

Appendix 4D

31 December 2022 Half Yearly Report

CARLTON INVESTMENTS LIMITED

ABN 85 000 020 262

1. Financial Reporting Period

The current financial reporting period is for the half year to 31 December 2022 with the previous corresponding period being the half year to 31 December 2021.

2. Results for announcement to the market

				2022	2021
Revenue				\$000's	\$000's
Dividends and distributions received - ordinary	Up	1.1%	to	15,767	15,594
Dividends received - special	Up	389.9%	to	3,880	792
Interest received	Up	1,022%	to	258	23
Operating revenue	Up	21.3%	to	19,905	16,409
Profit					
Profit before income tax	Up	21.4%	to	19,328	15,919
Income tax expense	Down	32.4%	to	(338)	(500)
Net profit	Up	23.2%	to	18,990	15,419
Dividends		Amount per security		Franked amount per security	
Interim dividend - Ordinary Shares		40.0 cents		40.0 cents	
- Ordinary Shares Special		9.0 cents		9.0 cents	
- Preference Shares		7.0 cents		7.0 cents	
Half year ended 31 December 2021- Ordinary shares		40.0 cents		40.0 cents	
- Preference shares		7.0 cents		7.0 cents	
Date of payment of interim dividends				20 March 2023	
Record date for determining entitlements to the interim dividends				1 March 2023	

3. Net tangible asset backing: Refer page 14.

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

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

7. Details of associates and joint ventures: None

The Auditor's Review Report is attached.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED INCOME STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Note	Half year to 31 December 2022 \$000	Half year to 31 December 2021 \$000
Dividends and distributions received		19,647	16,386
Interest income		258	23
Operating revenue	2-3	19,905	16,409
Administration expenses	2-4	(571)	(484)
Finance costs		(6)	(6)
Operating expenses		(577)	(490)
Profit before income tax expense		19,328	15,919
Income tax expense	2-5	(338)	(500)
Net profit for the half year		18,990	15,419
Basic and diluted earnings per ordinary share	2-1	\$0.717	\$0.582

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

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Half year to 31 December 2022 \$000	Half year to 31 December 2021 \$000
Net profit for the half year	18,990	15,419
Other Comprehensive Income <i>Items that will not be reclassified to the income statement in the future:</i>		
Increase in fair value of investments	21,269	58,071
Increase in deferred tax liability on change in fair value of investments	(4,007)	(18,050)
Total other comprehensive income	17,262	40,021
Total comprehensive income for the half year	36,252	55,440

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

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	31 December 2022 \$000	30 June 2022 \$000
CURRENT ASSETS			
Cash		4,026	12,480
Receivables		460	3,238
Investments - term deposits	3-1	24,000	15,000
TOTAL CURRENT ASSETS		28,486	30,718
NON CURRENT ASSETS			
Investments - equities	3-1	976,259	949,299
Deferred tax assets		33	31
TOTAL NON CURRENT ASSETS		976,292	949,330
TOTAL ASSETS		1,004,778	980,048
CURRENT LIABILITIES			
Payables		157	152
Current tax liabilities		254	204
TOTAL CURRENT LIABILITIES		411	356
NON CURRENT LIABILITIES			
Deferred tax liabilities	2-5	164,041	160,263
Other financial liabilities	3-2	166	166
TOTAL NON CURRENT LIABILITIES		164,207	160,429
TOTAL LIABILITIES		164,618	160,785
NET ASSETS		840,160	819,263
EQUITY			
Issued capital	4-1	20,146	20,146
Reserves		435,895	418,633
Retained earnings		384,119	380,484
TOTAL EQUITY		840,160	819,263

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

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2022

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

Half year to 31 December 2021	Share capital \$000	Revaluation reserve \$000	Retained earnings \$000	Total \$000
Equity as at 1 July 2021	20,146	458,687	368,171	847,004
Dividends paid	-	-	(10,855)	(10,855)
	20,146	458,687	357,316	836,149
Profit for the period	-	-	15,419	15,419
Other comprehensive income:-				
Increase in fair value of investments	-	58,071	-	58,071
Increase in deferred tax liability relating to change in fair value of investments	-	(18,050)	-	(18,050)
Other comprehensive income	-	40,021	-	40,021
Total comprehensive income	-	40,021	15,419	55,440
Total equity as at 31 December 2021	20,146	498,708	372,735	891,589

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

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Half year to 31 December 2022 \$000	Half year to 31 December 2021 \$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends and distributions received	22,498	18,657
Interest received	185	23
Cash paid for operating expenses	(566)	(467)
Income tax paid	(519)	(678)
NET CASH PROVIDED BY OPERATING ACTIVITIES	21,598	17,535
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for acquisitions of investments	(7,281)	(3,795)
Proceeds from capital returns and disposal of assets	1,590	1,555
Net increase in term deposits	(9,000)	(3,000)
NET CASH USED IN INVESTING ACTIVITIES	(14,691)	(5,240)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(15,355)	(10,855)
Finance costs	(6)	(6)
NET CASH USED IN FINANCING ACTIVITIES	(15,361)	(10,861)
NET (DECREASE)/INCREASE IN CASH HELD	(8,454)	1,434
CASH AT BEGINNING OF FINANCIAL PERIOD	12,480	11,235
CASH AT END OF FINANCIAL PERIOD	4,026	12,669

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

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

SECTION 1 – BASIS OF PREPARATION

1-1 REPORTING ENTITY

Carlton Investments Limited is a company domiciled in Australia. The consolidated financial report of the Company for the half year ended 31 December 2022 comprises the Company and its subsidiaries (together referred to as the consolidated entity). The consolidated entity operates predominately in the acquisition and long term holding of shares and units in entities listed on the Australian Securities Exchange.

The report was authorised for issue by the Board of Directors on 14 February 2023.

1-2 BASIS OF PREPARATION

(a) Statement of Compliance

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

The consolidated financial report does not include all of the information required for a full annual financial report and is to be read in conjunction with the 30 June 2022 annual financial report. This report must also be read in conjunction with any public announcements made by the Company during the half year in accordance with continuous disclosure obligations arising under the Corporations Act 2001 and the Australian Securities Exchange Listing Rules.

(b) Basis of Preparation

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

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

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

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

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

SECTION 2 – EARNINGS AND COSTS

2-1 EARNINGS PER SHARE

Basic and diluted earnings per ordinary share (cents per share)

Half year to 31 December 2022 \$000	Half year to 31 December 2021 \$000
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\$0.717	\$0.582
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RECONCILIATION OF EARNINGS USED IN THE CALCULATION OF EARNINGS PER SHARE

Earnings used in the calculation of basic and diluted earnings per ordinary share

18,990	15,419
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Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share

Number	Number
26,474,675	26,474,675

2-2 TIMING OF RECOGNITION OF INCOME

Revenues from dividends and trust distributions are recognised when the right to receive payment is established. Interest income is recognised as it accrues.

2-3 REVENUES FROM INVESTMENT ACTIVITIES

Dividends and distributions received - ordinary
Dividends received - special
Interest received or due and receivable from other parties

15,767	15,594
3,880	792
258	23
19,905	16,409

2-4 ADMINISTRATION EXPENSES

Administration expenses include:
Directors' fees and employee benefits
Other administration expenses

369	280
156	159
525	439

Audit services: KPMG
Audit and review of financial report
Other services: KPMG
Taxation services

33	33
13	12
46	45
571	484

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

2-5 INCOME TAX

Accounting Policy

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

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

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

	Half year to 31 December 2022 \$000	Half year to 31 December 2021 \$000
Income tax expense		
Prima facie income tax expense calculated at 30% (2021: 30%) on profit before tax	5,798	4,776
<i>Increase/(decrease) in income tax expense due to:</i>		
Imputation gross up on dividends received	2,592	2,067
Franking credits on dividends received	(8,639)	(6,890)
Difference in timing of recognition of dividend income for accounting and tax	726	637
Other	(139)	(90)
Income tax expense	338	500
	31 December 2022 \$000	30 June 2022 \$000
Deferred tax liability		
Capital gains tax on unrealised investment gains	163,940	160,063
Other temporary differences on timing of recognition of dividend and trust distribution income and income tax payable	101	200
	164,041	160,263

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

SECTION 3 – ASSETS AND LIABILITIES

3-1 INVESTMENTS

Current

Term deposits

31 December 2022 \$000	30 June 2022 \$000
24,000	15,000

Term deposits have been placed with major financial institutions and at 31 December 2022 had remaining maturity periods of between 46 to 117 days (2021: 47 to 75 days) with interest rates of 3.65% to 3.95% (2021: 0.33% to 0.42%). Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. Credit risk on term deposits is minimised as deposits are only placed with major Australian financial institutions with acceptable credit ratings determined by a recognised rating agency. There is no exposure to currency risk.

Non-Current

Shares and units in listed entities – at fair value

976,259	949,299
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Accounting Policy

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

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

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

During the half year period investments were acquired for total consideration of \$7,281,000 (2021: \$3,795,000) and \$1,590,000 (2021: \$1,555,000) was received from capital returns and investment disposals.

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

3-2 OTHER FINANCIAL LIABILITIES

Cumulative preference shares

166	166
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82,978 (30 June 2022: 82,978) 7% cumulative preference shares fully paid. Preference shares were not classified as redeemable when issued.

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

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	31 December 2022 \$000	30 June 2022 \$000
SECTION 4 – SHARE CAPITAL AND DIVIDENDS PAID		
4-1 ISSUED CAPITAL		
Issued and Paid Up Capital		
26,474,675 (30 June 2022: 26,474,675) ordinary shares fully paid	20,146	20,146
Movements in Ordinary Issued Capital		
Balance at the beginning of the financial period	20,146	20,146
On market buy back	-	-
Balance at end of the financial period	20,146	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 2023. There were no shares bought back during the half year ended 31 December 2022 or year to 30 June 2022.

4-2 DIVIDENDS

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

	Cents per share	Total amount \$000	Franked/ unfranked	Date of payment
2022 final dividend – ordinary shares	44.0	11,649	Franked	19 September 2022
2022 special dividend – ordinary shares	14.0	3,706	Franked	19 September 2022
		15,355		

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

2023 interim dividend – ord. shares	40.0	10,590	Franked	20 March 2023
2023 special dividend – ordinary shares	9.0	2,383	Franked	20 March 2023
		12,973		

The financial effect of the interim and special dividends, which has not been brought to account in the financial statements for the half year ended 31 December 2022, will be recognised in the 30 June 2023 Annual Report.

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

SECTION 5 – OTHER INFORMATION

5-1 EVENTS SUBSEQUENT TO REPORTING DATE

For the 2023 interim and special dividends declared after 31 December 2022 refer note 4-2 above.

Since 31 December 2022, to market close on 13 February 2023, the total market value of the Group's investment portfolio increased by 5.9%, compared to an increase in the S&P/ASX 200 Index of 5.4%.


CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

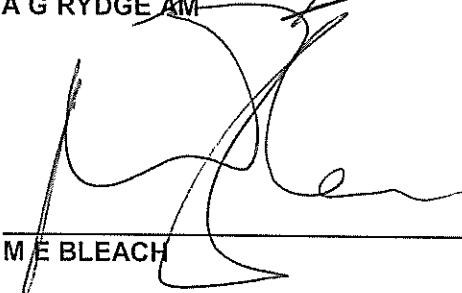
DIRECTORS' DECLARATION FOR THE HALF YEAR ENDED 31 DECEMBER 2022

- 1 In the opinion of the Directors of Carlton Investments Limited ("the Company"):
- (a) the financial statements and notes set out on pages 2 to 11 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance, as represented by the results of its operations and cash flows, for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Sydney 14 February 2023

Signed in accordance with a resolution of the Directors:


A G RYDGE AM


M E BLEACH

:DIRECTORS

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2022

The Directors present their report together with the consolidated financial report of Carlton Investments Limited and its controlled entities for the half year ended 31 December 2022 and the auditor's review report thereon.

DIRECTORS

The following were Directors of the Company during the half year to 31 December 2022 and, with the exception of Mr Anthony J Clark AM who retired from the Board on 27 October 2022, up to the date of this report:

Name	Period of directorship
Mr Alan G Rydge AM - Chairman	Chairman of Directors since 1980. Non-Executive Director
Mr Murray E Bleach - Lead Independent Director and Chairman of the Nominations and Remuneration Committee and Chairman of the Audit and Risk Committee	Independent Non-Executive Director since 2014
Mr Greg J Robertson	Independent Non-Executive Director since 2 May 2022
Mr Anthony J Clark AM	Retired from Board on 27 October 2022, after serving as an Independent Non-Executive Director since 2000

CONSOLIDATED OPERATING PROFIT

The consolidated net profit for the half year to 31 December 2022 attributable to the members of Carlton Investments Limited was:

	31 December 2022	31 December 2021
	\$000	\$000
Profit before income tax	19,328	15,919
Income tax expense	(338)	(500)
Net profit for the half year	18,990	15,419

REVIEW OF OPERATIONS

Net profit for the half year to 31 December 2022 was \$18,990,000, representing an increase of \$3,571,000 or 23.2% on the previous corresponding half year period. Dividends and distributions received and receivable, totalling \$19,647,000, increased by \$3,261,000 or 19.9%. Included in dividends received for the half-year was a special dividend paid by EVT (formerly Event Hospitality and Entertainment), in November 2022, amounting to \$3,694,000. No other dividends were received from EVT in the period or in the prior half-year period. The increase in dividends and distributions received and receivable before special dividends was only \$173,000 or 1.1%. There were good increases in the level of dividends paid by banks and energy companies, with the exception of AGL which decreased. We, however, also saw offsetting large falls in the level of dividends paid by some mining companies, whose dividends were down from the high levels paid the previous corresponding half year period. With higher interest rates and a higher level in funds held in term deposits, interest income for the half-year period was \$258,000 compared to only \$23,000 in the previous corresponding half year period.

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT (cont.) FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NET TANGIBLE ASSET BACKING

The net tangible asset backing for each issued ordinary share at 31 December 2022 prior to payment of the interim dividends detailed in note 4-2 and before provision for tax on unrealised capital gains was \$37.93 (30 June 2022: \$36.99). The net tangible asset backing per share after provision for tax on unrealised capital gains was \$31.73 at 31 December 2022 (30 June 2022: \$30.95). The relevant figures as at 31 January 2023 were \$40.66 before provision for capital gains tax and \$33.71 after providing for capital gains tax.

INTERIM DIVIDENDS

The Directors have today declared an interim fully franked dividend of 40.0 cents per ordinary share, plus a fully franked special dividend of 9.0 cents per ordinary share, payable on 20 March 2023. The special dividend has been declared after taking into account the increase in special dividends received in the half year, which included the EVT special dividend referred to earlier in the review of operations section. An interim dividend of 7.0 cents per preference share, fully franked, will be paid on the same date. The record date for the interim and special dividends is 1 March 2023.

INVESTMENTS

Investment additions to the portfolio, during the half year to 31 December 2022, were additional shares purchased in ANZ Group, Sonic Healthcare and South32, plus new investments in JB Hi-Fi and Elders. The cost of these additions totalled \$7,281,000.

Consideration received from the takeover of the Tassal Group was \$1,412,000, also Ardent Leisure Group paid a return of capital of \$178,000 during the period.

The thirty largest investments, at quoted market values, as at 31 December 2022 were:

	\$000's		\$000's
EVT	391,914	Gowing Bros.	13,022
National Australia Bank	66,164	Santos	11,384
Commonwealth Bank	58,809	Bendigo & Adelaide Bank	10,959
BHP Group	42,235	Perpetual	10,454
Westpac Banking Group	41,659	APA Group	10,330
Wesfarmers	27,978	Coles Group	10,189
ANZ Group	26,339	Origin Energy	8,797
Fortescue Metals Group	19,238	Orica	8,159
Rio Tinto	18,726	Bluescope Steel	7,944
Telstra	18,289	South32	6,326
James Hardie Industries	16,510	Ansell	6,293
Woodside Energy	15,228	Woolworths	5,806
Amcor	15,100	Macquarie Group	5,019
Bank of Queensland	14,692	Lend Lease	3,905
AGL	13,136	ASX	3,803
			<hr/>
			908,407
			<hr/>
Total market value of shares and units in listed entities as at 31 December 2022			<hr/>
			976,259
			<hr/>

The market value of the Group's investment portfolio increased by 2.2% during the six months ended 31 December 2022, after adjusting for acquisitions, disposals and capital returns. This compares to an increase of 7.2% in the S&P/ASX 200 Index over the same period. On a total portfolio return basis (measured by the movement in NTA per share assuming dividends are reinvested), the return for the six months was 4.1% compared to an increase in the S&P/ASX 200 Accumulation Index over the same period of 9.8%. Market value movements for investments during the half year was mixed, with continuing volatility in an uncertain market. Market values for banks and large miners showed good

CARLTON INVESTMENTS LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT (cont.) FOR THE HALF YEAR ENDED 31 DECEMBER 2022

INVESTMENTS (continued)

increases. The market values for Wesfarmers and Ansell recovered strongly and the market value for Origin Energy rose on news of a potential takeover. We, however, also saw many of the market values within the Group's investment portfolio decline over the half year, with larger value falls for James Hardie Industries and Perpetual. The market value for EVT shares at 31 December 2022 was close to its lowest level for the six month and, after some large fluctuations during the period, was down 2.5% from its market value at 30 June 2022. Since 31 December 2022 to market close on 13 February 2023, we have seen the portfolio market value continue to increase with the market value of EVT shares increasing by 8.3% and the total market value of the Group's investment portfolio increasing by 5.9%.

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration is attached and forms part of the directors' report for the half year ended 31 December 2022.

ROUNDING OFF

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

This report is made in accordance with a Resolution of the Board of Directors and is signed for and on behalf of the Directors on 14 February 2022.



A G RYDGE AM
Chairman of Directors
14 February 2023



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

To the Directors of Carlton Investments Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Carlton Investments Limited for the half-year ended 31 December 2022 there have been:

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

A stylized signature of the KPMG firm, written in black ink.

KPMG

A handwritten signature of David Kells, written in black ink.

David Kells

Partner

Sydney

14 February 2023



Independent Auditor's Review Report

To the shareholders of Carlton Investments Limited

Conclusion

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

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

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

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

- Consolidated statement of financial position as at 31 December 2022
- Consolidated income statement, Consolidated statement of comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the Half-year ended on that date
- Notes 1-1 to 5-1 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

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

Basis for Conclusion

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

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



Responsibilities of the Directors for the Half-year Financial Report

The Directors of the Company are responsible for:

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

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

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

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

KPMG

David Kells

Partner

Sydney

14 February 2023