

Appendix 4D

31 December 2023 Half Yearly Report

CARLTON INVESTMENTS LIMITED

ABN 85 000 020 262

1. Financial Reporting Period

The current financial reporting period is for the half year to 31 December 2023 with the previous corresponding period being the half year to 31 December 2022.

2. Results for announcement to the market

			2023	2022
			\$000's	\$000's
Revenue				
Dividends and distributions received - ordinary	Up	31.9% to	20,800	15,767
Dividends received - special	Down	97.7% to	89	3,880
Interest received	Up	120.2% to	568	258
Operating revenue	Up	7.8% to	21,457	19,905
Profit				
Profit before income tax	Up	8.4% to	20,952	19,328
Income tax expense	Up	275.7% to	(1,270)	(338)
Net profit	Up	3.6% to	19,682	18,990
Dividends		Amount per security		Franked amount per security
Interim dividend - Ordinary Shares		41.0 cents		41.0 cents
- Preference Shares		7.0 cents		7.0 cents
Half year ended 31 December 2022 - Ordinary shares		40.0 cents		40.0 cents
- Ordinary shares				
- special		9.0 cents		9.0 cents
- Preference shares		7.0 cents		7.0 cents
Date of payment of interim dividends			18 March 2024	
Record date for determining entitlements to the interim dividends			1 March 2024	

3. Net tangible asset backing: Refer page 14.

4. Entities over which control has been gained or lost during the period: None

5 & 6. Details of dividend payments and dividend reinvestment plans: Refer to note 4-2 of the attached condensed consolidated financial statements.

7. Details of associates and joint ventures: None

The Auditor's Review Report is attached.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED INCOME STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Note	Half year to 31 December 2023 \$000	Half year to 31 December 2022 \$000
Dividends and distributions received		20,889	19,647
Interest income		568	258
Operating revenue	2-3	21,457	19,905
Administration expenses	2-4	(499)	(571)
Finance costs		(6)	(6)
Operating expenses		(505)	(577)
Profit before income tax expense		20,952	19,328
Income tax expense	2-5	(1,270)	(338)
Net profit for the half year		19,682	18,990
Basic and diluted earnings per ordinary share	2-1	\$0.743	\$0.717

The consolidated income statement is to be read in conjunction with the notes to the condensed consolidated financial statements set out on pages 7 to 11.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

	Half year to 31 December 2023 \$000	Half year to 31 December 2022 \$000
Net profit for the half year	19,682	18,990
Other comprehensive income <i>Items that will not be reclassified to the income statement in the future:</i>		
Increase in fair value of investments	59,936	21,269
Increase in deferred tax liability on change in fair value of investments	(16,703)	(4,007)
Total other comprehensive income	43,233	17,262
Total comprehensive income for the half year	62,915	36,252

The consolidated statement of comprehensive income is to be read in conjunction with the notes to the condensed consolidated financial statements set out on pages 7 to 11.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	31 December 2023 \$000	30 June 2023 \$000
CURRENT ASSETS			
Cash		2,965	3,073
Receivables		570	3,610
Investments - term deposits	3-1	26,000	21,000
TOTAL CURRENT ASSETS		29,535	27,683
NON CURRENT ASSETS			
Investments - equities	3-1	1,018,915	956,399
Deferred tax assets		37	32
TOTAL NON CURRENT ASSETS		1,018,952	956,431
TOTAL ASSETS		1,048,487	984,114
CURRENT LIABILITIES			
Payables		105	157
Current tax liabilities		232	284
TOTAL CURRENT LIABILITIES		337	441
NON CURRENT LIABILITIES			
Deferred tax liabilities	2-5	175,102	157,656
Other financial liabilities	3-2	166	166
TOTAL NON CURRENT LIABILITIES		175,268	157,822
TOTAL LIABILITIES		175,605	158,263
NET ASSETS		872,882	825,851
EQUITY			
Issued capital	4-1	20,146	20,146
Reserves		459,376	416,143
Retained earnings		393,360	389,562
TOTAL EQUITY		872,882	825,851

The consolidated statement of financial position is to be read in conjunction with the notes to the condensed consolidated financial statements set out on pages 7 to 11.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2023

Half year to 31 December 2023	Share capital \$000	Revaluation reserve \$000	Retained earnings \$000	Total \$000
Equity as at 1 July 2023	20,146	416,143	389,562	825,851
Dividends paid	-	-	(15,884)	(15,884)
	20,146	416,143	373,678	809,967
Profit for the period	-	-	19,682	19,682
Other comprehensive income:-				
Increase in fair value of investments	-	59,936	-	59,936
Increase in deferred tax liability relating to change in fair value of investments	-	(16,703)	-	(16,703)
Other comprehensive income	-	43,233	-	43,233
Total comprehensive income	-	43,233	19,682	62,915
Total equity as at 31 December 2023	20,146	459,376	393,360	872,882

Half year to 31 December 2022	Share capital \$000	Revaluation reserve \$000	Retained earnings \$000	Total \$000
Equity as at 1 July 2022	20,146	418,633	380,484	819,263
Dividends paid	-	-	(15,355)	(15,355)
	20,146	418,633	365,129	803,908
Profit for the period	-	-	18,990	18,990
Other comprehensive income:-				
Increase in fair value of investments	-	21,269	-	21,269
Increase in deferred tax liability relating to change in fair value of investments	-	(4,007)	-	(4,007)
Other comprehensive income	-	17,262	-	17,262
Total comprehensive income	-	17,262	18,990	36,252
Total equity as at 31 December 2022	20,146	435,895	384,119	840,160

The consolidated statement of changes in equity is to be read in conjunction with the notes to the condensed consolidated financial statements set out on pages 7 to 11.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

	Half year to 31 December 2023 \$000	Half year to 31 December 2022 \$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends and distributions received	23,941	22,498
Interest received	556	185
Cash paid for operating expenses	(552)	(566)
Income tax paid	(582)	(519)
NET CASH PROVIDED BY OPERATING ACTIVITIES	23,363	21,598
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for acquisitions of investments	(5,192)	(7,281)
Proceeds from capital returns and disposal of assets	2,612	1,590
Net increase in term deposits	(5,000)	(9,000)
NET CASH USED IN INVESTING ACTIVITIES	(7,580)	(14,691)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(15,885)	(15,355)
Finance costs	(6)	(6)
NET CASH USED IN FINANCING ACTIVITIES	(15,891)	(15,361)
NET (DECREASE)/INCREASE IN CASH HELD	(108)	(8,454)
CASH AT BEGINNING OF FINANCIAL PERIOD	3,073	12,480
CASH AT END OF FINANCIAL PERIOD	2,965	4,026

The consolidated statement of cash flows is to be read in conjunction with the notes to the condensed consolidated financial statements set out on pages 7 to 11.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

SECTION 1 – BASIS OF PREPARATION

1-1 Reporting entity

Carlton Investments Limited is a company domiciled in Australia. The consolidated financial report of the Company for the half year ended 31 December 2023 comprises the Company and its subsidiaries (together referred to as the consolidated entity). The consolidated entity operates predominately in the acquisition and long term holding of shares and units in entities listed on the Australian Securities Exchange.

The report was authorised for issue by the Board of Directors on 14 February 2024.

1-2 Basis of Preparation

(a) Statement of compliance

The consolidated financial report is a general purpose financial report, which has been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the Corporations Act 2001.

The consolidated financial report does not include all of the information required for a full annual financial report and is to be read in conjunction with the 30 June 2023 annual financial report. This report must also be read in conjunction with any public announcements made by the Company during the half year in accordance with continuous disclosure obligations arising under the Corporations Act 2001 and the Australian Securities Exchange Listing Rules.

(b) Basis of preparation

The financial report is presented in Australian dollars (the Company's functional currency) on the historical cost basis except that investments in equities listed on the Australian Securities Exchange have been stated at their fair value. The balances and effects of transactions between controlled entities included in the consolidated accounts have been eliminated.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that legislative instrument, amounts in the financial report and Directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Revisions to accounting estimates are recognised in the period when the estimate is revised and in any future reporting periods affected.

The accounting policies adopted by the consolidated entity are consistent with those adopted during the previous corresponding half year and financial year.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Half year to 31 December 2023 \$000	Half year to 31 December 2022 \$000
SECTION 2 – EARNINGS AND COSTS		
2-1 Earnings per Share		
Basic and diluted earnings per ordinary share (cents per share)	\$0.743	\$0.717
Reconciliation of earnings used in the calculation of earnings per share		
Earnings used in the calculation of basic and diluted earnings per ordinary share	19,682	18,990
	Number	Number
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	26,474,675	26,474,675
2-2 Timing of recognition of income		
Revenues from dividends and trust distributions are recognised when the right to receive payment is established. Interest income is recognised as it accrues.		
2-3 Revenues from investment activities		
Dividends and distributions received - ordinary	20,800	15,767
Dividends received - special	89	3,880
Interest received or due and receivable from other parties	568	258
	21,457	19,905
2-4 Administration expenses		
Administration expenses include:		
Directors' fees and employee benefits	262	369
Other administration expenses	186	156
	448	525
Audit services: KPMG		
Audit and review of financial report	37	33
Other services: KPMG		
Taxation services	14	13
	51	46
	499	571

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2023

2-5 Income tax

Accounting policy

Income tax expense in the income statement comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised directly to the revaluation reserve in equity.

Current tax liability is the expected tax payable on the taxable income for the half year, using tax rates enacted or substantially enacted at the balance date, and any adjustment to tax payable in respect of previous years. Deferred tax, being predominantly capital gains tax, is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets, using tax rates enacted or substantially enacted at balance date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

	Half year to 31 December 2023 \$000	Half year to 31 December 2022 \$000
Income tax expense		
Prima facie income tax expense calculated at 30% (2022: 30%) on profit before tax	6,286	5,798
<i>Increase/(decrease) in income tax expense due to:</i>		
Imputation gross up on dividends received	2,358	2,592
Franking credits on dividends received	(7,859)	(8,639)
Difference in timing of recognition of dividend income for accounting and tax	574	726
Other	(89)	(139)
Income tax expense	1,270	338
	31 December 2023 \$000	30 June 2023 \$000
Deferred tax liability		
Capital gains tax on unrealised investment gains	174,254	157,571
Other temporary differences on timing of recognition of dividend and trust distribution income and income tax payable	848	85
	175,102	157,656

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	31 December 2023 \$000	30 June 2023 \$000
SECTION 3 – ASSETS AND LIABILITIES		
3-1 Investments		
Current		
Term deposits	26,000	21,000

Term deposits have been placed with major financial institutions and at 31 December 2023 had remaining maturity periods of between 45 to 75 days (2022: 46 to 117 days) with interest rates of 4.60% to 5.07% (2022: 3.65% to 3.95%). Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. Credit risk on term deposits is minimised as deposits are only placed with major Australian financial institutions with acceptable credit ratings determined by a recognised rating agency. There is no exposure to currency risk.

Non-Current		
Shares and units in listed entities – at fair value	1,018,915	956,399

Accounting policy

Shares and units in listed entities are valued continuously at fair value. Inputs used to determine fair value are the unadjusted last-sale price, last-bid price and last-sell price quoted on the Australian Securities Exchange at balance date. Fair value is determined at a value within the quoted bid/sell price spread with most investments being valued at the quoted last-sale price. As the inputs used to determine the fair value of shares and units in listed entities are prices quoted in an active market, being the Australian Securities Exchange, values are categorised within Level 1 of the fair value hierarchy of measurement under Accounting Standards AASB 13.

Any change in fair value of shares and units in listed entities is recognised, through the Statement of Comprehensive Income, directly to the revaluation reserve in equity.

Short term deposits with major financial institutions form part of the consolidated entity's investment portfolio and are carried at cost.

During the half year period investments were acquired for total consideration of \$5,192,000 (2022: \$7,281,000) and \$2,612,000 (2022: \$1,590,000) was received from capital returns and investment disposals.

Shares and units held by the consolidated entity are not directly exposed to interest or currency risk.

3-2 Other financial liabilities

Cumulative preference shares	166	166
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82,978 (30 June 2023: 82,978) 7% cumulative preference shares fully paid. Preference shares were not classified as redeemable when issued.

Dividends on these preference shares are recorded as a finance cost for accounting purposes.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	31 December 2023 \$000	30 June 2023 \$000
SECTION 4 – SHARE CAPITAL AND DIVIDENDS PAID		
4-1 Issued capital		
Issued and paid up capital		
26,474,675 (30 June 2023: 26,474,675) ordinary shares fully paid	20,146	<u>20,146</u>
Movements in ordinary issued capital		
Balance at the beginning of the financial period	20,146	20,146
On market buy back	-	-
Balance at end of the financial period	20,146	<u>20,146</u>

On 14 November 2001 the Company announced an On Market Buy Back of up to 2,500,000 of the Company's ordinary shares. This Buy Back has been extended until 28 November 2024. There were no shares bought back during the half year ended 31 December 2023 or year to 30 June 2023.

4-2 Dividends

Dividends recognised in the current half year by the Company are:

	Cents per share	Total amount \$000	Franked/ unfranked	Date of payment
2023 final dividend – ordinary shares	60.0	15,884	Franked	18 September 2023

Since the end of the financial period the directors have declared the following interim dividends.

2024 interim dividend – ordinary shares	41.0	<u>10,855</u>	Franked	18 March 2024
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The financial effect of the interim and special dividends, which has not been brought to account in the financial statements for the half year ended 31 December 2023, will be recognised in the 30 June 2024 Annual Report.

The Dividend Reinvestment and Bonus Share Plans continue to be suspended.

SECTION 5 – OTHER INFORMATION

5-1 Events subsequent to reporting date

For the 2024 interim dividends declared after 31 December 2023 refer note 4-2.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' DECLARATION FOR THE HALF YEAR ENDED 31 DECEMBER 2023

- 1 In the opinion of the Directors of Carlton Investments Limited ("the Company"):
- (a) the financial statements and notes set out on pages 2 to 11 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance, as represented by the results of its operations and cash flows, for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Sydney 14 February 2024

Signed in accordance with a resolution of the Directors:



A G RYDGE AM
Director



M E BLEACH
Director

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2023

The Directors present their report together with the consolidated financial report of Carlton Investments Limited and its controlled entities for the half year ended 31 December 2023 and the auditor's review report thereon.

Directors

The following were Directors of the Company during the half year to 31 December 2023 up to the date of this report:

Name	Period of directorship
Mr Alan G Rydge AM - Chairman	Chairman of Directors since 1980. Non-Executive Director
Mr Murray E Bleach - Lead Independent Director and Chairman of the Nominations and Remuneration Committee and Chairman of the Audit and Risk Committee	Independent Non-Executive Director since 2014
Mr Greg J Robertson	Independent Non-Executive Director since 2 May 2022

Consolidated operating profit

The consolidated net profit for the half year to 31 December 2023 attributable to the members of Carlton Investments Limited was:

	31 December 2023	31 December 2022
	\$000	\$000
Profit before income tax	20,952	19,328
Income tax expense	(1,270)	(338)
Net profit for the half year	19,682	18,990

Review of operations

Net profit for the half year to 31 December 2023 was \$19,682,000, representing an increase of \$692,000 or 3.6% on the previous corresponding half year period.

Dividends and distributions received and receivable, totalling \$20,889,000, increased by \$1,242,000 or 6.32%. There were significant increases in the level of dividends received from EVT, the major banks and AGL Energy, whilst these increases were partially offset by reductions in the dividends received from BHP Group, Coast Entertainment Holdings (prior year special), Perpetual and Woodside Energy.

Interest income for the half-year period was \$568,000 compared to \$258,000 in the previous corresponding half year period. This increase was because of higher interest rates and a higher level in funds held in term deposits.

The increase in tax expense for the half year was \$932,000. Of this increase in tax expense, \$270,000 is attributed to an increase in unfranked income received and the balance was timing differences relating to the recognition of dividend income for accounting and tax purposes.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT (cont.) FOR THE HALF YEAR ENDED 31 DECEMBER 2023

Net tangible asset backing

The net tangible asset backing for each issued ordinary share at 31 December 2023 prior to payment of the interim dividends detailed in note 4-2 and before provision for tax on unrealised capital gains was \$39.55 (30 June 2023: \$37.15). The net tangible asset backing per share after provision for tax on unrealised capital gains was \$32.97 at 31 December 2023 (30 June 2023: \$31.19). The relevant figures at 31 January 2024 were \$40.49 before provision for capital gains tax and \$33.64 after providing for capital gains tax.

Interim dividends

The Directors have today declared an interim fully franked dividend of 41.0 cents per ordinary share, payable on 18 March 2024. An interim dividend of 7.0 cents per preference share, fully franked, will be paid on the same date. The record date for the interim dividends is 1 March 2024.

Investments

Investment additions to the portfolio, during the half year to 31 December 2023, included increases in the existing investments in Amcor, ANZ Group Holdings, APA Group, Endeavour Group, Healius, IPH, Ramsay Health Care and Sonic Healthcare. The cost of these additional investments totalled \$5,192,000.

During this period, Chess Deposit Interests were also received in Newmont Corporation as the result of its takeover of Newcrest Mining.

Consideration of \$2,612,000 was received during the period from the takeovers of Blackmores, Estia Health and United Malt Group.

The thirty largest investments, at quoted market values, as at 31 December 2023 were:

	\$000's		\$000's
EVT	376,521	Amcor	12,599
National Australia Bank	67,573	Perpetual	11,099
Commonwealth Bank	64,082	Bluescope Steel	11,038
BHP Group	47,799	Bendigo and Adelaide Bank	10,803
Westpac Banking Corporation	40,856	Gowing Bros	10,342
James Hardie Industries	35,327	Coles Group	9,818
Wesfarmers	34,761	Origin Energy	9,651
ANZ Group Holdings	29,887	Orica	8,636
Fortescue	27,221	APA Group	8,259
Rio Tinto	21,822	South32	7,690
Telstra Group	18,151	Woolworths	6,436
AGL Energy	15,431	Boral	6,273
Woodside Energy Group	14,262	Ansell	5,611
Santos	13,166	Macquarie Group	5,520
Bank of Queensland	12,946	Sonic Healthcare	4,651
			<u>948,231</u>
Total market value of shares and units in listed entities as at 31 December 2023			<u>1,018,915</u>

The market value of the Group's investment portfolio increased by 6.3% during the six months ended 31 December 2023, after adjusting for acquisitions, disposals and capital returns. This compares to an increase of 5.4% in the S&P/ASX 200 Index over the same period. On a total portfolio return basis

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT (cont.) FOR THE HALF YEAR ENDED 31 DECEMBER 2023

Investments (continued)

(measured by the movement in NTA per share assuming dividends are reinvested), the return for the six months was 8.0% compared to an increase in the S&P/ASX 200 Accumulation Index over the same period of 7.6%. Market value movements for investments continued to fluctuate during the period, reaching their lowest point for the in mid October and their highest point in late December. Divergent views regarding inflation, interest rates and cost of living pressures continue to influence the ASX on a daily basis.

The Group's shareholdings in the banks, large miners, Boral, EVT, James Hardie, Seven Group and Wesfarmers all showed significant increases. Conversely, there were declines in the value of some of the Group's shareholdings including in those in the energy and packaging sectors as well as Coles and Telstra.

Lead auditor's independence declaration under section 307c of the Corporations Act 2001

The lead auditor's independence declaration is attached and forms part of the directors' report for the half year ended 31 December 2023.

Rounding off

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and, in accordance with that legislative instrument, amounts in this report and the financial report have been rounded off to the nearest one thousand dollars unless otherwise indicated.

This report is made in accordance with a Resolution of the Board of Directors and is signed for and on behalf of the Directors on 14 February 2024.



A G RYDGE AM
Chairman of Directors
14 February 2024



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Carlton Investments Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Carlton Investments Limited for the half-year ended 31 December 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

David Kells

Partner

Sydney

14 February 2024



Independent Auditor's Review Report

To the shareholders of Carlton Investments Limited

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of Carlton Investments Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Carlton Investments Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2023 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Half-year Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2023;
- Consolidated statement of profit or loss, Consolidated statement of comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Half-year ended on that date;
- Notes 1-1 to 5-1 comprising material accounting policies and other explanatory and including selected explanatory notes; and
- The Directors' Declaration.

The **Group** comprises Carlton Investments Limited (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

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

Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Half-year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the Half-Year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



KPMG



David Kells

Partner

Sydney

14 February 2024