

Appendix 4E

Final Report 30 June 2024

CARLTON INVESTMENTS LIMITED

ABN 85 000 020 262

1. Financial reporting period

The current financial reporting period is for the year ended 30 June 2024 with the previous corresponding period being the year ended 30 June 2023.

2. Operating results for announcement to the market

			2024 \$000	2023 \$000
Revenue				
Dividends and distributions received - ordinary	Up	15.5%	39,639	34,311
Dividends and distributions received – special	Down	81.2%	769	4,087
Interest received and other income	Up	56.6%	1,170	747
Total operating revenue	Up	6.2%	<u>41,578</u>	<u>39,145</u>
Profit				
Profit before income tax expense	Up	6.5%	40,642	38,163
Income tax expense	Up	147.2%	(1,871)	(757)
Net profit for the year	Up	3.6%	<u>38,771</u>	<u>37,406</u>

3. Dividends	Amount per security	Franked amount per security
Final – Ordinary – Current year	63 cents	63 cents
– Previous corresponding period	60 cents	60 cents
Final – Preference – Current year	7 cents	7 cents
– Previous corresponding period	7 cents	7 cents
Interim – Ordinary – Current year	41 cents	41 cents
– Previous corresponding period	40 cents	40 cents
Interim – Preference – Current year	7 cents	7 cents
– Previous corresponding period	7 cents	7 cents
Special – Ordinary – Current year	- cents	- cents
– Previous corresponding period	9 cents	9 cents
Total – Ordinary – Current Year	104 cents	104 cents
– Previous corresponding period	109 cents	109 cents
Total – Preference – Current year	14 cents	14 cents
– Previous corresponding period	14 cents	14 cents
Date final dividends payable	16 September 2024	
Record date for determining entitlements to final dividends	2 September 2024	
The dividend reinvestment plan continues to be suspended		

Appendix 4E

Final Report 30 June 2024

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4. Refer to the attached Financial Report for details of the following:

- Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows and notes thereon;
- Dividends paid and payable; and
- Net tangible asset backing (refer Chairman's Report)

5. Entities over which control has been gained or lost during the period: - Nil

6. Details of associates and joint ventures: - Nil

7. The Report is based on financial statements that have been audited. A copy of the audit report is included in the attached Financial Report.

8. Date of Annual General Meeting and closing date for receipt of director nominations, refer page 1.

CARLTON INVESTMENTS LIMITED

(A publicly listed company limited by shares, incorporated and domiciled in Australia)

ABN 85 000 020 262

Financial Report

For the year ended 30 June 2024

Directors	Alan G Rydge AM (Chairman) Murray E Bleach Greg J Robertson
Group Secretary	Andrew P Carter
Auditor	KPMG
Bank	National Australia Bank Limited
Registered Office	Level 15, 478 George Street, Sydney NSW 2000 Telephone: (02) 9373 6732 Email: info@carltoninvestments.com.au Website: www.carltoninvestments.com.au
Share Registrar	Computershare Registry Services Pty Ltd 6 Hope Street, Ermington NSW 2115 Telephone: 1300 850 505
Home Stock Exchange	The company is listed on the Australian Securities Exchange (Sydney) Limited Stock Exchange Code CIN
Controlled Entities	Carlton Hotel Limited (ACN 000 010 266) Eneber Investment Company Limited (ACN 000 014 540) The Manly Hotels Pty Limited (ACN 000 004 473)

Annual General Meeting

The 2024 Annual General Meeting will be held at:
The Screening Room, State Theatre Building,
49 Market Street, Sydney, NSW
at 10.00am on Wednesday 23rd October 2024.

Closing date for nominations as a director

The closing time and date for receipt of nominations for
election as a director at the Annual General Meeting is
5.00pm on Monday 2 September 2024.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CHAIRMAN'S REPORT TO SHAREHOLDERS

I present to you the Group's consolidated results for the year ended 30 June 2024.

Group's operations and results

Profit for the year ended 30 June 2024 was \$38,771,000 compared to \$37,406,000 for the prior 2023 financial year, an increase of \$1,365,000 or 3.6%.

Dividends and distributions received totalled \$40,408,000, compared to the prior year's dividends and distributions of \$38,398,000, an increase of \$2,010,000 or 5.2%. The above amounts included special dividends received of \$769,000 and \$4,087,000 respectively. Fully franked dividends of \$10,467,000 (2023: Ordinary \$4,311,000 and Special \$3,694,000) were received by the Group from EVT during the year ended 30 June 2024.

Interest income received totalled \$1,170,000, compared with the prior year's interest of \$747,000. This increase is attributable to higher interest rates and an increase in the weighted average term deposits during the year ended 30 June 2024. The weighted average term deposits held during the year ended 30 June 2024 was \$23,120,000 (2023 \$19,411,000) and the weighted average interest rate on term deposits increased from 3.31% in the prior year to 4.67%.

Administration expenses were \$924,000 compared to \$970,000 in the previous year. The management expense ratio (MER) for the year ended 30 June 2024 was 0.09%, compared to the prior year of 0.10%.

Earnings per ordinary share

Basic and diluted earnings were \$1.465 per ordinary share for the year to 30 June 2024 compared to \$1.413 per share for the 2023 financial year.

Dividends

On 20 August 2024 the directors declared a final fully franked dividend of 63 cents per ordinary share, payable on 16 September 2024. The prior year final fully franked dividend was 60 cents per ordinary share, which was paid on 18 September 2023.

On 14 February 2024 the directors declared a fully franked interim dividend of 41 per ordinary share, which was paid on 18 March 2024. The prior year interim fully franked dividend was 40 cents per ordinary share, together with a special dividend of 9 cents per ordinary share, which was paid on 20 March 2023. The special interim dividend was declared due to the increase in special dividends received in the first half of the year, including the EVT special dividend.

Total ordinary share dividends paid and payable for year ended 30 June 2024, amount to \$1.04 per share, being an increase of 4.0% on the prior year dividends paid.

A final preference share dividend of 7 cents per share fully franked is also payable on 16 September 2024.

The Dividend Reinvestment Plan remains suspended.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CHAIRMAN'S REPORT TO SHAREHOLDERS (CONT.)

Net tangible asset backing

The net tangible asset backing for each issued ordinary share at 30 June 2024, prior to the payment of the final dividend noted above and before provision for estimated capital gains tax in respect of unrealised investment portfolio gains, was \$39.71 (2023: \$37.15). Although the Board has no present intention of disposing of any of the Group's equity investments, the net tangible asset backing per share after provision for tax on unrealised capital gains was \$33.26 (2023: \$31.19). The relevant figures as at 31 July 2024 were \$40.83 and \$34.07 respectively.

Investments

The market value of the equity investment portfolio as at 30 June 2024 was \$1,021,639,000 compared to \$956,399,000 at the prior year end. Short term cash holdings and term deposits totalled \$26,864,000 as at 30 June 2024 (2023: \$24,073,000).

The Board's policy is to acquire additional investments in equities that meet the criteria of providing high levels of income through predominantly fully franked dividends and have the potential for long term capital growth. The cost of equity investments purchased for cash during the year to 30 June 2024 totalled \$14,041,000 (2023: \$13,663,000).

Acquisitions above \$400,000 during the year were:

Ampol	\$2,019,000
Origin Energy	\$2,010,000
IPH	\$1,498,000
Telstra Group	\$2,002,000
Endeavour Group	\$1,004,000
ANZ Group Holdings	\$1,003,000
Woodside Energy Group	\$1,001,000
Sonic Healthcare	\$1,000,000
Ramsay Health Care	\$501,000
Amcor	\$500,000
Incitec Pivot	\$500,000
Brambles	\$498,000

The Group also received shares as takeover consideration in the following companies:

- Newmont Corporation with a fair value at the time of \$99,000 in respect of its takeover of Newcrest Mining.
- Seven Group Holdings with a fair value at the time of \$5,090,000 in respect of its takeover of Boral.

In the prior year, the Group also received Perpetual shares as takeover consideration in respect of the Pental Group. At the time, these shares had a fair value of \$283,000.

In addition to the above investment acquisitions, the Company under its on-market buy-back, also bought-back 26,290 (2023: nil) of its own shares for total consideration of \$810,000 (2023: \$nil).

During the year to 30 June 2024 the Group disposed of its investments in Blackmores, Boral, Estia Health, Link Administration and United Malt Group. These disposals were all as a result of takeovers. The consideration received for all investment disposals during the year was \$9,912,000, including shares received as takeover consideration with a fair value of \$5,189,000. In the prior year, consideration received on all investment disposals totalled \$1,815,000, including shares with a fair value of \$283,000 received as takeover consideration. No capital returns were received in the year ended 30 June 2024 (2023: \$178,000).

For the year to 30 June 2024, there was a strong performance from the Group's holdings in the major banks, Wesfarmers, Origin Energy, Boral and James Hardie, whilst the holdings in in EVT, Woodside, Telstra and BHP all trailed the overall market. We still consider that these companies have sound long term prospects.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CHAIRMAN'S REPORT TO SHAREHOLDERS (CONT.)

Results and review of operations (continued)

For the year, the fair value of the Group's investment portfolio increased by \$55,922,000 or 5.8% (2023: decrease of \$4,852,000, or 0.5%), after adjusting for investment acquisitions and disposals. The performance of the Group's portfolio was adversely impacted by a fall of 1% in the fair value of the Group's largest holding, EVT. Excluding the EVT holding, the increase in the fair value of Group's investment portfolio was 9.9%. The S&P/ASX 200 Index increased during the year to 30 June 2024 by 7.8% (2023: increase 9.7%).

On a total portfolio return basis (measured by the movement in NTA per share assuming dividends are reinvested), the return for the year was 9.4% (2023: 3.4%) compared with an increase in the S&P ASX 200 Accumulation Index over the period of 12.1% (2023: increase 14.8%).

The Group continues to hold its equity investments for the long term and does not act as a share trader nor does it invest in speculative stocks.

Outlook and likely developments

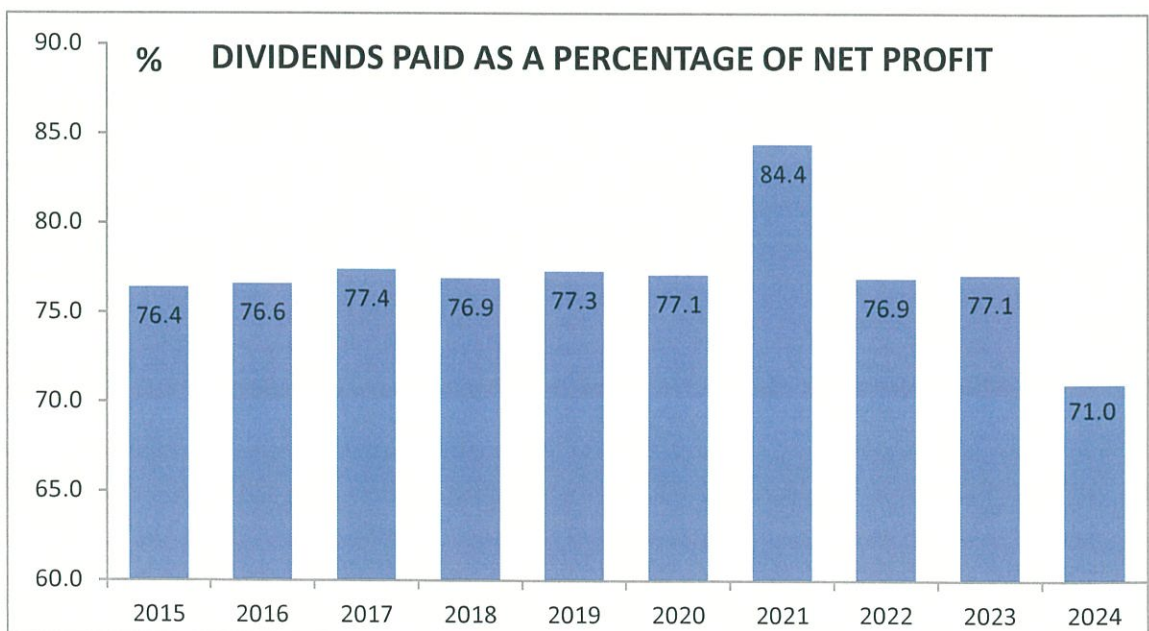
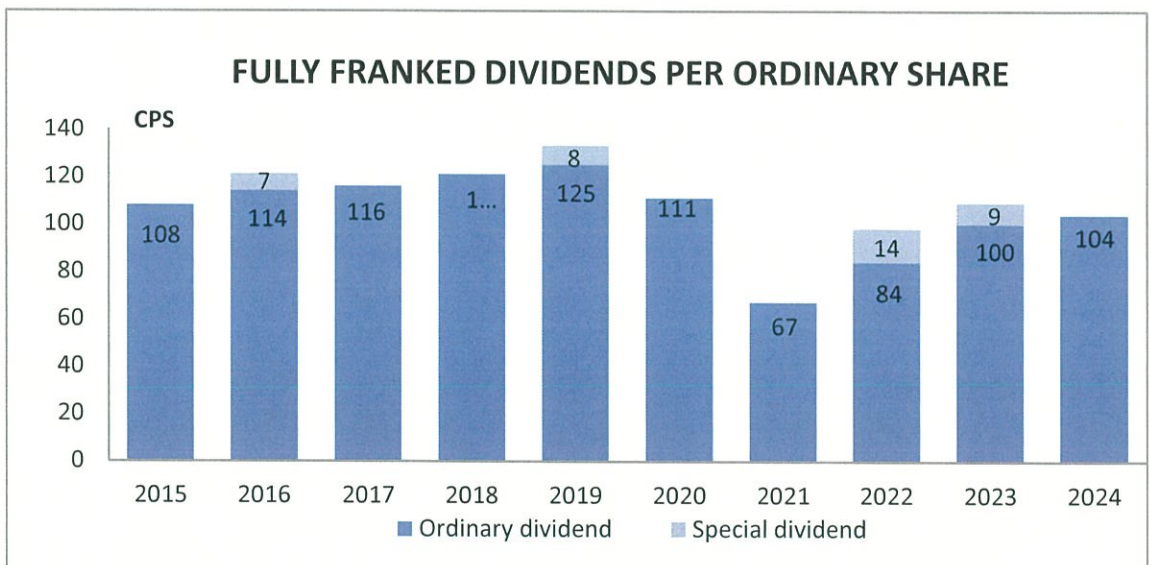
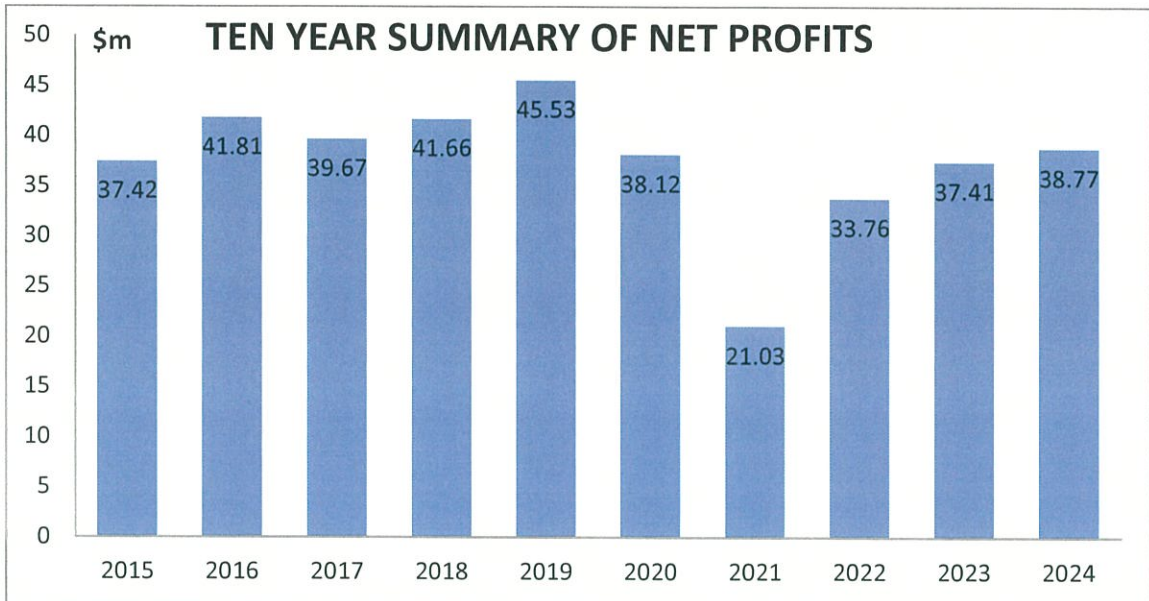
We anticipate the current elevated inflation and interest rates to continue for a further six to 12 months and then begin to moderate. There are also numerous domestic and global uncertainties which are likely to impact on investment market valuations and its volatility for the foreseeable future.

The Board continues to have confidence in the mix and quality of the companies in which the Group has invested. The Group will continue to take a cautious approach when pursuing its policy of purchasing equity investments for the long term through reinvesting dividends and other income in entities listed on the Australian Securities Exchange.



A G RYDGE AM
Chairman
20 August 2024

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES



CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024

The directors present their report together with the consolidated financial report of Carlton Investments Limited ("the Company") and its controlled entities for the year ended 30 June 2024 and the auditor's report thereon.

Directors

The directors of the Company in office at any time during or since the end of the financial year are:

Mr Alan G Rydge AM

Chairman of Directors since 1980. Non-Executive director.

Broad experience as a director of various listed and private entities, formerly Deputy Chairman of Australia Post. Director (since 1978) and Chairman (since 1980) of EVT Limited. Also a director of Enbear Pty Limited, Alphoeb Pty Limited and Aygeear Pty Limited.

Mr Murray E Bleach CA, GAICD, BA(Fin), MAppFin.

Member of the Institute of Chartered Accountants in Australia and Graduate of the Australian Institute of Company Directors.

Independent Non-Executive Director since 2014.

Chairman of the Nominations and Remuneration Committee and Chairman of the Audit and Risk Committee (from December 2021).

Over 44 years' experience in accounting and financial services, with extensive experience in infrastructure and start-up investment. He was previously in charge of Macquarie Group's North American operations and was the CEO of Intoll Group, the Chairman of Suicide Prevention Australia and a Non-Executive Director and the Chairman of the Board Investment Committee at IFM Investors for 9 years.

He is Chairman and co-founder of start-up investment group, AddVenture/Tidal Ventures and director and Chairman of Energy Action Ltd. Murray also serves at AustralianSuper Pty Ltd as the "Infrastructure and Private Equity Expert" for its Direct Investment Group & Transaction Review Committee.

Mr Greg J Robertson CA, MBA, LLB, BEc, MAICD

Member of the Institute of Chartered Accountants in Australia and also a member of the Australian Institute of Company Directors.

Independent Non-Executive Director since May 2022.

Over 40 years' experience in business management, business valuations, mergers, acquisitions and reconstructions. Extensive experience in private equity investment across a wide range of industry sectors. He was a partner at Arthur Andersen, following which he was an Executive Director at Investec Wentworth Private Equity Limited for close to 10 years, and subsequently an Executive Director of Adexum Capital Limited for 8 years.

He is currently a director of Actuity Capital Partners Pty Ltd and Echo HoldCo Pty Ltd.

Company Secretary and Chief Financial Officer

Mr Peter W Horton was appointed Company Secretary and Chief Financial Officer in October 2011 and retired in October 2023. He practised as a Chartered Accountant for over 20 years prior to his retirement as a partner of KPMG in 2001. Immediately prior to joining the Company, Mr Horton was the Director of Finance and Accounting for a public company engaged in the hospitality and leisure industries, a position which he held for almost 10 years.

Mr Andrew P Carter was appointed Company Secretary and Chief Financial Officer in August 2023. He practised as a Chartered Accountant and partner in a mid-tier accounting firm until his retirement in 2013. Since then he has acted in Company Secretary / Chief Financial Officer / Consultant roles with several significant private businesses.

Officers who were previously partners of the audit firm

Mr Horton was an officer of the Company during the year and was previously a partner of its current audit firm, KPMG, at a time when the audit firm undertook an audit of the Company. The most recent time that Mr Horton worked with KPMG was more than 23 years ago.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024 (CONT.)

Directors' meetings

The number of directors' meetings and meetings of committees of directors held during the year together with the number of meetings attended by each director during the financial year were:

Name of Director	Directors' Meetings	Audit and Risk Committee	Nominations and Remuneration Committee
No. of meetings held:	11	4	1
No. of meetings attended:			
Mr A G Rydge	11	4	1
Mr M E Bleach	11	4	1
Mr G J Robertson	11	4	1

Corporate Governance

For the year ended 30 June 2024, the Board applied where practicable, the guidelines set out in the 4th Edition of ASX Corporate Governance Principles and Recommendations issued by the ASX Corporate Governance Council. The Company has disclosed its current 2024 Corporate Governance Statement in the Governance and Policies section on the Carlton Investments website at:

<https://www.carltoninvestments.com.au/AboutUs/GovernanceandPolicies.aspx>

The Group has also lodged the 2024 Corporate Governance Statement and Appendix 4G with the ASX. Companies listed on the Australian Securities Exchange as required, under the ASX Listing Rules, to detail the principles and recommendations with which they have not complied and provide reasons as to why they have not done so. As disclosed in the 2024 Corporate Governance Statement, the Company complies, to the extent appropriate for an organisation of its size, with the ASX Corporate Governance Principles and Recommendations, with the exception of:

- Recommendation 2.5, as the Chairman is not considered to be an independent director due to his related interests in the Company. The remaining members of the Board do not consider that this in any way diminishes the effective conduct of the Board's functions; and
- Recommendation 3.3, as the Company does not have a whistleblower policy. Given the size of the Company and also taking into account compensating procedures undertaken, the Board does not consider that this exception impacts on the effectiveness of the Board's governance processes.

Principal activities

The principal activity of the Group is the acquisition and long-term holding of shares and units in entities listed on the Australian Securities Exchange. There have been no significant changes in the activity of the consolidated entity during the year under review.

Environmental regulation

The Group's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

Events subsequent to balance date

Other than noted elsewhere in this report, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in subsequent financial years.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024 (CONT.)

Results and review of operations

The consolidated profit for the year attributable to the members of Carlton Investments Limited was:

	2024 \$000	2023 \$000
Operating revenue	41,578	39,145
Administration and finance costs	(936)	(982)
Profit before income tax expense	40,642	38,163
Income tax expense	(1,871)	(757)
Net profit for the year	38,771	37,406

The net profit for the year to 30 June 2024 increased from the prior year by \$1,365,000 or 3.6%.

Dividends and distributions income totalled \$40,408,000, compared to the prior financial year's dividends and distributions of \$38,398,000, an increase of \$2,010,000 or 5.2%. The above amounts included special dividends received of \$769,000 and \$4,087,000 respectively. Fully franked dividends totalling \$10,467,000 (2023: Ordinary \$4,311,000 and Special \$3,694,000) were received from EVT during the year to 30 June 2024.

Interest income totalled \$1,170,000, compared to \$747,000 in the prior financial year. The weighted average interest rate for term deposits increased from 3.31% in the prior year to 4.67%. The weighted average funds on term deposit also increased by \$3,709,000 over the prior year.

Administration expenses were \$924,000 compared to \$970,000 in the previous year. The management expense ratio (MER) for the year ended 30 June 2024 was 0.09%, compared to the prior year of 0.10%.

Equity investments purchased during the year to 30 June 2024 totalled \$14,041,000 (2023: \$13,663,000). The major additions to the portfolio were Amcor, Ampol, ANZ Group Holdings, Brambles, Endeavour Group, Incitec Pivot, IPH, Origin Energy, Ramsay Healthcare, Sonic Healthcare, Telstra Group and Woodside Energy Group. Also, during the year, the Group received shares in Seven Group Holdings and Newmont Corporation as takeover consideration. At the relevant time, these shares had a total fair value of \$5,189,000. In the prior year, shares in Perpetual with a fair value of \$283,000 were received as takeover consideration. The Group continued to invest in Australian listed entities that are considered to be well managed and are anticipated to provide attractive levels of sustainable income through predominantly franked dividends and long-term capital growth. Details of investment acquisitions over \$400,000 during the year to 30 June 2024 are given in the Chairman's Report.

In addition to the above investment acquisitions, the Company under its on-market buy-back, also bought-back 26,290 (2023: nil) of its own shares for total consideration of \$810,000 (2023: \$nil).

During the year to 30 June 2024 the Group disposed of its investments in Blackmores, Boral, Estia Health, Link Administration and United Malt Group. These disposals were all as a result of takeovers. The consideration received for all investment disposals during the year was \$9,912,000, including shares received as takeover consideration with a fair value of \$5,189,000. In the prior year, consideration received on all investment disposals totalled \$1,815,000, including shares with a fair value of \$283,000 received as takeover consideration. No capital returns were received in the year ended 30 June 2024 (2023: \$178,000).

The investment portfolio held by the Group is valued at market values. Increments and decrements in the market value of equity investments are recognised as other comprehensive income and taken to the Revaluation Reserve.

During the year to 30 June 2024, there was a strong performance from the Group's holdings in the major banks, Wesfarmers, Origin Energy, Boral and James Hardie, whilst the holdings in in EVT, Woodside, Telstra and BHP all trailed the overall market. We still consider that these companies have sound long term prospects.

For the year, the fair value of the Group's investment portfolio increased by \$55,922,000 or 5.8% (2023:

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024 (CONT.)

Results and review of operations (continued)

decrease of \$4,852,000, or 0.5%), after adjusting for investment acquisitions and disposals. The performance of the Group's portfolio was adversely impacted by a fall of 1% in the fair value of the Group's largest holding, EVT. Excluding the EVT holding, the increase in the fair value of the Group's investment portfolio was 9.9%. The S&P/ASX 200 Index increased during the year to 30 June 2024 by 7.8% (2023: increase 9.7%).

On a total portfolio return basis (measured by the movement in NTA per share assuming dividends are reinvested), the return for the year was 9.4% (2023: 3.4%) compared with an increase in the S&P ASX 200 Accumulation Index over the period of 12.1% (2023: increase 14.8%).

Dividends

- Paid during the year in respect of the prior financial year:

- (i) As proposed in last year's report, a fully franked final ordinary share dividend of 60 cents per share and amounting to \$15,885,000 was paid on 18 September 2023.
- (ii) As proposed in last year's report, a fully franked final preference share dividend of 7 cents per share and amounting to \$6,000 was paid on 18 September 2023.

- In respect of the current financial year:

	\$000
(iii) An interim ordinary share fully franked dividend of 41 cents per share was declared and paid on 18 March 2024.	10,854
(iv) A final ordinary dividend of 63 cents per ordinary share in respect of the year ended 30 June 2024 has been declared. The dividend will be fully franked.	16,663
Total ordinary share dividends paid or payable in respect of the year ended 30 June 2024	<u>27,517</u>
(v) An interim preference share dividend of 7 cents per share, fully franked, was paid on 18 March 2024.	6
(vi) A final preference share dividend of 7 cents per share, fully franked, has been declared. The dividend will be fully franked.	6
Total dividends paid or payable in respect of the year ended 30 June 2024	<u>27,529</u>

In the financial statements preference share dividends are recorded as a finance cost, refer note 3-4 to the financial statements.

Outlook, likely developments and business risks

We anticipate the current elevated inflation and interest rates to continue for a further six to 12 months and then begin to moderate. There are also numerous domestic and global uncertainties which are likely to impact on investment market valuations and its volatility for the foreseeable future.

The Group's material business risks are dependent on the performance of the companies and securities in which it invests. 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.

The Board continues to have confidence in the mix and quality of the companies in which the Group has invested. The Group will continue to take a cautious approach when pursuing its policy of purchasing equity investments for the long term through reinvesting dividends and other income in entities listed on the Australian Securities Exchange.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024 (CONT.)

Remuneration Report – Audited

The Company has a Board of three directors and employs two staff, one of whom is the company secretary/chief financial officer. The Board reviews the performance of the company secretary/chief financial officer and determines the appropriate remuneration after having reference to current market rates. Directors' fees for the non-executive directors (there are no executive directors) are recommended to the Board each year by the Nominations and Remuneration Committee and, after reference to current market rates, are based on the nature of each director's work and responsibilities. Directors do not receive additional fees for Committee participation. These fees are within the maximum amount of \$450,000 that was approved by the shareholders at the 2022 annual general meeting. Performance evaluation and remuneration reviews are carried out in May each year, with any remuneration increases being effective from 1 July. No director or the company secretary/chief financial officer has a service agreement.

Directors and the company secretary/chief financial officer do not receive any remuneration subject to performance conditions including bonuses or options over shares in the Company. There were no non-monetary benefits given to directors or the company secretary/chief financial officer. Their only remuneration is by way of fees and salary respectively, together with superannuation contributions which are paid to defined contribution funds.

Directors' and officer's remuneration

		Short term base emolument	Post employment superannuation contributions	Leave entitlements movements	Total
		\$	\$	\$	\$
Directors					
Mr A G Rydge	2024	95,045	10,455	-	105,500
	2023	92,760	9,740	-	102,500
Mr M E Bleach	2024	83,784	9,216	-	93,000
	2023	81,448	8,552	-	90,000
Mr G J Robertson	2024	78,000	15,000	-	93,000
	2023	75,000	15,000	-	90,000
Total	2024	256,829	34,671	-	291,500
Total	2023	249,208	33,292	-	282,500
Company Secretary/Chief Financial Officer					
Mr A P Carter	2024	123,874	13,626	4,716	142,216
Mr P W Horton	2024	109,478	7,677	(55,563)	61,592
	2023	179,500	27,500	(2,338)	204,662
Total	2024	233,352	21,303	(50,847)	203,808
Total	2023	179,500	27,500	(2,338)	204,662

The table below sets out the Group's performance indices in respect of the current year and the previous four years.

	2024	2023	2022	2021	2020
Net profit for year (\$000)	38,771	37,406	33,757	21,029	38,115
Dividends cents per ordinary share #	104	109 [^]	98 [*]	67	111
Net tangible asset backing before capital gains tax at 30 June	\$39.71	\$37.15	\$36.99	\$38.53	\$28.50
Share price at 30 June	\$29.65	\$28.11	\$28.35	\$30.01	\$22.97
Management Expense Ratio	0.09%	0.10%	0.09%	0.10%	0.10%

Interim, final and special dividends in respect of year

[^] Included a special dividend of 9 cents per share

^{*} Includes special dividends of 14 cents

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024 (CONT.)

Remuneration Report – audited (continued)

Directors' equity holdings and transactions

The movement during the reporting period in the number of ordinary shares of the Company held, directly, indirectly or beneficially, by each key management person, their spouses and their personally-related entities is as follows:

	Held at		Change during year		Held at	
	1 July 2023	1 July 2022	2024	2023	30 June 2024	30 June 2023
Mr A G Rydge	16,084,540	16,084,540	-	-	16,084,540	16,084,540
Mr M E Bleach	6,120	6,120	-	-	6,120	6,120
Mr G J Robertson	3,500	-	-	3,500	3,500	3,500

The 16,084,540 ordinary shares disclosed above as being held directly, indirectly or beneficially by Mr A G Rydge includes 13,351,639 ordinary shares held by Enbear Pty Limited representing 50.48% of the Company's issued ordinary shares.

End of Remuneration Report

Directors' interests

The relevant interest of each director in the share capital of the Group, as notified by the directors to the Australian Securities Exchange in accordance with section 205G(1) of the Corporations Act 2001, at the date of this report is as follows:

Shares held in Carlton Investments Limited

	Held Directly		Other Relevant Interests		Aggregate Relevant Interests	
	Ordinary Shares		Ordinary Shares		Ordinary Shares	
	2024	2023	2024	2023	2024	2023
Mr A G Rydge	1,214,360	1,214,360	14,852,116	14,852,116	16,066,476	16,066,476
Mr M E Bleach	-	-	6,120	6,120	6,120	6,120
Mr G J Robertson	-	-	3,500	3,500	3,500	3,500

None of the directors or entities in which the directors have a beneficial interest in preference shares. Mr Rydge has a non-beneficial interest in 37,941 (2023: 37,941) preference shares by virtue of his directorship of EVT Limited.

No options were granted over unissued ordinary shares in the Company to any officer of the Company during or since the end of the financial year and at the date of this report there are no unissued ordinary shares under option.

Indemnification of officers

The Company has agreed to indemnify the current directors and company secretary of the Company and its controlled entities for all liabilities to another person (other than the Company or a related body corporate) that may arise from their position, except where the liability arises out of conduct involving a lack of good faith. The agreements stipulate that the Company will meet the full amount of any such liabilities, including costs and expenses.

No premium has been paid, or agreed to be paid, for insurance against a current or former officer's or auditor's liability for legal costs.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024 (CONT.)

Non-audit services

During the year KPMG, the Company's auditor, has performed certain other services in addition to its statutory duties. The Directors are satisfied that:

- (a) the non-audit services provided during the financial year by KPMG as the external auditor were compatible with the general standard of independence for auditors imposed by the Corporations Act 2001; and
- (b) any non-audit services provided during the financial year by KPMG as the external auditor did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:
 - (i) the nature and scope of any non-audit service provided is reviewed and approved by the Audit and Risk Committee to ensure that they do not adversely affect the integrity and objectivity of the auditor; and
 - (ii) the amount of non-audit fees paid to KPMG in comparison to the amount of audit fees are considered to be within an appropriate threshold to maintain auditor independence.

	2024
	\$
Details of amounts paid to KPMG for audit and non-audit services provided during the year are:	
Statutory Audit	
- Audit and review of financial reports	72,419
Services other than statutory audit	
- Taxation compliance services	47,735
	<u>120,154</u>

Lead auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is included after the financial statements.

Parent entity financial statements

The Group has applied amendments to the Corporations Act 2001 that remove the requirement for the Group to lodge parent entity financial statements. Parent entity financial statements have been replaced by the specific parent entity disclosures detailed in note 6-6 to the consolidated entity's financial statements.

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 the financial report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors at Sydney on 20 August 2024.



A G RYDGE AM
Director



M E BLEACH
Director

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$000	2023 \$000
Dividends and distributions received	2-3	40,408	38,398
Interest income		1,170	747
Operating revenue		41,578	39,145
Administration expenses	2-4	(924)	(970)
Finance costs	3-4	(12)	(12)
Profit before income tax expense		40,642	38,163
Income tax expense	2-5	(1,871)	(757)
Profit for the year		38,771	37,406
Basic and diluted earnings per ordinary share	2-1	\$1.465	\$1.413

The consolidated income statement is to be read in conjunction with the notes to the financial statements set out on pages 18 to 32.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$000	\$000
Net profit for the year	38,771	37,406
Other comprehensive income <i>Items that will not be reclassified to the income statement in the future:</i>		
Increase/(decrease) in fair value of investments	55,922	(4,852)
(Increase)/decrease in deferred tax liability relating to change in fair value of investments	(13,266)	2,362
Total other comprehensive income/(loss)	42,656	(2,490)
Total comprehensive income/(loss) for the year	81,427	34,916

The consolidated statement of comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 18 to 32.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	2024 \$000	2023 \$000
CURRENT ASSETS			
Cash	6-1	2,864	3,073
Receivables	3-2	3,599	3,610
Investments - term deposits	3-1	<u>24,000</u>	<u>21,000</u>
TOTAL CURRENT ASSETS		<u>30,463</u>	<u>27,683</u>
NON-CURRENT ASSETS			
Investments - equities	3-1	1,021,639	956,399
Deferred tax assets	2-5	<u>31</u>	<u>32</u>
TOTAL NON-CURRENT ASSETS		<u>1,021,670</u>	<u>956,431</u>
TOTAL ASSETS		<u>1,052,133</u>	<u>984,114</u>
CURRENT LIABILITIES			
Payables	3-3	101	157
Current tax liabilities	2-5	<u>606</u>	<u>284</u>
TOTAL CURRENT LIABILITIES		<u>707</u>	<u>441</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities	2-5	171,531	157,656
Other financial liabilities	3-4	<u>166</u>	<u>166</u>
TOTAL NON-CURRENT LIABILITIES		<u>171,697</u>	<u>157,822</u>
TOTAL LIABILITIES		<u>172,404</u>	<u>158,263</u>
NET ASSETS		<u>879,729</u>	<u>825,851</u>
EQUITY			
Share capital	4-1	19,336	20,146
Revaluation reserve	4-1	458,799	416,143
Retained profits		<u>401,594</u>	<u>389,562</u>
TOTAL EQUITY		<u>879,729</u>	<u>825,851</u>

The consolidated statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 18 to 32.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

Year to 30 June 2024	Share capital \$000	Revaluation reserve \$000	Retained earnings \$000	Total equity \$000
Balance as at 1 July 2023	20,146	416,143	389,562	825,851
Dividends paid	-	-	(26,739)	(26,739)
On-market buy-back – consideration paid	(790)	-	-	(790)
On-market buy-back – associated costs	(20)	-	-	(20)
	19,336	416,143	362,823	798,302
Profit for the year	-	-	38,771	38,771
Other comprehensive income:				
Increase in fair value of investments	-	55,922	-	55,922
(Increase) in deferred tax liability relating to change in fair value of investments	-	(13,266)	-	(13,266)
Other comprehensive income	-	42,656	-	42,656
Total comprehensive income/(loss)	-	42,656	38,771	81,427
Balance as at 30 June 2024	19,336	458,799	401,594	879,729

Year to 30 June 2023	Share capital \$000	Revaluation reserve \$000	Retained earnings \$000	Total equity \$000
Balance as at 1 July 2022	20,146	418,633	380,484	819,263
Dividends paid	-	-	(28,328)	(28,328)
	20,146	418,633	352,156	790,935
Profit for the year	-	-	37,406	37,406
Other comprehensive income:				
(Decrease) in fair value of investments	-	(4,852)	-	(4,852)
Decrease in deferred tax liability relating to change in fair value of investments	-	2,362	-	2,362
Other comprehensive income	-	(2,490)	-	(2,490)
Total comprehensive income/(loss)	-	(2,490)	37,406	34,916
Balance as at 30 June 2023	20,146	416,143	389,562	825,851

The consolidated statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 18 to 32.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$000	2023 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Dividends and distributions received		40,330	38,197
Interest received		1,258	577
Other receipts		1	-
Cash paid for operating expenses		(981)	(965)
Income tax paid		(938)	(923)
		39,670	36,886
NET CASH PROVIDED BY OPERATING ACTIVITIES	6-1	39,670	36,886
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from capital returns and disposal of investments		4,723	1,710
Payments for acquisition of investments		(14,041)	(13,663)
Term deposits increase		(3,000)	(6,000)
		(12,318)	(17,953)
NET CASH (USED IN) INVESTING ACTIVITIES		(12,318)	(17,953)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(26,739)	(28,328)
Finance costs		(12)	(12)
Payment for shares bought back		(790)	-
Costs associated with shares bought back		(20)	-
		(27,561)	(28,340)
NET CASH (USED IN) FINANCING ACTIVITIES		(27,561)	(28,340)
Net (decrease) in cash held		(209)	(9,407)
CASH AT BEGINNING OF FINANCIAL YEAR		3,073	12,480
CASH AT END OF FINANCIAL YEAR	6-1	2,864	3,073

The consolidated statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 18 to 32.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

SECTION 1 – BASIS OF PREPARATION

1-1 Reporting Entity

Carlton Investments Limited (The Company) is a company domiciled in Australia. The address of the Company's registered office is Level 15, 478 George Street, Sydney, NSW. The consolidated financial report of the Company as at and for the year ended 30 June 2024 comprises the Company and its subsidiaries (collectively referred to as the "Group"). The Group is a for-profit entity and operates predominately in the acquisition and long term holding of shares and units in entities listed on the Australian Securities Exchange and solely within Australia.

The consolidated financial statements were authorised for issue by the Board of Directors on 20 August 2024.

1-2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements also comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except that investments in equities have been stated at their fair values at balance date.

(c) Functional currency and presentation

These consolidated financial statements are presented in Australian dollars which is the Group's functional currency. The ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 is applicable to the Group and therefore the amounts in the financial report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

(d) Changes in material accounting policies

The accounting policies adopted by the Group are consistent with those adopted during the previous corresponding financial year, except:

The Group adopted *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)* from 1 January 2023.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies, noting the amendments did not result in any changes to the accounting policies themselves or the accounting policy information disclosed in the financial statements.

(e) New and Revised Accounting Standards

A number of new accounting standards and interpretations became mandatory for the current financial year ended 30 June 2024. These new accounting standards and interpretations have not had a material effect on the Group's consolidated financial statements.

There are also a number of new accounting standards, amendments to accounting standards and interpretations, which are not yet mandatory, which have not been adopted in preparing these consolidated financial statements. From an initial assessment, it is not expected that these new and amended accounting standards and interpretations will have a material effect on the consolidated financial statements of the Group when they are adopted.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

SECTION 2 – EARNINGS AND COSTS

2-1 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is the same as basic EPS as there are no dilutive potential ordinary shares on issue.

	2024	2023
Basic and diluted earnings per ordinary share	<u>\$1.465</u>	<u>\$1.413</u>
Reconciliation of earnings used in the calculation of earnings per share:	\$000	\$000
Profit as per the consolidated statement of profit	<u>38,771</u>	<u>37,406</u>
	<u>Number</u>	<u>Number</u>
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	<u>26,472,338</u>	<u>26,474,675</u>

2-2 Timing of recognition of income

Revenues from dividends and trust distributions are recognised in the profit or loss when the right to receive those dividends and trust distributions is established, which is the date that the investment trades “ex-dividend”. Interest income comprising interest on short term deposits is recognised as it accrues. Receivables, at year end for these revenue items, are recognised on the same basis.

2-3 Dividends and distributions received

	2024	2023
	\$000	\$000
Dividends and distributions received		
Dividends and distributions received from listed entities:		
Dividends – ordinary	38,978	33,376
Dividends – special	769	4,087
Distributions from trusts	661	935
	<u>40,408</u>	<u>38,398</u>
Dividends from:		
Investments held at year end	39,972	38,395
Investments disposed of during the year	436	3
	<u>40,408</u>	<u>38,398</u>

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

2-4 Administration Expenses	Note	2024	2023
		\$000	\$000
Directors' fees and employee remuneration		565	651
Auditor's remuneration	6-5	120	82
Rent and office service charges		26	26
Other administration costs		213	211
		<u>924</u>	<u>970</u>

2-5 Income tax

Accounting policy

Income tax expense comprises current and deferred tax. Current or deferred income tax is recognised in the profit or loss for the year except to the extent that it relates to items recognised through other comprehensive income, when it is recognised into the Revaluation Reserve or directly in equity.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting 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 the balance date. Deferred tax assets are reviewed at each reporting 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.

	2024	2023
	\$000	\$000
Income tax expense		
Prima facie income tax expense calculated at 30% (2023: 30%) on operating profit	12,193	11,449
Increase (decrease) in income tax expense due to:		
Imputation gross up on dividends received	4,305	4,384
Franking credits on dividends received	(15,031)	(14,615)
Timing differences on recognition of investment income	-	(172)
Differences attributed to different tax rates	436	-
Over provision of prior year deferred tax	(22)	(58)
Over provision of prior year income tax	(14)	(50)
Other adjustments	4	(181)
Income tax expense	<u>1,871</u>	<u>757</u>
Income tax expense in the statement of profit or loss comprises:		
Current income tax expense	1,028	865
Deferred tax from origination and reversal of timing differences	857	(58)
Over provision of prior year income tax	(14)	(50)
	<u>1,871</u>	<u>757</u>

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

2-5 Income tax (continued)

Current tax liability		
Balance at beginning of year	284	204
Income tax paid	(938)	(923)
Current year's income tax provision	1,056	930
Capital gains tax provision for realised gain in year	205	123
Over provision of prior year income tax	(1)	(50)
Balance at end of year	<u>606</u>	<u>284</u>
Deferred tax liability		
Balance at beginning of year	157,656	160,263
Increase/(decrease) in deferred tax liability on change in market value of investments recognised directly in equity	13,266	(2,362)
Capital gains tax payable taken to current tax liability	(205)	(123)
Differences attributed to different tax rates	843	-
Origination and reversal of timing differences	(29)	(122)
Balance at end of year	<u>171,531</u>	<u>157,656</u>
Represented by:		
Capital gains tax on unrealised investment gains	170,631	157,571
Differences attributed to different tax rates	843	-
Timing differences on recognition of investment income	57	85
	<u>171,531</u>	<u>157,656</u>
Deferred tax asset		
Balance at beginning of year	32	31
Under provision of prior year income tax	14	-
Origination and reversal of timing differences	(15)	1
Balance at end of year	<u>31</u>	<u>32</u>
Represented by:		
Timing differences for accruals and prepayments	<u>31</u>	<u>32</u>

SECTION 3 – ASSETS AND LIABILITIES

3-1 Investments

	Note	2024 \$000	2023 \$000
Current			
Term deposits		<u>24,000</u>	<u>21,000</u>

Term deposits are carried at cost. They have been placed with major financial institutions and at 30 June 2024 had remaining maturity periods of 19 to 60 days (2023: 19 to 75 days) at interest rates of 4.34% to 5.08% (2023: 4.36% to 4.70%). The weighted average effective interest rate on term deposits for the year ended 30 June 2024 was 4.67% (2023: 3.31%). 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 made with major Australian financial institutions with acceptable credit ratings determined by a recognised rating agency.

Non-Current Investments and equities

Shares and units held in listed entities - at fair value	6-10	<u>1,021,639</u>	<u>956,399</u>
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Shares and units in listed entities are measured at fair value on an ongoing basis. 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

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

3-1 Investments (continued)

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 Fair Value Measurement. Level 1 assets to the value of \$2,983,000 were subject to a binding offer as part of Scheme of Arrangements (SOA). The binding offer price has been used to determine fair value at balance date, with the SOA completion occurring in July 2024. Any change in fair value of shares and units in listed entities is recognised as "other comprehensive income", through the Statement of Comprehensive Income, directly in Equity. This accounting treatment has been adopted as the shares and units held in listed entities are equity instruments held for long-term capital growth and dividend income, rather than with the primary, shorter term, objective of profit from their sale.

During the year to 30 June 2024 investments were acquired by the Group for consideration of \$14,041,000 (2023: \$13,663,000). Also, during the year, the Group received shares in the Seven Group Holdings and Newmont Corporation as takeover consideration. At the relevant time, these shares had a total fair value of \$5,189,000. In the prior year, shares in Perpetual with a fair value of \$283,000 were received as takeover consideration.

Consideration received for all investment disposals during the year was \$9,912,000, including shares received as takeover consideration with a fair value of \$5,189,000. In the prior year, consideration received on all investment disposals totalled \$1,815,000, including shares with a fair value of \$283,000 received as takeover consideration. No capital returns were received in the year ended 30 June 2024 (2023: \$178,000).

The group is not directly exposed to interest or currency risk through its equity investments.

The only individual, material investment in a listed equity, that is neither a subsidiary nor an interest in an associate or joint venture accounted for using the equity method, is:

Name	Principal Activities	Ownership		Carrying Amount		Dividends Received	
		2024 %	2023 %	2024 \$000	2023 \$000	2024 \$000	2023 \$000
EVT Limited	Entertainment, hospitality, tourism and leisure	19.0	19.1	357,741	361,436	10,467	8,005

	2024 \$000	2023 \$000
3-2 Receivables		
Current		
Dividends and interest receivable	3,599	3,610

Timing of recognition of receivables is disclosed in note 2-2.

3-3 Payables

	2024 \$000	2023 \$000
Current		
Other creditors and accruals	101	157

The consolidated entity's exposure to liquidity risk related to creditors is disclosed in note 5-2.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

3-4 Other financial liabilities

	2024 \$000	2023 \$000
Non-Current		
Cumulative preference shares	166	166

82,978 (2023: 82,978) 7% cumulative preference shares fully paid

Holders of preference shares are entitled to receive a fixed cumulative preferential dividend at the rate of 7% per annum on capital paid up of \$2 per existing preference share. In the event of a winding up of the Company, preference shareholders are entitled to the capital and all arrears of dividends up to the date of the commencement of the winding up paid off in priority to any payment of capital on the ordinary shares. Holders of preference shares may attend and speak at general meetings but do not have a right to vote except where at the date of the meeting any dividend or part of a dividend is in arrears or on matters which directly or indirectly affect the rights attaching to the preference shares. The preference shares when issued were not classified as redeemable.

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

Final dividend (7 cents per preference share paid on 18 September 2023)	6	6
Interim dividend (7 cents per preference share paid on 18 March 2024)	6	6
	12	12

Dividends paid were franked at a tax rate of 30%.

SECTION 4 – SHARE CAPITAL, RESERVES AND DIVIDENDS PAID

4-1 Share capital and reserves

	2024 \$000	2023 \$000
Issued and paid up capital		
26,448,385 (2023: 26,474,675) ordinary shares fully paid	19,336	20,146
Movements in ordinary share capital		
Balance at the beginning of the financial year	20,146	20,146
On-market buy-back – consideration paid	(790)	-
On-market buy-back – associated costs	(20)	-
Balance at the end of the financial year	19,336	20,146

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. During the year ended 30 June 2024, 26,290 shares were bought-back for a total cost of \$810,000 (2023: \$Nil). At 30 June 2024 the cumulative number of shares bought back since 14 November 2001 is 832,902 at a total cost of \$11,510,000.

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per ordinary share at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after preference shareholders and creditors and are fully entitled to any proceeds of liquidation.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4-1 Share capital and reserves (continued)

	2023 \$000	2022 \$000
Revaluation reserve		
Revaluation reserve	458,799	416,143

The revaluation reserve comprises the cumulative change in the fair value of equity investments net of the estimated capital gains tax relating thereto.

4-2 Dividends

The following dividends were declared and paid by the Company:
Declared and paid during the year

	Cents per share	Total amount \$000	Franked/ unfranked	Date of payment
2023				
Final – ordinary share	60.0	15,885	Franked	18 September 2023
2024				
Interim – ordinary share	41.0	10,854	Franked	18 March 2024
Total		26,739		

Franked dividends declared or paid during the year were franked at the tax rate of 30%.

Declared after the end of the financial year:

Final – ordinary share	63	Franked	16 September 2024
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The financial effect of the final dividend has not been brought to account in the financial statements for the year ended 30 June 2024 and will be recognised in subsequent financial reports.

	2024 \$000	2023 \$000
Dividend franking account		
30% franking credits available to shareholders of Carlton Investments Limited for subsequent financial years	76,219	74,811

The above available amount is based on the balance of the dividend franking account at year-end adjusted for franking credits that will arise from the payment of the current tax liability.

In addition to the above amount, there are franking credits available in subsidiary entities at 30 June 2024 totalling \$9,082,000 (2023: \$5,966,000).

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends. The impact on the dividend franking account of dividends proposed after the balance date but not recognised as a liability is to reduce it by \$7,141,000 (2023: \$6,810,000).

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

4-3 Capital management

The Board manages the Group's capital base so as to maintain investors' value, market confidence and to sustain future growth of the Group's investments. In addition to endeavouring to achieve an increase in the value of capital invested by ordinary shareholders, the Board aims to be able to pay dividends which can be increased over future years. The actual level of dividends payable is dependent upon the level of income the Group receives from its investments. Capital management initiatives undertaken when appropriate from time to time include a share purchase plan, a dividend reinvestment plan and on-market share buy-backs. The Group's capital consists of total shareholders' equity. Changes in the capital base are shown in the Consolidated Statement of Changes in Equity.

SECTION 5 – RISK

5-1 Critical accounting estimates and judgements

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

A deferred tax liability has been recognised, in accordance with the requirements of Accounting Standards, in respect of Capital Gains Tax calculated on the unrealised gains applicable to listed equity investments. It is the intention of Group entities to hold these investments for the long term and not to dispose of them. Accordingly, the deferred tax liability may not be realised at the amount disclosed in the financial statements and may also be affected by subsequent changes in tax legislation in regard to capital gains.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

5-2 Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The risks associated with the Group's assets fall into three categories, namely, credit risk, liquidity risk and market risk. Market risk includes interest rate risk, currency risk and other price risk. The Group is not currently materially exposed to interest rate risk as its cash and term deposits are short term and for a fixed interest rate. There is no material direct exposure to currency risk as almost all financial assets and liabilities are denominated in Australian dollars.

Credit risk

Credit risk is the risk of financial loss to the Group if a counter-party to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from investment securities and term deposits. For the Company it arises from receivables due from subsidiaries. The credit risk with respect to term deposits is referred to in note 3-1. None of these assets are considered to be impaired.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another asset.

Liquidity risk is not considered a material risk as the only financial liabilities the Group has are for tax payable from time to time to the Australian Taxation Office, administration cost payables and payables for the purchases of investments. Cash flow forecasts are prepared on a monthly basis allowing for dividends and interest to be received, movements in term deposits, investments to be purchased, dividends to be paid and other outgoings. If the level of dividends or interest to be received were to reduce significantly the Group can reduce its planned acquisition of investments so that adequate liquid funds are available to meet any liabilities. Investments in listed entities could readily be sold on the Australian Securities Exchange to generate required funds.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

5-2 Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices will affect the fair value of Group's holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimising the return.

As the Group invests in equities listed on the Australian Securities Exchange, there will always be a market risk as the market price of these equities will always fluctuate.

Equity investments represent 97.1% of the Group's total assets at 30 June 2024 (2023: 97.2%). A general fall in market prices of 5% or 10%, if spread equally over all assets in the investment portfolio at 30 June 2024, would lead to a reduction in Group's equity of \$38,113,000 and \$76,967,000 respectively, at a tax rate 30%, (2023: \$35,618,000 and \$71,742,000).

A major part of the Group's income consists of dividends and distributions received from its investments. The level of these dividends and distributions fluctuates depending on the profits earned by the entities in which investments are held. There is a risk that if there was to be a downturn in the economy, the level of these profits will fall and consequently may affect dividends and distributions received.

The portfolio of listed equity investments is spread over a number of industry sectors so as to reduce the market risk of a major fall in a particular sector. Details of the investments held and the relevant industry sectors are included in note 6-10.

SECTION 6 – OTHER INFORMATION

6-1 Cash flow information

(i) Reconciliation of cash

For the purposes of the Statements of Cash Flows, cash comprises of cash on hand and call bank deposits with original maturities of six months or less. Cash at the end of the financial year as shown on the Statements of Cash Flows is reconciled to the items in the consolidated statement of financial position as follows:

	2024	2023
	\$000	\$000
Cash	2,864	3,073

(ii) Reconciliation of profit after income tax to net cash provided by operating activities

Profit for the year as per the consolidated statement of profit or loss	38,771	37,406
Finance costs	12	12
Net cash provided by operating activities before changes in assets and liabilities	38,783	37,418
Increase/(decrease) in current tax payable	240	(44)
Increase/(decrease) in deferred income tax	693	(121)
(Decrease)/increase in other creditors and provisions	(56)	5
Decrease/(increase) in receivables	10	(372)
Net cash provided by operating activities	39,670	36,886

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

6-2 Related parties

(a) Key management personnel compensation

Directors and the company secretary/chief financial officer do not receive any bonuses, non-cash benefits or the granting of options over shares in the Company. Their only remuneration is by way of fees and salary respectively, together with the Superannuation Guarantee levy.

The key management personnel compensation comprised:

	2024	2023
	\$	\$
Short-term employee benefits	439,334	461,869
Post-employment benefits	55,974	113,643
	495,308	575,512

Apart from details disclosed in this note, no director has entered into a material contract with the Company or the Group since the end of the previous financial year, and there were no material contracts involving directors' interests existing at 30 June 2024.

(b) Other related party transactions in respect of the Company

Investments in controlled entities	Class of Share	Interest Held	
		2024	2023
		%	%
<i>Controlled Entities</i>			
Carlton Hotel Limited	Preference	100	100
Carlton Hotel Limited	Ordinary	100	100
Eneber Investment Company Limited	Ordinary	100	100
The Manly Hotels Pty Limited	Ordinary	100	100

Amounts receivable from controlled entities

	The Company	
	2024	2023
	\$000	\$000
Inter-Company loans receivable		
Non-Current	260,425	257,717

The amounts due to the Company are non-interest bearing and are at call. Receipt of payment is not expected within twelve months and therefore the balance due is disclosed as non-current in the parent entity disclosure in note 6-6. Carlton Investments Limited has undertaken not to require repayment of all or part of the amounts owing to it by the controlled entities before 31 July 2025 if repayment would result in the controlled entities not having sufficient funds to pay their other debts as and when they fall due.

Rent of premises

Rent and office service charges totalling \$26,410 (2023: \$25,522) are paid to entities which are controlled by a listed public company of which a director of the Company is also a director. Rent and office service charges are paid monthly at commercial rates.

Management fees

The Company provided accounting, administrative and other services during the year to its controlled entities for a management fee of \$1,001,000 (2023: \$1,066,000). The management fees are determined using costs incurred by the Company, plus a mark-up of 10%, and are apportioned between each controlled entity based upon investment portfolio market values. These management fees are eliminated on group consolidation.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

6-2 Related Parties (continued)

Transactions eliminated on consolidation

The balances and effects of transactions between controlled entities have been eliminated in the consolidated financial statements.

6-3 Financing facilities

The Company has not negotiated any financing facilities.

6-4 Investment transactions

The total number of transactions in securities that occurred during the financial year was 21 (2023: 14). The total brokerage paid on these transactions was \$41,498 (2023: \$36,854).

6-5 Auditor's remuneration

	2024	2023
	\$	\$
Amounts paid or due and payable for:		
Audit services: KPMG		
Audit and review of financial reports	72,419	68,626
Other services: KPMG		
Taxation services - Compliance	47,735	13,420
	<u>120,154</u>	<u>82,046</u>

6-6 Parent entity disclosures

As at, and throughout, the financial year ended 30 June 2024 the immediate parent entity of the Group was Carlton Investments Limited.

	2024	2023
	\$000	\$000
Result of Parent Entity		
Profit for the year	30,122	36,336
Other comprehensive income	-	-
Total comprehensive income for the year	<u>30,122</u>	<u>36,336</u>
Financial position of parent entity at year end		
Current assets	2,846	3,074
Total assets	<u>268,776</u>	<u>266,297</u>
Current liabilities	136	219
Total liabilities	<u>302</u>	<u>384</u>
Net assets	<u>268,474</u>	<u>265,913</u>
Total equity of parent entity comprising of:		
Share capital	19,336	20,146
Retained profits	249,138	245,767
Total equity	<u>268,474</u>	<u>265,913</u>

The parent entity has no contingent liabilities or capital commitments. Details of guarantees entered into by the parent entity in relation to debts of its subsidiaries are detailed in note 6-8.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

6-7 Operation segments

The Group has assessed that it has 1 reportable segment based on the financial information which is reviewed by the Board. The disclosures made in the financial statements therefore equally apply to those of the reportable segment. The reportable segment operates only in Australia investing predominantly in Australian listed securities, with no material revenue or assets attributed to foreign countries.

The reportable segment has revenue from transactions with single external parties, being dividends received which represents more than 10% of Group revenue. These are disclosed in Note 3-1.

6-8 Deed of cross guarantee

Pursuant to ASIC *Corporations (Wholly Owned Companies) Instrument 2016/785*, the wholly owned controlled entities named below are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports and directors' reports.

It is a condition of the Class Order that the Company and each of the controlled entities enter into a Deed of Cross Guarantee. The effect of the Deed is that the Company guarantees to each creditor payment in full of any debt in the event of winding up of any of the controlled entities under certain provisions of the Corporations Act 2001. If a winding up occurs under other provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The controlled entities have also given similar guarantees in the event that the Company is wound up.

The controlled entities subject to the Deed are Carlton Hotel Limited, The Manly Hotels Pty Limited and Eneber Investment Company Limited. There are no controlled entities that are not party to the Deed.

The consolidated income statement, the consolidated statement of comprehensive income and the consolidated statement of financial position, comprising the Company and controlled entities which are party to the Deed, after eliminating all transactions between those entities at 30 June 2024, are set out on pages 13, 14 and 15 of the financial statements.

6-9 Events subsequent to reporting date

For final dividends declared after 30 June 2024 refer note 4-2.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

6-10 Investments in listed equities valued at fair value through other comprehensive income

SECTOR	2024			2023		
	No of shares or units	\$000	%	No of shares or units	\$000	%
CONSUMER DISCRETIONARY						
<i>Media</i>						
EVT Limited	30,786,687	357,741		30,786,687	361,436	
Seven West Media Limited	1,040,000	192		1,040,000	390	
Nine Entertainment Co Holdings Limited	72,540	102		72,540	142	
ARN Media Limited	41,027	26		41,027	43	
NZME Limited	29,630	26		29,630	26	
		<u>358,087</u>	<u>35.05</u>		<u>362,037</u>	<u>37.85</u>
<i>Consumer Services</i>						
The Lottery Corporation Limited	776,541	3,937		776,541	3,984	
Tabcorp Holdings Limited	776,541	544		776,541	862	
G8 Education Limited	361,000	428		361,000	375	
The Star Entertainment Group Limited	590,400	289		590,400	682	
Coast Entertainment Holdings Limited	386,224	178		386,224	174	
		<u>5,376</u>	<u>0.53</u>		<u>6,077</u>	<u>0.64</u>
		<u>363,463</u>	<u>35.58</u>		<u>368,114</u>	<u>38.49</u>
FINANCIALS						
<i>Banks</i>						
National Australia Bank Limited	2,201,067	79,745		2,201,067	58,042	
Commonwealth Bank of Australia	573,183	73,012		573,183	57,473	
Westpac Banking Corporation	1,784,093	48,581		1,784,093	38,073	
ANZ Group Holdings Limited	1,153,052	32,562		1,113,252	26,395	
Bendigo and Adelaide Bank Limited	1,117,147	12,836		1,117,147	9,596	
Bank of Queensland Limited	2,129,338	12,371		2,129,338	11,690	
Virgin Money UK plc	549,206	2,235		549,206	1,565	
		<u>261,342</u>	<u>25.58</u>		<u>202,834</u>	<u>21.21</u>
<i>Capital Markets</i>						
Perpetual Limited	435,588	9,282	0.90	435,588	11,273	1.18
<i>Multi-Sector Holdings</i>						
Gowing Bros Limited	4,701,144	10,531	1.03	4,701,144	12,082	1.26
<i>Insurance</i>						
Suncorp Group Limited	194,459	3,386		194,459	2,623	
Medibank Private Limited	185,000	690		185,000	651	
AMP Limited	170,000	186		170,000	192	
		<u>4,262</u>	<u>0.42</u>		<u>3,466</u>	<u>0.36</u>
<i>Diversified Financial Services</i>						
Macquarie Group Limited	30,061	6,153		30,061	5,339	
Washington H Soul Pattinson & Company Limited	111,605	3,663		111,605	3,547	
ASX Limited	55,916	3,355		55,916	3,523	
Australian United Investments Limited	210,938	2,200		210,938	2,065	
WAM Capital Limited	1,322,000	1,890		1,322,000	1,976	
Australian Foundation Investment Company Limited	245,167	1,753		245,167	1,733	
Challenger Limited	60,451	424		60,451	392	
Argo Investments Limited	18,118	157		18,118	159	
		<u>19,595</u>	<u>1.92</u>		<u>18,734</u>	<u>1.96</u>
<i>Real Estate Management & Development</i>						
Lendlease Group	498,039	2,694		498,039	3,860	
PEXA Group Limited	27,526	380		27,526	375	
		<u>3,074</u>	<u>0.30</u>		<u>4,235</u>	<u>0.44</u>
<i>Real Estate Investment Trusts</i>						
Mirvac Group	426,575	798		426,575	964	
Cromwell Property Group	1,302,253	508		1,302,253	697	
Stockland	96,053	400		96,053	387	
		<u>1,706</u>	<u>0.17</u>		<u>2,048</u>	<u>0.22</u>
		<u>309,792</u>	<u>30.32</u>		<u>254,672</u>	<u>26.63</u>

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

6-10 Investments in listed equities valued at fair value through other comprehensive income (continued)

SECTOR	2024			2023		
	No of shares or units	\$000	%	No of shares or units	\$000	%
MATERIALS						
<i>Diversified Metals & Mining</i>						
BHP Group Limited	948,196	40,469		948,196	42,659	
Fortescue Limited	938,000	20,083		938,000	20,805	
Rio Tinto Limited	160,860	19,142		160,860	18,449	
South32 Limited	2,309,446	8,453		2,309,446	8,683	
Deterra Royalties Limited	502,308	2,004		502,308	2,312	
Iluka Resources Limited	164,057	1,075		164,057	1,823	
Sierra Rutile Holdings Limited	164,057	22		164,057	41	
		<u>91,248</u>	<u>8.93</u>		<u>94,772</u>	<u>9.91</u>
<i>Steel</i>						
Bluescope Steel Limited	471,711	9,637		471,711	9,694	
Sims Limited	100,000	1,030		100,000	1,575	
		<u>10,667</u>	<u>1.04</u>		<u>11,269</u>	<u>1.18</u>
<i>Gold</i>						
Newcrest Mining Limited	-	-		8,508	225	
Newmont Corporation	3,404	216		-	-	
		<u>216</u>	<u>0.02</u>		<u>225</u>	<u>0.02</u>
<i>Chemicals</i>						
Orica Limited	543,658	9,715		541,764	8,034	
Incitec Pivot Limited	187,000	542		-	-	
		<u>10,257</u>	<u>1.00</u>		<u>8,034</u>	<u>0.84</u>
<i>Construction Materials</i>						
James Hardie Industries plc	625,362	29,580		625,362	24,858	
CSR Limited	235,000	2,087		235,000	1,220	
Adbri Limited	280,000	896		280,000	669	
Fletcher Building Limited	298,415	803		298,415	1,492	
Boral Limited	-	-		1,163,826	4,690	
		<u>33,366</u>	<u>3.27</u>		<u>32,929</u>	<u>3.44</u>
<i>Containers & Packaging</i>						
Ancor plc	886,633	13,202		853,133	12,678	
Orora Limited	1,258,507	2,479		1,258,507	4,140	
		<u>15,681</u>	<u>1.54</u>		<u>16,818</u>	<u>1.76</u>
		<u>161,435</u>	<u>15.80</u>		<u>164,047</u>	<u>17.15</u>
CONSUMER STAPLES						
<i>Food, Beverage & Tobacco</i>						
Treasury Wine Estates Limited	274,795	3,418		274,795	3,086	
Inghams Group Limited	280,000	1,014		280,000	734	
Graincorp Limited	112,000	993		112,000	877	
Elders Limited	84,000	685		84,000	553	
United Malt Group Limited	-	-		112,000	493	
		<u>6,110</u>	<u>0.60</u>		<u>5,743</u>	<u>0.60</u>
<i>Consumer Staples Discretionary Distribution & Retail</i>						
Wesfarmers Limited	609,410	39,721		609,410	30,068	
Coles Group Limited	609,410	10,378		609,410	11,225	
Woolworths Group Limited	173,000	5,846		173,000	6,873	
Endeavour Group Limited	345,000	1,742		144,000	909	
JB Hi-Fi Limited	22,500	1,377		22,500	984	
		<u>59,064</u>	<u>5.78</u>		<u>50,059</u>	<u>5.23</u>
<i>Household & Personal Products</i>						
Blackmores Limited	-	-		17,000	1,602	0.17
		<u>65,174</u>	<u>6.38</u>		<u>57,404</u>	<u>6.00</u>
ENERGY						
<i>Oil, Gas & Consumable Fuels</i>						
Origin Energy Limited	1,355,989	14,726		1,139,489	9,583	
Woodside Energy Group Limited	493,383	13,918		459,183	15,814	
Santos Limited	1,732,352	13,270		1,732,352	13,027	
Ampol Limited	155,500	5,029		100,000	2,994	
		<u>46,943</u>	<u>4.60</u>		<u>41,418</u>	<u>4.33</u>

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

6-10 Investments in listed equities valued at fair value through other comprehensive income (continued)

SECTOR	2024			2023		
	No of shares or units	\$000	%	No of shares or units	\$000	%
UTILITIES						
<i>Gas Utilities</i>						
APA Group	967,085	7,727	0.75	959,991	9,302	0.97
<i>Multi-Utilities</i>						
AGL Energy Limited	1,627,757	17,629	1.73	1,627,757	17,596	1.84
		<u>25,356</u>	<u>2.48</u>		<u>26,898</u>	<u>2.81</u>
INFORMATION TECHNOLOGY						
<i>Software & Services</i>						
NextDC Limited	67,502	1,190		50,626	637	
Computershare Limited	22,273	587		22,273	521	
Link Administration Holdings Limited	-	-		207,000	346	
Domain Holdings Australia Limited	20,000	61		20,000	76	
		<u>1,838</u>	<u>0.18</u>		<u>1,580</u>	<u>0.17</u>
TELECOMMUNICATION SERVICES						
<i>Telecommunication Services</i>						
Telstra Group Limited	5,116,600	18,522	1.81	4,583,600	19,709	2.06
INDUSTRIALS						
<i>Capital Goods</i>						
Seven Group Holdings Limited	229,883	8,662	0.85	100,000	2,465	0.26
<i>Commercial & Professional Services</i>						
IPH Limited	443,500	2,781		222,500	1,742	
Brambles Limited	78,758	1,144		45,758	659	
Left Field Printing Group Limited	9,072	1		9,072	1	
		<u>3,926</u>	<u>0.38</u>		<u>2,402</u>	<u>0.25</u>
<i>Transportation</i>						
Transurban Group	235,595	2,921		235,595	3,357	
Atlas Arteria	131,776	673		131,776	818	
		<u>3,594</u>	<u>0.35</u>		<u>4,175</u>	<u>0.44</u>
		<u>16,182</u>	<u>1.58</u>		<u>9,042</u>	<u>0.95</u>
HEALTH CARE						
<i>Health Care Equipment & Services</i>						
Ansell Limited	224,191	5,952		222,854	5,957	
Sonic Healthcare Limited	144,970	3,813		113,370	4,033	
Ramsay Health Care Limited	24,480	1,162		14,500	816	
Resmed Inc	31,000	902		31,000	1,017	
Healius Limited	408,037	612		303,945	967	
Regis Healthcare Limited	113,000	493		113,000	251	
Estia Health Limited	-	-		160,000	474	
		<u>12,934</u>	<u>1.27</u>		<u>13,515</u>	<u>1.41</u>
TOTAL		<u>1,021,639</u>	<u>100.00</u>		<u>956,399</u>	<u>100.00</u>

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2024

Name of Entity	Body corporate, partnership or trust	Trustee, partner or participant in JV	Place incorporated / formed	% of share capital held	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign resident
Carlton Investments Limited	Body Corporate	N/a	Australia	N/a	Australian	N/a
Carlton Hotel Limited	Body Corporate	N/a	Australia	100%	Australian	N/a
Eneber Investment Company Limited	Body Corporate	N/a	Australia	100%	Australian	N/a
The Manly Hotels Pty Limited	Body Corporate	N/a	Australia	100%	Australian	N/a

Basis of Preparation – Key Assumptions

Determination of Tax Residency

Section 295 (3A) of the Corporation Acts 2001 requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDDS) be disclosed. In the context of an entity which was an Australian resident, “Australian resident” has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency


The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation’s public guidance in Tax Ruling TR 2018/5.


CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Carlton Investments Limited ("the Company"):
 - (a) the consolidated financial statements and notes that are set out on pages 13 to 32, and the Remuneration Report on pages 10 to 11 in the Directors' Report, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
 - (b) the consolidated entity disclosure statement as at 30 June 2024 on page 33 is true and correct.
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. There are reasonable grounds to believe that the Company and the Group entities identified in note 6-2 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those Group entities pursuant to ASIC Corporations (Wholly Owned Companies) Instrument 2016/785.
3. The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief financial officer for the financial year ended 30 June 2024.
4. The directors draw attention to note 1-2 to the consolidated financial statements, which include a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:


A G RYDGE AM
Director


M E BLEACH
Director

Dated at Sydney 20 August 2024



Independent Auditor's Report

To the shareholders of Carlton Investments Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Carlton Investments Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the **Group's** financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2024;
- Consolidated income statement, Consolidated statement of comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2024;
- Notes, including material accounting policies; and
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 are independent of the Group in accordance with 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 fulfilled our other ethical responsibilities in accordance with these requirements.



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 of the current period.

This matter was 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 this matter.

Valuation, rights and existence of listed equity investments (\$1,021,639,000)

Refer to Note 3-1 to the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>Valuation, rights and existence of investments in listed equities is a key audit matter due to:</p> <ul style="list-style-type: none"> • Size of the Group's portfolio of listed equities. These investments represented 97% of the Group's total assets at year end; and • Importance of the performance of these investments in driving the Group's operating revenue and capital performance, as reported in the Financial Report. <p>As a result, this was the area with the greatest effect on our overall audit strategy and allocation of resources in planning and performing the audit.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of the accounting policies applied by the Group, including those relevant to the fair value of investments, against the requirements of the accounting standards; • We checked the rights to and existence of investments, being the ownership and quantity held, by performing external independent confirmation with share registries or obtaining external independent share registry electronic records as at 30 June 2024; • We checked the valuation of investments, as recorded in the general ledger, to externally quoted market prices from relevant stock exchanges on the 30 June 2024; and • We evaluated the Group's disclosures of investments, using our understanding obtained from our testing, against the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in Carlton Investments Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.



In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and 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 objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our Auditor's Report.



Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Carlton Investments Limited for the year ended 30 June 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' 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 responsibilities

We have audited the Remuneration Report included in pages 10 to 11 of the Directors' report for the year ended 30 June 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

David Kells

Partner

Sydney, Australia

20 August 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 audit of Carlton Investments Limited for the financial year ended 30 June 2024 there have been:

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

KPMG

David Kells

Partner

Sydney, Australia

20 August 2024