



MIRRABOOKA
Investments Limited

5 October 2021

The Manager
ASX Market Announcements
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Electronic Lodgement

**Mirrabooka Investments Limited
2021 Annual General Meeting Presentation**

Dear Sir / Madam

The following presentation will be delivered to shareholders at the Company's Annual General Meeting to be held today.

Yours faithfully

Matthew Rowe
Company Secretary

Authorised for release by the Company Secretary



MIRRABOOKA
Investments Limited

Annual General Meeting 2021 - Presentation

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Objectives

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.

Our approach

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

ESG is integrated into our investment framework



Approach to Environmental, Social and Governance (ESG) factors

- Assessment of ESG risk factors is an important part of our investment process as the sustainability of a business is a key input in our assessment of a company.
- As a long-term investor, we seek to invest in companies that have strong governance and risk management processes, which includes consideration of environmental and social risks.
- We regularly review companies to ensure ongoing alignment with our investment framework.



Engagement with companies

Voting on resolutions is one of the key functions that a shareholder has in ensuring better long-term returns and management of investment risk:

- We conduct our own evaluation of the merits of any shareholder resolution and also take input from proxy advisors.
- We vote on all company resolutions as part of our regular engagement with companies.
- We actively engage with companies when we have concerns those resolutions are not aligned with shareholders' interests.

Board Members

Our Board has significant experience as Executives, Directors and investors in ASX listed emerging companies.



Terrence A Campbell AO
Chairman and Independent
Non-Executive Director



Mark Freeman
Managing Director



Ian A Campbell
Independent Non-Executive
Director



Jacynth Fairley
Independent Non-Executive
Director



Annette Kimmitt AM
Independent Non-Executive
Director



David E Meiklejohn AM
Independent Non-Executive
Director (retires at this meeting)



Greg W Richards
Independent Non-Executive
Director

Investment Team – over 100 years of ASX investing experience



Kieran Kennedy
Portfolio Manager



Stuart Low
Investment Analyst



Nga Lucas
Investment Analyst



David Grace
Portfolio Manager



Olga Kosciuczyk
Investment Analyst



Jaye Guy
Investment Analyst



Brett McNeill
Portfolio Manager



Jeremy Moore
Dealer



Nicky Sun
Graduate Investment Analyst

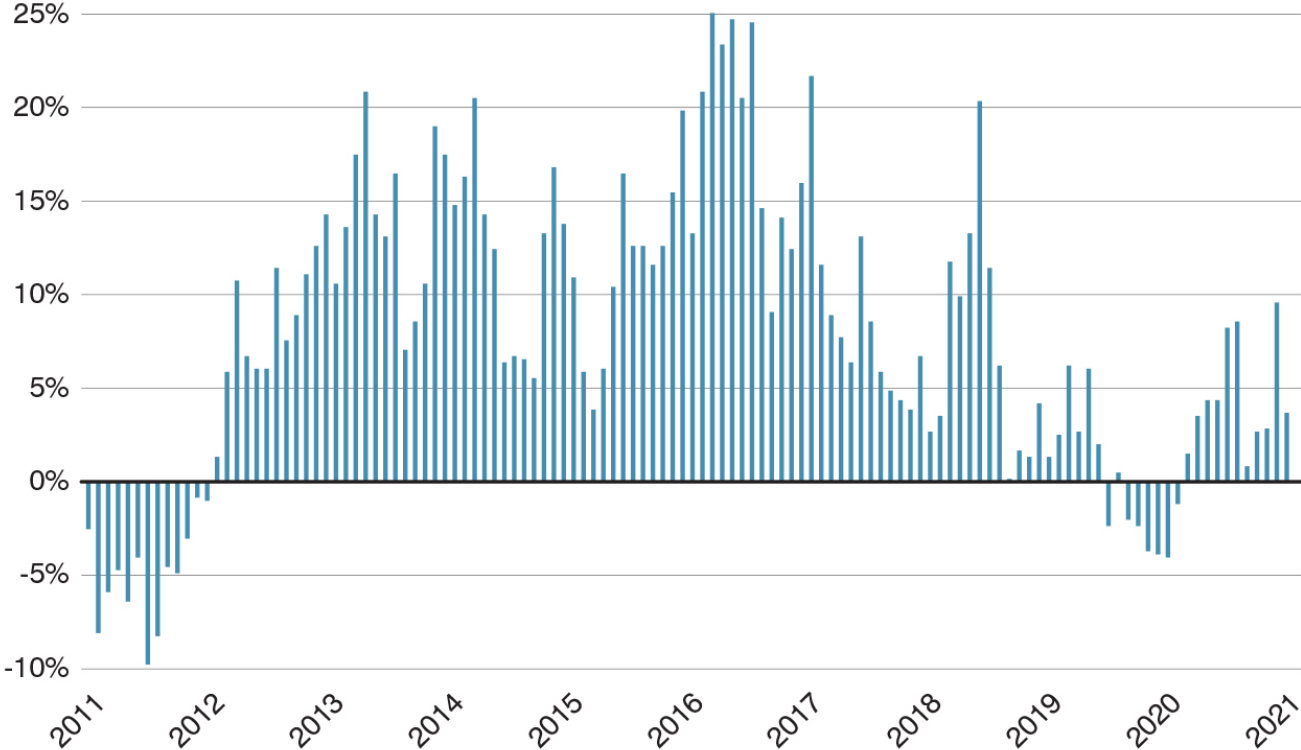
Result Summary

Result Summary

| | 2021 | | | 2021 | | |
|-------------------------------------|-------------------------------------|---------------------|--|---------------------------------|-----------------|--|
| Profit for the Year | \$6.4m | | \$6.4 million in 2020 | Total Shareholder Return | 61.6% | Share price plus dividend including franking* |
| Total Fully Franked Dividend | 6.5¢ Final | 12¢ Total | 10 cents total in 2020 | Management Expense Ratio | 0.50% | 0.63% in 2020 |
| | 2.0¢ Special | | | | | |
| Total Portfolio Return | 50.9% Including franking* | | Combined S&P/ASX Small and Mid Cap 50 Accumulation Index including franking* 35.2% | Total Portfolio | \$618.0m | Including cash at 30 June. \$392.5 million in 2020 |

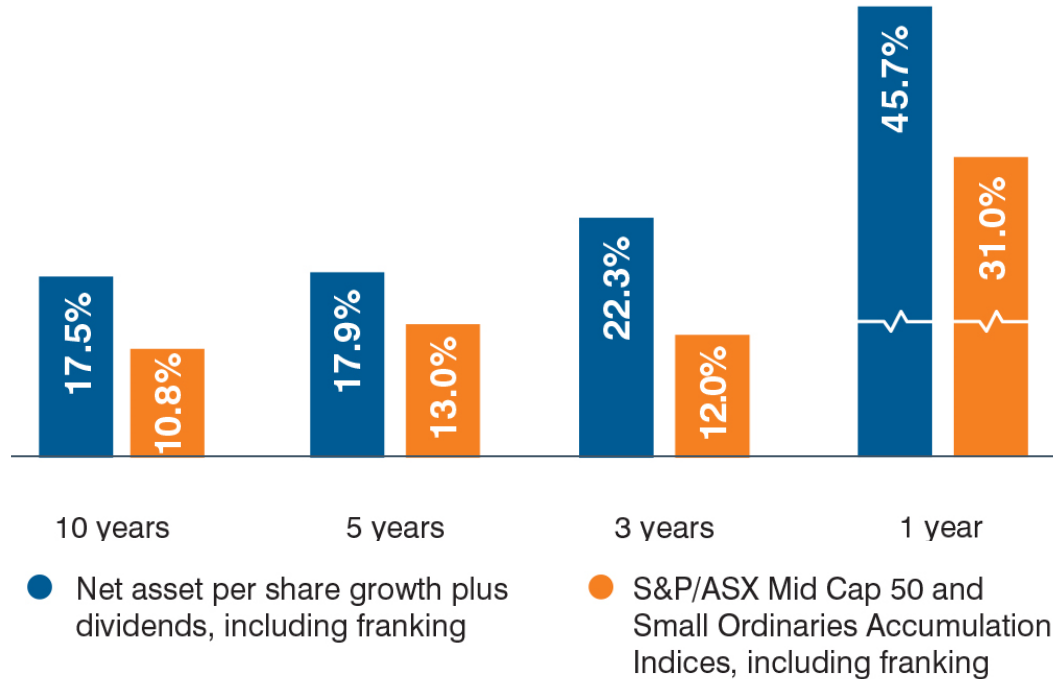
*Assumes an investor can take full advantage of franking credits

Share price premium/(discount) to net asset backing



Portfolio attributes and performance

Portfolio Performance to 31 August 2021



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

Past performance is not indicative of future performance.

Key benefits

The key **unique benefits** of Mirrabooka are the combination of:



Consistency of long term returns.



Alignment of interests

- ✓ Comparatively low management cost
- ✓ No performance fees



Tax effectiveness from a low turnover, long term, investment approach.

Consistency of long term returns



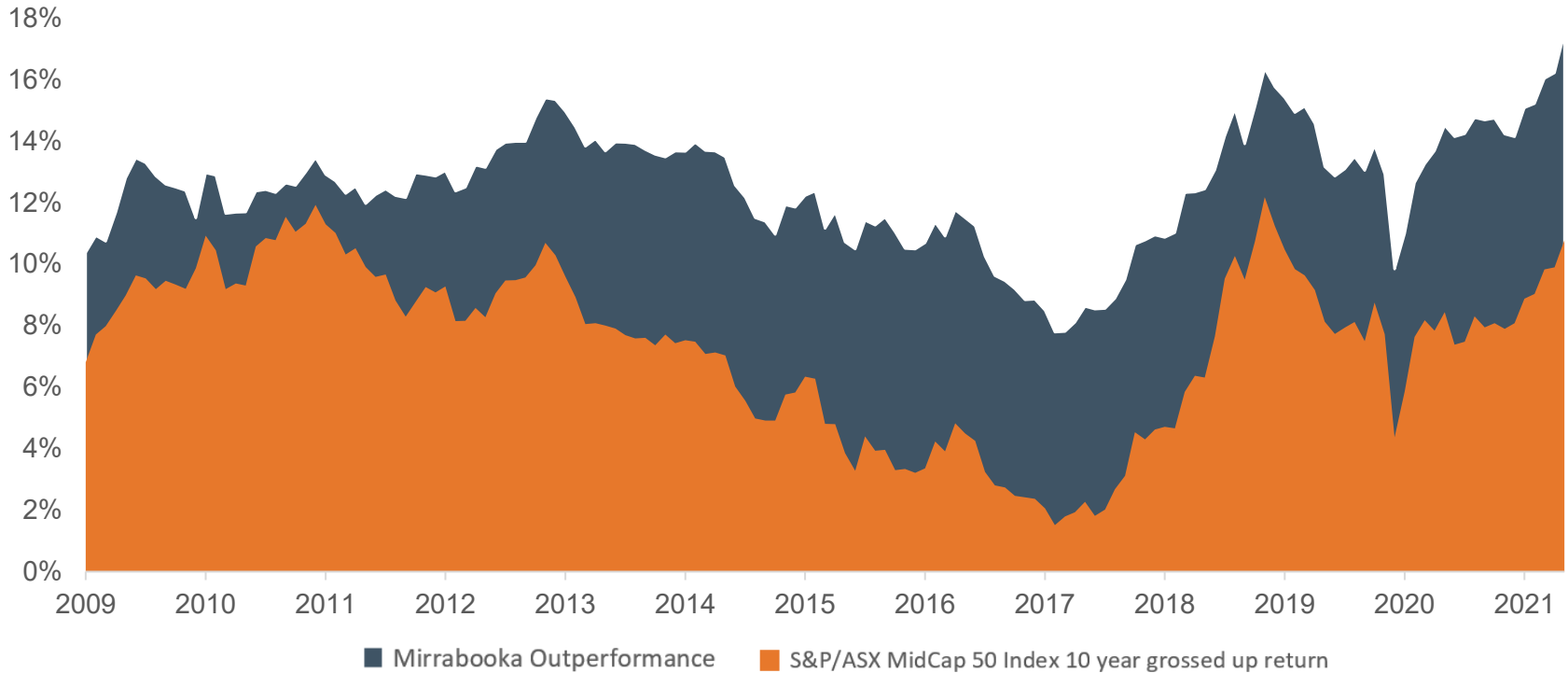
Figures assume an investor can take full advantage of franking credits distributed.

Note: Mirrabooka's net asset per share growth plus dividend series is calculated after management fees, income tax and capital gains tax on realised sales of investments.

Past performance is not indicative of future performance.

Consistency of long term returns continued

Mirrabooka 10 Year Performance History – Benchmark and Outperformance Contribution



Consistency of long term returns continued

Over Mirrabooka's 22 year history...

On average, a **10-year investment** in:

Mid-small cap benchmark

doubled in value (7.4% p.a.)



MIR's portfolio (NTA)

more than **tripled** in value (12.5% p.a.)

A **\$10,000 investment**
made 10 years ago (August 2011) in:

Mid-small cap benchmark

Would be worth approximately **\$28,000**
(10.8% p.a.)



MIR's portfolio (NTA)

Would be worth approximately **\$50,000**
(17.5% p.a.)

Figures assume an investor can take full advantage of franking credits distributed.

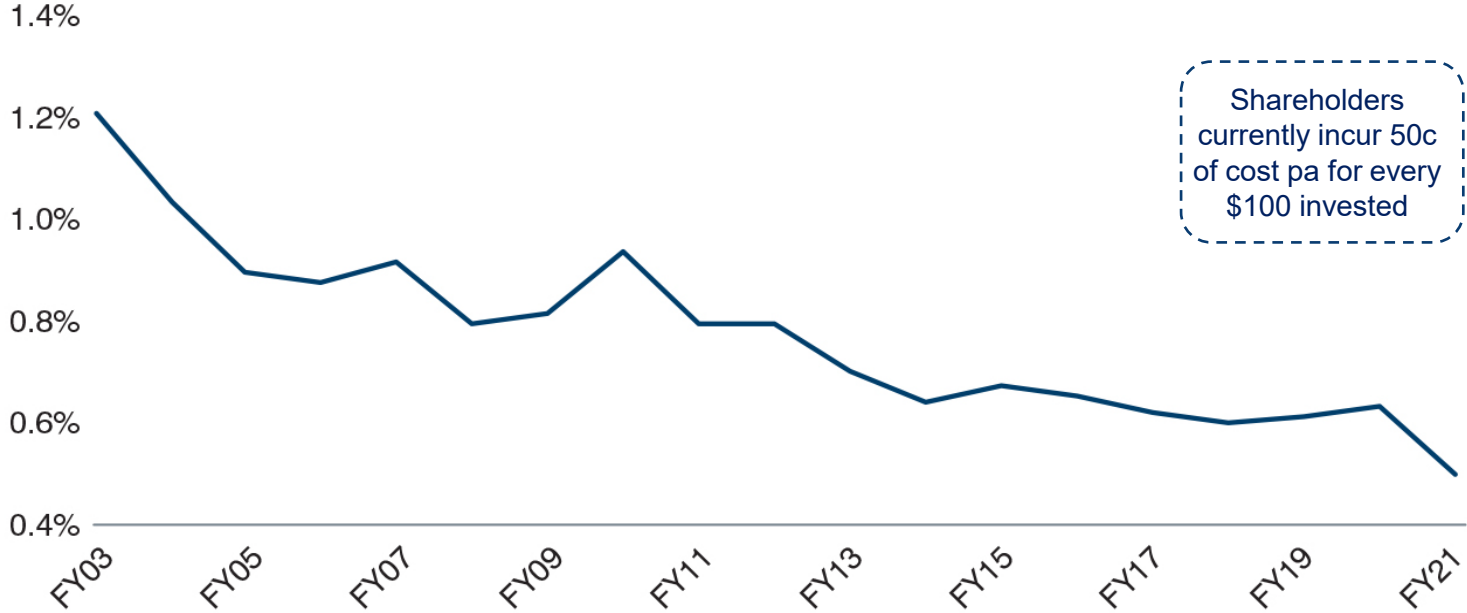
Note: Mirrabooka's net asset per share growth plus dividend series is calculated after management fees, income tax and capital gains tax on realised sales of investments. It should also be noted that the index returns for the market do not include the impact of management expenses and tax on their performance.

Past performance is not indicative of future performance.

Alignment of interests

Shareholders fully enjoy the cost efficiencies arising from our long term investment gains.

Mirrabooka's Management Expense Ratio (MER) history



Alignment of interests continued



Mirrabooka is not run by a funds management business charging performance fees, which can be as high as 20% of outperformance.



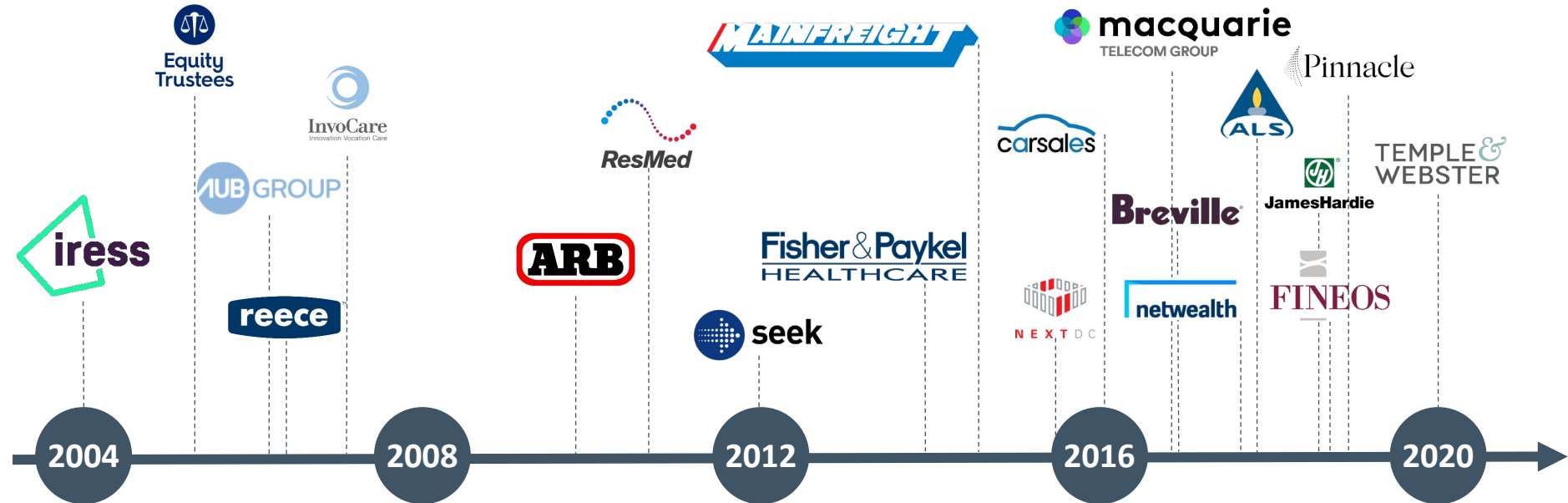
The benefits of portfolio performance are instead retained within the portfolio for the future compound return benefit of all shareholders.



Directors and staff are significant investors in Mirrabooka, our interests are fully aligned with fellow shareholders.

Tax effectiveness

We are more 'long term' in our approach than most institutional investors – period of ownership of top 20 stocks.

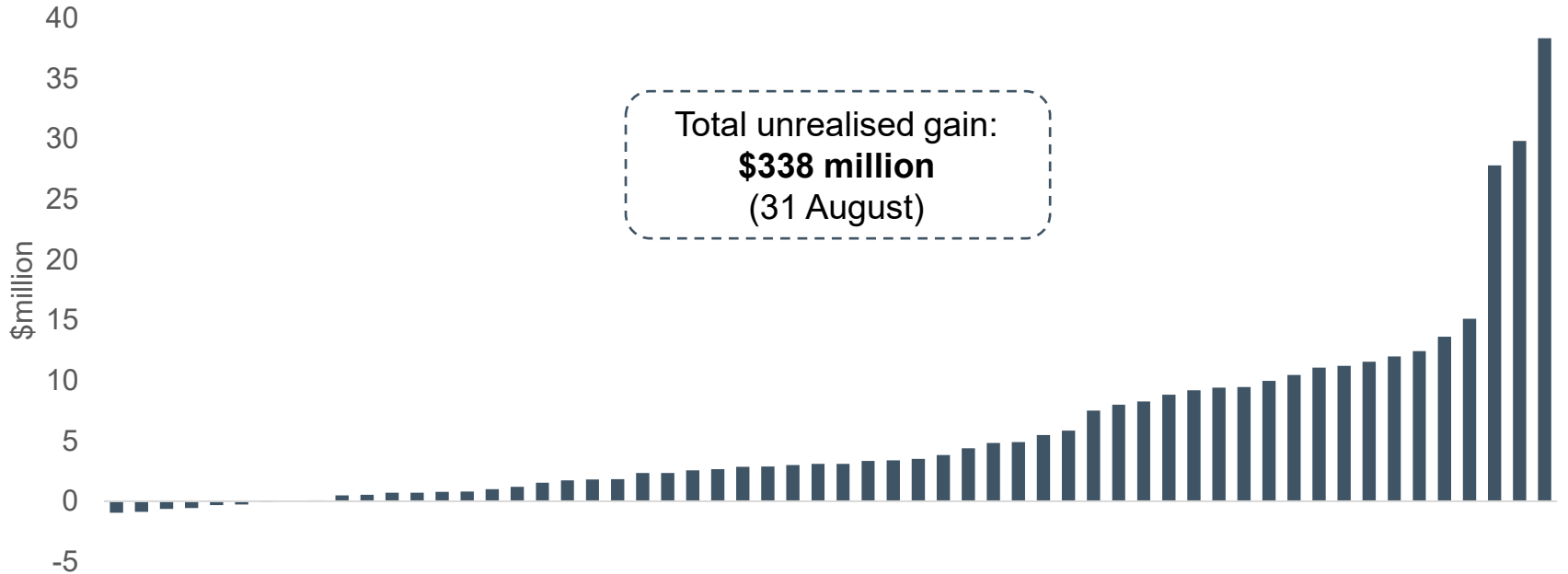


Note: James Hardie and NEXTDC have been held in prior periods.

Tax effectiveness continued

We manage the portfolio with a tax inclusive mindset - crystallising gains creates a tax drag on performance

Mirrabooka Investment Portfolio Unrealised Gains/Losses





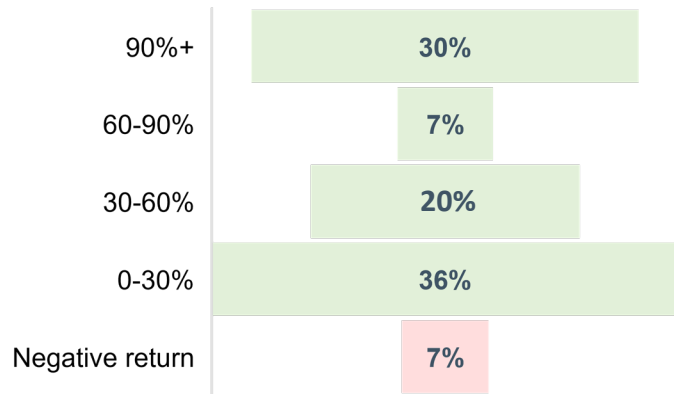
Current State of our Portfolio

- Contributors to strong recent performance
- Top 20 holdings
- Recent material transactions
- Recent portfolio additions

Contributors to strong recent performance

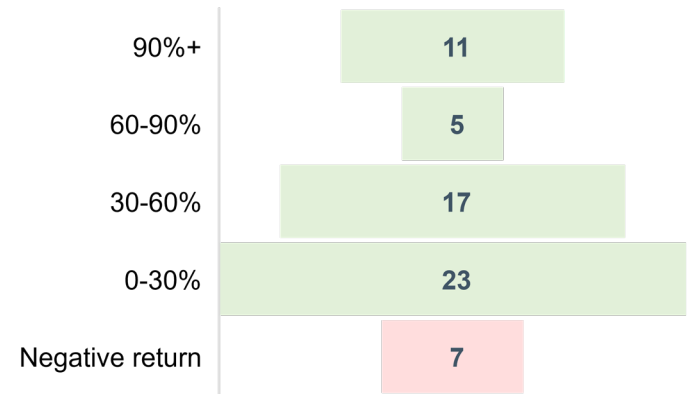
Our significant 1-year outperformance was the result of very consistent, and in many cases very strong, share price performance from our larger holdings.

MIR 1 year return by portfolio weighting



51% of the portfolio by stock weighting outperformed the 34% benchmark return in FY21.

MIR 1 year return by number of stocks



28 out of the 63 stocks we held during FY21 outperformed.

Contributors to strong recent performance continued





11 stocks representing 30% of the Mirrabooka portfolio returned **more than 90%** in FY21.



4X4 ACCESSORIES



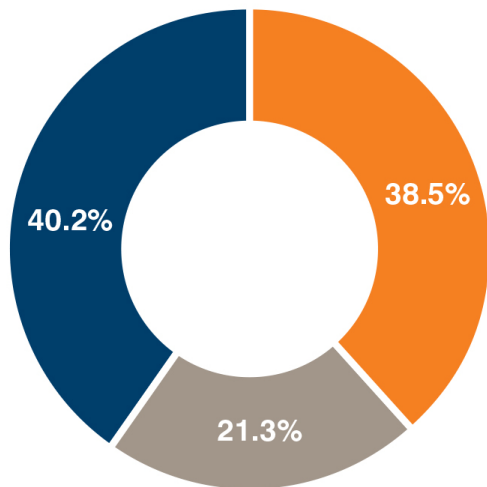
Contributors to strong recent performance continued

| | Cost | Value | Long-term Perspective |
|---|--------|---------|--|
|  | \$6.9m | \$45.3m | Recent results providing confidence that Mainfreight's culture led service differentiation is gaining traction in much larger US and European markets. |
|  | \$8.5m | \$36.3m | Very large opportunity in global markets, especially in the US with large OEM (Ford USA) deals and ARB branded store rollout commencing. |
|  | \$5.3m | \$17.3m | Dominant market position in Australian plumbing complemented by a very large US opportunity still in its early stages. |
|  | \$6.5m | \$15.3m | Despite very strong growth, Netwealth still only accounts for 5% of the platform market. We believe the exodus of advisors from traditional bank-owned platforms will remain a tailwind for a number of years. |

Valuation at 31 August 2021

Portfolio - Top 20 holdings at 31 August 2021 (excluding cash)

Diversification of the Portfolio – 59 Holdings in Total



● Top 10 ● Next 10 ● Remainder

Cash position \$4.2 million
(0.6% of the total portfolio)

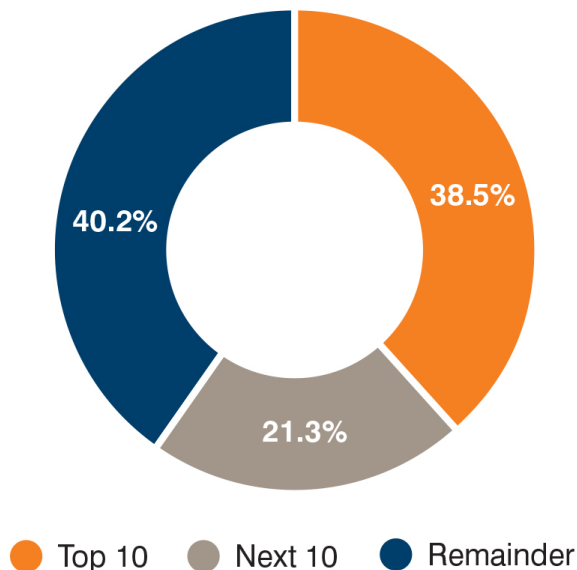
Top 10 Holdings

| Rank | Company | % of Portfolio |
|------|--------------------------------------|----------------|
| 1 | Mainfreight | 6.7% |
| 2 | Macquarie Telecom Group | 5.6% |
| 3 | ARB Corporation | 5.4% |
| 4 | IRESS | 4.0% |
| 5 | Pinnacle Investment Management Group | 3.2% |
| 6 | Breville Group | 2.9% |
| 7 | Carsales.com* | 2.8% |
| 8 | James Hardie Industries | 2.7% |
| 9 | ResMed | 2.6% |
| 10 | Reece* | 2.6% |

* Options were outstanding against part of the holding.

Portfolio - Top 20 holdings at 31 August 2021 (excluding cash) continued

Diversification of the Portfolio – 59 Holdings in Total



Cash position \$4.2 million
(0.6% of the total portfolio)

Next 10 Holdings

| Rank | Company | % of Portfolio |
|------|--|----------------|
| 11 | AUB Group | 2.5% |
| 12 | NEXTDC* | 2.3% |
| 13 | Netwealth Group | 2.3% |
| 14 | Temple & Webster Group | 2.3% |
| 15 | FINEOS Corporation | 2.2% |
| 16 | Seek | 2.0% |
| 17 | Fisher & Paykel Healthcare Corporation | 2.0% |
| 18 | EQT Holdings | 1.9% |
| 19 | ALS | 1.9% |
| 20 | Invocare | 1.9% |

* Options were outstanding against part of the holding.

Recent material transactions

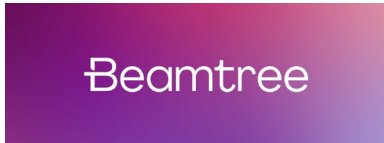
Exited

Trimmed

Investments



Recent portfolio additions



Emerging software business producing technology for the hospital and pathology industries.



Globally recognised infection prevention business with a leading position in ultrasound decontamination.



Branded Tasmanian spirits producer developing a strong reputation in the whiskey market.



Portfolio outlook

Portfolio outlook

Equity markets

Portfolio

Short term (1-2 years)

Valuations are elevated but are supported by:

- ample liquidity and
- a lack of attractive investments as an alternative to equities.

Strong recent performance of many large holdings may weigh on near term portfolio returns, our focus remains long term.

Longer term (3 years and beyond)

Elevated valuations are likely to lower future equity market returns vs recent experience.

We remain confident in the relative return potential of our portfolio of high-quality companies.



Concluding remarks



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