, alumina refining and aluminium smelting	4,680	3,000	4,875
EVT	Event Hospitality & Entertainment	Entertainment, hospitality and leisure company with interests in cinemas, hotels and resorts	460	577	4,856
HUB	HUB24	Provider of platform, investment, advisory and stock broking services to institutional, corporate and retail clients	325	508	4,724
FCL	Fineos Corporation	Operates as a global software company. It provides software solutions to the life, accident and health insurance industry	0	1,200	4,680
FRE	Freightways (NZX listed)	Engages in the provision of express packages and business mail services as well information and destruction services both in Australia and New Zealand.	585	685	4,603
SPL	Starpharma Holdings	Engages in the research and development of dendrimer products for pharmaceutical, life science and other applications	3,980	3,980	4,477
APE	AP Eagers	Operator of a national footprint of full service motor vehicle dealerships representing a broad range of car and truck brands in Australia	414	660	4,455

Holdings of Securities

At 30 June 2020 continued

Code	Name	Principal Activity	Number Held 2019 '000	Number Held 2020 '000	Market Value 2020 \$'000
COE	Cooper Energy	An Australian oil and gas company currently developing the Sole gas project in the Gippsland Basin to complement existing production in the Cooper Basin and Otway Basin	12,252	11,840	4,440
RWC	Reliance Worldwide Corporation	Designs, manufactures and distributes products for the plumbing industry including fittings, pipes, valves and thermostatic products	2,400	1,500	4,410
BKW	Brickworks	Australia's largest manufacturer of bricks and pavers, with other investments in property development and listed equities	454	273	4,329
TGR	Tassal Group	Producer of Atlantic Salmon from Tasmania	1,000	1,234	4,257
PNI	Pinnacle Investments Management	Develops and operates investment management businesses; and provides distribution services, and business support to its affiliates	0	1,027	4,024
RHP	Rhipe	Provider of software licensing and cloud computing services on behalf of a number of large, multinational software vendors	2,000	1,980	3,900
TPW	Temple & Webster	Operates as an online retailer of furniture, homewares, home décor, arts, gifts, and lifestyle products from Australian and international designers	0	617	3,896
PMV	Premier Investments	Operates a number of speciality retail fashion chains in Australia and New Zealand and a growing international presence through its Smiggle children's stationery brand	0	192	3,320
LIC	Lifestyle Communities	Developer, owner and manager of independent living communities for elderly citizens	1,771	331	3,133
OPC	OptiComm	Operates as a telecommunications provider. It designs, installs, operates and maintains fibre-based fixed line access telecommunication networks	0	599	3,055
WSP	Whispir	Engages in the provision of communications software and micro applications for enterprises	1,475	1,300	2,795
AD8	Audinate Group	Engages in the development and commercialisation of digital audio network solutions	533	492	2,655
MKT	Marketplacer (unlisted)	Is a software company that provides the technology and infrastructure needed to establish and maintain online marketplaces for retail and B2B customers	0	150,000	1,500
CUP	Countplus	Operates as a holding company with interest in providing accounting and financial services	0	1,262	1,129
PLX	Plexure Group (NZX listed)	Engages in the development and deployment of a real time customer relationship management solutions. It focuses on mobile engagement software services, with a focus on the quick service restaurant and convenience sectors	0	1,150	1,001
PKS	PKS Holdings	Healthcare company which provides clinical decision support software known as 'Rippledawn' which automates human decision making processes in healthcare organisations	5,500	5,500	935
Total					372,321

Issues of Securities

Date of Issue	Type	Price Per Share
14 February 2020	DRP	\$2.57
12 August 2019	DRP	\$2.50
15 February 2019	DRP	\$2.40
13 August 2018	DRP	\$2.58
15 February 2018	DRP	\$2.58
10 August 2017	DRP	\$2.58
14 February 2017	DRP	\$2.57
9 August 2016	DRP	\$2.71
9 February 2016	DRP	\$2.46
19 November 2015	SPP	\$2.20
7 August 2015	DRP	\$2.50
10 February 2015	DRP	\$2.23
8 August 2014	DRP	\$2.46
11 February 2014	DRP	\$2.33
9 August 2013	DRP	\$2.26
12 February 2013	DRP	\$2.14
3 August 2012	DRP	\$1.85
10 February 2012	DRP	\$1.74
5 August 2011	DRP	\$1.83
16 August 2010	Share Purchase Plan ('SPP')	\$1.60
12 February 2010	DRP	\$1.99
7 August 2009	DRP	\$1.55
13 February 2009	DRP	\$1.32
29 February 2008	1 for 7 rights issue	\$1.95
2 August 2007	DRP	\$2.49
2 March 2007	DRP	\$2.09
23 August 2006	Dividend Reinvestment Plan ('DRP')	\$1.86
15 March 2004	Share Acquisition Plan	\$1.15
23 September 2003	1 for 4 rights issue	\$1.00
13 April 2003	Share Acquisition Plan	\$1.00
22 April 1999	Initial Share Issue	\$1.00

Company Particulars

Mirrabooka Investments Limited

ABN 31 085 290 928

Directors

Terrence A Campbell AO, Chairman
Robert M Freeman, Managing Director
Ross E Barker
Ian A Campbell
Jacinth K Fairley
David E Meiklejohn AM

Company Secretaries

Matthew J Rowe
Andrew JB Porter

Auditor

PricewaterhouseCoopers
Chartered Accountants

Country of Incorporation

Australia

Registered Office and Mailing Address

Level 21, 101 Collins Street
Melbourne Victoria 3000

Contact Details

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

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

Telephone 1800 780 784 (toll free)

Shareholder Information

Share Registrar

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

Shareholder

Enquiry Line 1300 653 924
+61 3 9415 4342 (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

MIR Ordinary shares

Annual General Meeting

Time 1.30pm
Date Wednesday 14 October 2020

Note the AGM will be a virtual meeting conducted online and via telephone. The subsequent interstate investor meetings will not be held this year. The recorded webinar of the AGM will be available on the Company's website following the presentation.

