



Airlie
Funds Management

Airlie Australian Share Fund

Interim Report

For the half year ended 31 December 2023

ABN 67 764 357 242

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Chairman's Report

for the half year ended 31 December 2023

Dear Unitholders,

We are pleased to present the Interim Financial Report for the Airlie Australian Share Fund (Managed Fund) (the "Fund") for the half year ended 31 December 2023. The Fund is a managed investment scheme for which Magellan Asset Management Limited ("MAM") acts as both Responsible Entity and Investment Manager.

The Fund has been quoted on the Australian Securities Exchange (ticker code: AASF) since 4 June 2020. As at 31 December 2023, the Fund had net assets of \$465.6 million and a Net Asset Value ("NAV") per unit of \$3.6823 after providing for the final distribution of 6.85 cents per unit for the six months to 31 December 2023.

The Fund's portfolio is actively managed by MAM. The Fund's primary objective is to provide long-term capital growth and regular income through investment in Australian equities. To achieve this, the Fund's portfolio will generally comprise 15 to 35 securities that MAM has identified based on their financial strength, attractive durable business characteristics and the quality of their management teams. MAM invests in these companies when its view of their fair value exceeds the prevailing market price.

For the six months to 31 December 2023, the Fund returned 10.7% net of fees compared to the index return (S&P/ASX 200 Accumulation Index) of 7.6% over the same period. For the 12 months to 31 December 2023, the Fund returned 15.4% net of fees compared to the index return of 12.4% over the same period. The Fund has delivered a return of 10.8% per annum net of fees since inception, compared with the benchmark index return of 8.4% per annum.

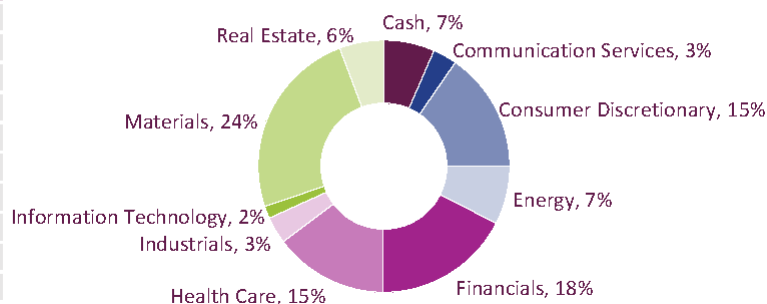
We would encourage you to read our monthly and quarterly Fund Reports which provide valuable insight into our investment strategies and portfolio managers' thoughts. These are released on ASX and can also be found on our website at: www.airlifundsmangement.com.au.

As at the 31 December 2023 Fund Update, the portfolio consisted of investments in 28 companies and had a cash position of 7% of the portfolio. The Fund's Portfolio positioning based on GICS Sector classification is highlighted below.

TOP 10 POSITIONS (BY WEIGHT)

Company	Sector
BHP Group Ltd	Materials
CSL Ltd	Health Care
Commonwealth Bank of Australia	Financials
ResMed Inc	Health Care
Mineral Resources Ltd	Materials
National Australia Bank Ltd	Financials
Ampol Ltd	Energy
James Hardie Industries Plc	Materials
Santos Ltd	Energy
Aristocrat Leisure Ltd	Consumer Discretionary

PORTFOLIO POSITIONING



The following report contains relevant financial statements and information which we encourage you to read carefully.

Robert Fraser
Chairman

Sydney, 28 February 2024

Responsible Entity's Report

for the half year ended 31 December 2023

The Directors of Magellan Asset Management Limited (ABN 31 120 593 946) ("MAM"), the Responsible Entity of Airlie Australian Share Fund (the "Fund") present their half year report on the Fund for the period ended 31 December 2023.

1. Directors

The following persons were Directors of MAM during the period and up to the date of this report:

		Appointed	Resigned
Robert Fraser	Chairman	23 April 2014	
David Dixon	Deputy Chairman and Non-Executive Director	1 November 2022	
John Eales	Non-Executive Director	1 July 2017	
Andrew Formica	Executive Director ¹	26 July 2023	
Cathy Kovacs	Non-Executive Director	6 November 2023	
Hamish McLennan	Non-Executive Director	1 March 2016	
Deborah Page	Non-Executive Director	3 October 2023	
Colette Garnsey	Non-Executive Director	30 November 2020	8 November 2023
David George	Managing Director and Chief Executive Officer	19 July 2022	24 October 2023
Kirsten Morton	Chief Operating Officer and Chief Financial Officer	5 October 2018	3 July 2023

¹ Mr Formica was appointed Non-Executive Director on 26 July 2023 and subsequently appointed Executive Director on 25 October 2023.

Subsequent to balance date, it was announced on 15 February 2024 that Ms. Sophia Rahmani will join the MAM Board when she commences as Managing Director in May 2024.

2. Principal Activity

The Fund is a registered managed investment scheme, domiciled in Australia, with the principal place of business at Level 36, 25 Martin Place, Sydney, New South Wales, 2000 and quoted on the Australian Securities Exchange ("ASX") under the AQUA Rules (ticker code: AASF).

MAM, as Responsible Entity, is responsible for overseeing the operations of the Fund. MAM is also Investment Manager, responsible for selecting and managing the assets of the Fund. In addition, the Responsible Entity, on behalf of the Fund, may also provide trading liquidity to investors on the ASX under the AQUA Rules by acting as a buyer and seller of units in the Fund. The Responsible Entity has appointed an independent market participant to act as its agent to execute its market making activities.

The Fund's portfolio will generally comprise 15 to 35 Australian securities to produce wealth accumulation through active management. The Fund's primary investment objective is to provide long-term capital growth and regular income through investment in Australian equities (as detailed in the Product Disclosure Statement ("PDS"), issued on 27 November 2023).

3. Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Fund during the period.

Responsible Entity's Report

for the half year ended 31 December 2023

4. Review of Financial Results and Operations

4.1. Financial Results for the Period

The performance of the Fund, as represented by the results of its operations for the periods ended 31 December, was as follows:

	31 Dec 2023	31 Dec 2022
Results		
Total net investment income/(loss) (\$'000)	45,852	45,306
Total expenses (\$'000)	(1,849)	(1,619)
Profit/(Loss) (\$'000)	44,003	43,687
Distributions		
Distribution paid and payable (\$'000)	8,660	6,239
Distribution paid and payable (CPU) ¹	6.85	6.40
Unit Price (NAV Per Unit) (\$)²	3.6823	3.3149
ASX Reported NAV Per Unit (\$) ³	3.7509⁴	3.3789 ⁵

¹ Cents per unit.

² The Net Asset Value ("NAV") per unit represents the net assets of the Fund shown in the Statement of Financial Position at balance date divided by the number of units on issue at balance date (refer Note 6 to the Financial Statements).

³ The NAV per unit reported to the ASX will differ to the NAV per unit at balance date due to distributions payable and fee accruals.

⁴ ASX reported NAV per unit as at 29 December 2023 being the last business day of the period.

⁵ ASX reported NAV per unit as at 30 December 2022 being the last business day of the period.

The final distribution for the year ended 30 June 2023 of 6.68 cents per unit amounting to \$7,367,000 was paid on 21 July 2023 and in addition passed on franking credits of 2.7124 cents per unit to unitholders.

4.2. Total Indirect Cost Ratio

The Total Indirect Cost Ratio ("ICR") is the ratio of the Fund's actual management costs over the average portfolio value expressed as a percentage. Management costs, accrued within the Fund's unit prices on a daily basis, include management fees but do not include transactional and operational costs such as brokerage or foreign withholding tax.

	6 Months to 31 Dec 2023 %	12 Months to 31 Dec 2023 %	6 Months to 31 Dec 2022 %	12 Months to 31 Dec 2022 %
Management fee	0.39	0.78	0.39	0.78
Total Indirect Cost Ratio	0.39	0.78	0.39	0.78

4.3. Performance Returns

The performance returns have been calculated using the redemption price for the Fund, which is after fees and expenses, assuming the reinvestment of distributions. The returns are calculated daily, compounded to produce longer period returns.

	6 Months to 31 Dec 2023 %	12 Months to 31 Dec 2023 %	6 Months to 31 Dec 2022 %	12 Months to 31 Dec 2022 %
Growth return ¹	8.7	11.1	11.1	(8.8)
Distribution return ²	2.0	4.3	2.1	3.6
Total Return³	10.7	15.4	13.2	(5.2)

¹ The Growth return is calculated daily as a percentage by dividing the unit price (ex-distribution) by the previous day's unit price (ex-distribution) minus 1; the daily Growth returns are then compounded to produce longer period returns.

² The Distribution return is calculated as a percentage by subtracting the Growth return from the Total Return.

³ The Total return is calculated daily as a percentage by dividing the unit price (cum-distribution) by the previous day's unit price (ex-distribution) minus 1; the daily Total returns are then compounded to produce longer period returns.

Responsible Entity's Report

for the half year ended 31 December 2023

5. Strategy and Future Outlook

The Fund's investment objectives are unchanged. The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Therefore, investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

The Fund provides daily unit prices, monthly fund updates, quarterly portfolio disclosures and annual investor reports, which can be found on the Airlie Australian Share Fund website, www.airlieaustraliansharefund.com.au and also the ASX website. Fund updates and investor reports include detailed discussions in relation to some investee companies from time to time along with general outlook commentary.

6. Interest in the Fund

The movement in units on issue in the Fund is disclosed in Note 4 to the Financial Statements.

7. Likely Developments and Expected Results of Operations

The Fund will continue to invest in companies and businesses in accordance with the investment strategy as set out in the PDS.

The method of operating the Fund is not expected to change in the foreseeable future. However, the results of the Fund's operations may be affected by a number of factors, including the performance of investment markets in which the Fund invests.

8. Subsequent Events

NAV moves as a result of a number of factors including movements in asset prices and unitholder subscriptions and redemptions. Asset prices move daily and intraday indicative NAV per unit and daily NAV per unit are available in the 'Funds' section of the Airlie Australian Share Fund website, www.airlieaustraliansharefund.com.au and also the ASX website. Subsequent to balance date, as at 23 February 2024, the Fund had a NAV per unit of \$3.7701 with a net asset value of \$490,901,000 and 130,208,000 units on issue.

Other than the above and items disclosed throughout the Responsible Entity's Report, there have been no matters or circumstances arising after the end of the period that have significantly affected, or may significantly affect, the Fund's operations, the results of those operations, or the Fund's state of affairs in future financial periods.

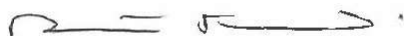
9. Rounding of Amounts

The Fund is of a kind referred to in the *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and consequently amounts in the Responsible Entity's Report have been rounded to the nearest thousand dollars in accordance with that Legislative Instrument, or in certain cases, the nearest dollar.

10. Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 7.

This report is made in accordance with a resolution of the Directors of the Responsible Entity.



Robert Fraser

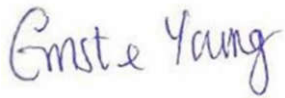
Chairman

Sydney, 28 February 2024

Auditor's Independence Declaration to the Directors of Magellan Asset Management Limited as Responsible Entity for Airlie Australian Share Fund

As lead auditor for the review of the interim financial report of Airlie Australian Share Fund for the half-year period ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.



Ernst & Young



Clare Sporle

Partner

Sydney, 28 February 2024

Statement of Profit or Loss and Comprehensive Income

for the half year ended 31 December 2023

	Note	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Investment Income			
Dividend and distribution income		6,758	7,111
Interest income		437	254
Net change in fair value of investments		38,657	37,941
Total Net Investment Income/(Loss)		45,852	45,306
Expenses			
Management fees		1,604	1,388
Transaction costs		200	205
Withholding tax on dividends		45	26
Total Expenses		1,849	1,619
Profit/(Loss)		44,003	43,687
Other comprehensive income		-	-
Total Comprehensive Income/(Loss)		44,003	43,687
Basic Earnings Per Unit (Cents)	5	37.13	40.36
Diluted Earnings Per Unit (Cents)	5	37.13	40.36

The above Statement of Profit or Loss and Comprehensive Income should be read in conjunction with the accompanying Notes to the Financial Statements.

Statement of Financial Position

as at 31 December 2023

	Note	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Assets			
Cash and cash equivalents		29,925	21,242
Receivables		1,087	2,861
Investments	3	443,605	358,207
Total Assets		474,617	382,310
Liabilities			
Distributions payable	2	8,660	7,367
Payables		403	1,121
Total Liabilities		9,063	8,488
Total Unitholders' Equity		465,554	373,822

The above Statement of Financial Position should be read in conjunction with the accompanying Notes to the Financial Statements.

Statement of Changes in Equity

for the half year ended 31 December 2023

	Note	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Total Unitholders' Equity at the beginning of the Period		373,822	302,151
Transactions with Unitholders in their Capacity as Owners:			
Units issued		82,056	66,848
Units issued under Distribution Reinvestment Plan and management fee rebates		673	1,618
Units redeemed		(26,340)	(84,926)
Distributions paid and payable	2	(8,660)	(6,239)
Total Transactions with Unitholders		47,729	(22,699)
Profit/(loss)		44,003	43,687
Other comprehensive income		-	-
Total Comprehensive Income/(Loss)		44,003	43,687
Total Unitholders' Equity at the end of the Period		465,554	323,139

The above Statement of Changes in Equity should be read in conjunction with the accompanying Notes to the Financial Statements.

Statement of Cash Flows

for the half year ended 31 December 2023

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Cash Flows from Operating Activities		
Dividends and distributions received (net of withholding tax)	7,883	8,132
Interest received	405	198
Management fees paid	(1,552)	(1,223)
Transaction costs paid	(200)	(205)
Net Cash Inflow/(Outflow) from Operating Activities	6,536	6,902
Cash Flows from Investing Activities		
Purchase of investments	(123,307)	(114,156)
Proceeds from sale of investments	76,581	141,446
Net Cash Inflow/(Outflow) from Investing Activities	(46,726)	27,290
Cash Flows from Financing Activities		
Receipts from issue of units	81,902	66,612
Payments for redemption of units	(26,335)	(84,985)
Distributions paid	(6,694)	(4,565)
Net Cash Inflow/(Outflow) from Financing Activities	48,873	(22,938)
Net Increase/(Decrease) in Cash and Cash Equivalents	8,683	11,254
Cash and cash equivalents at the beginning of the period	21,242	10,059
Cash and Cash Equivalents at the end of the Period	29,925	21,313

The above Statement of Cash Flows should be read in conjunction with the accompanying Notes to the Financial Statements.

Notes to the Financial Statements

for the half year ended 31 December 2023

Overview

The Fund is a registered managed investment scheme under the *Corporations Act 2001* and quoted on the ASX under the AQUA Rules (ticker code: AASF). In accordance with the Fund's Constitution, it commenced on the date that the first unit was issued, which was 31 May 2018. The Fund will terminate on the day immediately preceding the 80th anniversary of the Date of Commencement, unless terminated earlier in accordance with the provisions of the Fund's Constitution.

MAM (ABN 31 120 593 946) is the Responsible Entity of the Fund.

This interim financial report was authorised for issue by the Directors of the Responsible Entity on 28 February 2024. The Directors have the power to amend and reissue this interim financial report.

The Fund is considered a for-profit unit trust for the purpose of this interim financial report.

1. Basis of Preparation

The condensed interim financial report is a general purpose financial report, presented in Australian Dollars, and has been prepared in accordance with AASB 134 *Interim Financial Reporting*, the *Corporations Act 2001*, other mandatory professional reporting requirements and the Fund's Constitution.

The condensed interim financial report does not include all the information and disclosures normally included in the annual financial report. Accordingly, this report should be read in conjunction with the 30 June 2023 Annual Report and any public announcements made during the period.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All material balances are expected to be recovered or settled within 12 months, except for financial assets and liabilities at fair value through profit or loss. These fair value assets and liabilities comprise mainly investments that are managed based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. Consequently, the investments that may be realised within 12 months cannot be determined at balance date.

All amounts in the financial statements are rounded to the nearest thousand dollars (\$'000) or in certain cases, the nearest dollar, unless otherwise stated in accordance with the *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*.

1.1. Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. The Fund has not early adopted any accounting standard, interpretation or amendment that has been issued but is not yet effective at balance date.

1.2. Critical Accounting Estimates and Judgements

The preparation of the Fund's financial statements required the Directors to make judgements, estimates and assumptions that affect the amounts reported in the financial statements. The Directors base their judgements and estimates on historical experience and various other factors they believe to be reasonable under the circumstances, but which are inherently uncertain and unpredictable. As a result, actual results could differ from those estimates.

Where listed equities have no active market, the Directors determine fair value with reference to external observable information and conditions existing at balance date. Fair values may however move materially with movements in market prices (refer Note 3). As all investments are valued with reference to the listed quoted prices and the Fund's cash is held at strongly rated financial institutions, the Fund's financial assets and liabilities are not subject to significant judgement or complexity.

Notes to the Financial Statements

for the half year ended 31 December 2023

2. Distributions to Unitholders

Distributions for the periods ended 31 December are as follows:

	\$'000	CPU	Date Paid
Period ended 31 December 2023			
Prior year final distribution paid	7,367	6.68	21 Jul 2023
Interim distribution payable	8,660	6.85	17 Jan 2024

	\$'000	CPU	Date Paid
Period ended 31 December 2022			
Prior year final distribution paid	6,074	6.00	21 Jul 2022
Interim distribution payable	6,239	6.40	18 Jan 2023

A distribution payable is recognised in the Statement of Financial Position where the distribution has been declared but remains unpaid at balance date.

On 5 January 2024, MAM announced the Target Cash Distribution for the Fund for the six month period ending 30 June 2024 will be 6.82 CPU.

Distribution Reinvestment Plan

The Fund's Distribution Reinvestment Plan ("DRP") was available to eligible unitholders during the period. Under the terms of the DRP, eligible unitholders are able to elect to reinvest all or part of their cash distributions in additional units in the Fund, free of any brokerage or other transaction costs. Units are issued and/or transferred to DRP participants at a price that is determined by MAM in accordance with the DRP Rules. DRP details are as follows:

	31 Dec 2023 Interim Distribution	30 Jun 2023 Final Distribution	31 Dec 2022 Interim Distribution	30 Jun 2022 Final Distribution
DRP issue price (\$)	3.6824	3.3896	3.3149	2.9844
DRP unitholder participation rate (%)	7.93	9.14	4.15	24.85
Number of units issued under DRP	186,270	198,482	77,355	505,538
Value of units issued under DRP (\$'000)	686	673	256	1,509
DRP issue date	17 Jan 2024	21 Jul 2023	18 Jan 2023	21 Jul 2022

3. Investments

The Fund classifies its equity securities as financial assets and liabilities at fair value through profit or loss.

The Fund discloses the fair value measurements of financial assets and financial liabilities using a three-level fair value hierarchy to reflect the source of valuation inputs used when determining the fair value as follows:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of these securities is based on the closing price for the security as quoted on the relevant exchange.
- Level 2: valuation techniques using observable inputs either directly (as prices) or indirectly (derived from prices). The fair value of derivatives is based on a discounted cash flow analysis using quoted market inputs (spot and forward rates, volatility) adjusted for specific features of the instruments and applied debit and credit valuation adjustments based on the Fund's, or the derivative counterparties' current credit worthiness.
- Level 3: valuation techniques using non-market observable inputs.

Notes to the Financial Statements

for the half year ended 31 December 2023

Details of Investments

	31 Dec 2023 \$'000	30 Jun 2023 \$'000
Investments (Level 1)		
BHP Group	55,642	47,589
CSL	34,512	29,354
Commonwealth Bank of Australia	30,193	26,643
Resmed Inc CDI's	26,507	10,403
Mineral Resources	22,009	17,583
National Australia Bank	19,503	18,335
Ampol	18,411	12,186
James Hardie Industries	17,124	13,107
Santos	16,652	12,857
Aristocrat Leisure	16,172	13,673
Wesfarmers	16,170	14,598
Charter Hall	14,995	8,663
News Corp Class B	14,502	10,701
Seven Group	14,063	12,188
Orora	13,894	4,616
Premier Investments	13,443	9,853
Medibank Private	12,796	12,075
QBE Insurance Group	12,419	11,842
Waypoint	11,843	5,728
Tabcorp Holdings	10,487	9,903
PWR Holdings	8,862	8,099
Macquarie Group	8,145	15,682
EBOS Group	7,643	-
Dicker Data	7,494	4,357
Nick Scali	7,266	4,448
CSR	6,190	-
Sigma Healthcare	4,416	-
Reece	2,252	1,868
Woolworths Group	-	11,497
Region Group	-	4,297
Northern Star Resources	-	3,455
IRESS	-	1,393
IPH	-	1,214
Total Investments	443,605	358,207

The Fund does not hold any level 2 or 3 assets. There have been no transfers between any of the three levels in the hierarchy during the period and the Fund's policy is to recognise transfers into and out of fair value hierarchy levels as at balance date.

Notes to the Financial Statements

for the half year ended 31 December 2023

4. Unitholders' Equity

	6 Months to 31 Dec 2023 No. of Units	12 Months to 30 Jun 2023 No. of Units
Units on Issue		
Opening balance	110,283,017	101,235,874
Units issued	54,690,654	79,927,778
Units issued under DRP and management fee rebates	198,482	625,244
Units redeemed	(38,742,821)	(71,505,879)
Units on Issue at the end of the Period	126,429,332	110,283,017

Entering and exiting the Fund

Investors can enter or exit the Fund via buying/selling units on the ASX or by applications/withdrawals direct to/from the Responsible Entity. The method of entry into the Fund does not affect the method of exit from the Fund. The entry and exit price received and investment minimums are set out in the Fund's PDS which can be found in the 'Funds' section of the Airlie Funds Management website, www.airlifundsmmanagement.com.au.

Units

Applications received for units in the Fund are recorded net of entry fees. Redemptions from the Fund are recorded gross of exit fees. The Fund recognises units issued or redeemed when settled, which is trade date.

Each unit confers upon the unitholder an equal interest in the Fund, and is of equal value to other units in the Fund. A unit does not confer upon the holder any interest in any particular asset or investment of the Fund. The rights of unitholders are contained in the Fund's Constitution and include:

- the right to receive a distribution determined in accordance with the provisions of the Fund's Constitution;
- the right to attend and vote at meetings of unitholders;
- the right to participate in the termination and winding up of the Fund; and
- the right to redeem units, subject to restrictions disclosed in the Fund's PDS. Those restrictions may include where trading in units on the ASX are suspended for five consecutive business days. In this case, unitholders may apply to the Responsible Entity to make an off-market withdrawal of their investment from the Fund when the Fund is liquid. Where the Fund ceases to be liquid, units may only be withdrawn once an offer is made to all investors in the Fund in accordance with the Fund's Constitution.

There may be other circumstances where off-market withdrawals from the Fund are suspended for up to 28 days, including where:

- it is impracticable for the Responsible Entity, or the Responsible Entity is unable, to calculate the NAV of the Fund;
- the payment of withdrawal proceeds involves realising a significant portion of the Fund's assets which would, in the Responsible Entity's opinion, result in remaining investors bearing a disproportionate amount of capital gains tax or expenses, or suffering any other disadvantage or diminution of the value of units held;
- the Responsible Entity reasonably considers it would be in the interests of investors, or it is otherwise permitted by law; or
- the Responsible Entity receives withdrawal requests of an aggregate value that in its reasonable estimate exceeds 5% of the Fund's assets.

There are no separate classes of units and each unit in the Fund has the same rights attaching to it as all other units of the Fund.

Notes to the Financial Statements

for the half year ended 31 December 2023

5. Earnings per Unit

Basic Earnings Per Unit ("EPU") is calculated as profit/(loss) for the period divided by the weighted average number of units on issue. Diluted EPU is calculated by adjusting the basic EPU to take into account the effect of any changes in income or expense associated with dilutive potential units and the weighted average number of additional units that would have been outstanding assuming the conversion of all dilutive potential units.

	31 Dec 2023	31 Dec 2022
Basic EPU		
Profit/(loss) attributable to unitholders (\$'000)	44,003	43,687
Weighted average number of units for basic EPU	118,519,664	108,238,223
Basic EPU (Cents)	37.13	40.36
Diluted EPU		
Profit/(loss) attributable to unitholders (\$'000)	44,003	43,687
Weighted average number of units for diluted EPU	118,519,664	108,238,223
Diluted EPU (Cents)	37.13	40.36
Earnings Reconciliation		
Profit/(loss) used in the calculation of basic and diluted EPU (\$'000)	44,003	43,687

As the Fund has no potential dilutive units, basic and diluted EPU are equal. Since the end of the period, the Fund has issued units under the DRP (refer Note 2).

6. Net Asset Value per Unit

The NAV per unit represents the net assets of the Fund presented in the Statement of Financial Position at balance date divided by the number of units on issue at balance date (refer Note 4).

	31 Dec 2023	30 Jun 2023
	\$	\$
NAV per unit	3.6823	3.3897

The NAV per unit at balance date may differ from the NAV per unit reported to the ASX due to distributions payable and fee accruals.

NAV moves as a result of a number of factors including movements in asset prices and unitholder subscriptions and redemptions. Asset prices move daily and intraday indicative NAV per unit and daily NAV per unit are available in the 'Funds' section of the Airlie Australian Share Fund website, www.airlieaustraliansharefund.com.au. Subsequent to balance date, as at 23 February 2024, the Fund had a NAV per unit of \$3.7701 with a net asset value of \$490,901,000 and 130,208,000 units on issue.

7. Segment Information

An operating segment is a distinguishable component of the Fund that is engaged in business activity from which the Fund earns revenues and incurs expenses, whose operating results are regularly reviewed by the Fund's chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance, and for which discrete financial information is available. The chief operating decision maker has been determined as Andrew Formica, an Executive Director of MAM.

The Fund's investments are managed on a single portfolio basis and in one business segment being equity investment, as well as in one geographic segment being Australia.

8. Contingent Assets, Contingent Liabilities and Commitments

At balance date, the Fund has no contingent assets, contingent liabilities or commitments (June 2023: nil).

Notes to the Financial Statements

for the half year ended 31 December 2023

9. Subsequent Events

Subsequent to balance date, it was announced on 15 February 2024 that Ms. Sophia Rahmani will join the MAM Board when she commences as Managing Director in May 2024.

Other than the above and items disclosed throughout this interim financial report, there have been no matters or circumstances arising after the end of the period that have significantly affected, or may significantly affect, the Fund's operations, the results of its operations, or the Fund's state of affairs in future financial periods.

Directors' Declaration

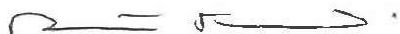
for the half year ended 31 December 2023

In the Directors' opinion,

- a. the Financial Statements and Notes set out on pages 8 to 17 are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the financial position of the Fund as at 31 December 2023 and of its performance as represented by the results of its operations and cash flows for the period ended on that date; and
 - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- b. there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving declarations that mirror section 295A of the *Corporations Act 2001* and are recommended by the ASX Corporate Governance Principles and Recommendations.

This declaration is made in accordance with a resolution of the Directors of the Responsible Entity.



Robert Fraser

Chairman

Sydney, 28 February 2024

Independent auditor's review report to the unitholders of Airlie Australian Share Fund

Conclusion

We have reviewed the accompanying interim financial report of Airlie Australian Share Fund (the "Fund"), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of the Fund does not comply with the *Corporations Act 2001*, including:

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

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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the interim financial report* section of our report. We are independent of the Fund 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 the Code.

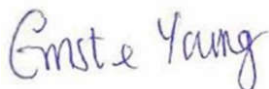
Directors' responsibilities for the interim financial report

The directors of the Responsible Entity are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim 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 interim financial report

Our responsibility is to express a conclusion on the interim 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 interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Fund's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an interim 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.



Ernst & Young



Clare Sporle

Partner

Sydney, 28 February 2024

Corporate Information

Directors of the Responsible Entity

Robert Fraser - Chairman
David Dixon - Deputy Chairman
John Eales AM
Andrew Formica
Cathy Kovacs
Hamish McLennan
Deborah Page AM

Company Secretary of the Responsible Entity

Marcia Venegas

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