



FLAGSHIP INVESTMENTS LIMITED

ABN 99 080 135 913

APPENDIX 4D STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

CONTENTS

- Results for announcement to the market
- Appendix 4D Accounts

APPENDIX 4D STATEMENT

Results for Announcement to the Market

The reporting period is the Half-year ended 31 December 2023, with the corresponding period being 1 July 2022 to 31 December 2022.

SUMMARY OF RESULTS

Investment Portfolio performance was positive 16.2% in the six months ended 31 December 2023. Over the period, Net Assets increased by \$5,576,011 after paying the 2023 final dividend of \$1,267,006.

	Dec 2023 \$	Dec 2022 \$	Movement %
Revenue from ordinary activities	775,909	918,590	(15.5)%
Comprehensive Income/(loss) (after tax) attributable to members	6,843,017	3,200,499	113.8%
Comprehensive Income/(loss) per share (Cents)	26.46	12.38	113.8%
Net Tangible Asset backing per share (before tax on unrealised gains) (Cents)	237.28	204.29	16.1%

DIVIDEND

Interim Dividend per share

Fully Franked Interim Dividend – payable on 22 February 2024: 4.9 cents
 The record date to determine entitlements to the interim dividend 8 February 2024

Dividend Reinvestment Plan

The Dividend Reinvestment Plan will apply to this interim dividend with the price determined by the Directors. The last date for the receipt of an election notice for participation in the dividend reinvestment plan will be at close of business on 9 February 2024. There is no foreign conduit income attributable to the dividend.

Previous corresponding period

Fully Franked Interim Dividend paid on 23 February 2023: 4.75 cents

LIC Capital Gains Components

The capacity of the Company to facilitate access to the capital gain benefit of the dividend will depend on the Company's capacity to generate capital profits. The interim dividend will include a capital gain component.

FLAGSHIP INVESTMENTS LIMITED

MARKET COMMENT

Over the last twelve months, the investment climate has been marked by significant events and trends shaping investments and the general economic outlook. The ongoing geopolitical tensions, including the escalated conflict between Israel and Hamas have contributed to a climate of political uncertainty. These events have had far-reaching economic impacts, further complicating the investment environment.

Amidst these challenges, we've seen global inflationary pressures prompt aggressive interest rate responses from central banks over the past 24 months. More recently, the rhetoric from central banks has softened, prompting major bank economists in Australia forecasting to see rates reducing by the end of 2024. If interest rates do reduce this will certainly have a positive impact on areas of the economy feeling the impact of cost-of-living pressures.

Over the last 12 months one driver of positive market sentiment has been the widespread adoption of generative artificial intelligence technology. The use cases and future possibilities are certain to transform industries. While at present, some of the applications appear to be superficial, it is expected that over time the hype-cycle will turn into a meaningful industry supporting businesses across the board.

REVIEW OF OPERATIONS

Investment performance for the six months to December 2023 was positive 16.2%, compared to the ASX All Ordinaries Index increase of 8.0%. The result is an improvement on the prior year six month portfolio performance of positive 8.5% and adds to the 10 year average, currently at positive 12.2%.

Total comprehensive income after the provision of tax increased by \$3,642,518 compared to last year due to the contribution of realised and unrealised gains in the portfolio. Net profit decreased compared to last year by \$546,396. This is due to a reduced level of dividends received (decrease by \$162,868) due to the portfolio mix and reduction in the dividends from companies such as Rio Tinto Ltd and Lovisa Holdings Limited. The provision for performance fee expense has increased year on year by \$453,300 reflecting the performance of the portfolio as described above.

During the six months to December 2023 the company paid the FY2023 Final Dividend of 4.9 cents per share, a 3.16% increase on the prior year. The total dividend paid over the last 12 months was 9.65 cents per share and represents a 5.35% yield on the closing share price on 31 December 2023 of \$1.805.

Portfolio Performance:

	6 mths	1 year	5 years	10 years	Since Inception (1 May 1998) p.a.
FSI Portfolio	16.2%	23.6%	15.0%	12.2%	12.3%
ASX All Ordinaries	5.8%	8.4%	6.5%	3.9%	4.1%
ASX Accumulation Index	8.0%	13.0%	10.7%	8.2%	8.4%

OTHER DISCLOSURES

This report is based on financial statements which have been subject to independent review by the auditor, Augmented Audit Co Pty Ltd.

All the documents comprise the information required by ASX listing Rule 4.2A.3.

This information should be read in conjunction with the Company's most recent Annual Financial Report.

Authorised for release by the Board.

For any queries, please contact:

Scott Barrett
Company Secretary