

Quarterly Update

Issued December 2024



A strong half year

- EPS + 9.1%
- 28.7% rolling year portfolio return
- Dividend increase

Earnings

Whitefield is pleased to report a Profit after Tax of \$10,916,257 for the half year to 30 September 2024. This strong outcome is 9.5% higher than the outcome in the equivalent half of the prior year.

After allowing for increases in share capital on issue across the year, this result equated to Earnings per Ordinary Share of 9.0 cents 9.1% higher than the first half earnings of 8.3 cents one year ago.

Dividend growth for the period was widely spread across many of the company's investments. Holdings delivering notable growth in their dividend income compared to the prior year included IAG, The Lottery Corp, Suncorp, QBE, Woolworths, JB Hi-Fi, AGL, Origin, Downer Group, and Westpac Bank.

Financial Summary

	6 Months to 30 Sep 24	6 Months to 30 Sep 23	% Change
Revenue ¹	13,269,211	12,151,502	9.2%
Profit ¹ before Tax	11,671,298	10,660,744	9.5%
Income Tax Expense	(755,041)	(693,187)	8.9%
Profit ¹ after Tax	10,916,257	9,967,557	9.5%
Earnings ^{1,2} Per Share	9.0 cps	8.3 cps	9.1%

¹ Revenue, Profit and Earnings include investment distributions and dividends but do not include movements in the value of investments or capital gains.

² Earnings Per Share reflects Net Profit After Tax and After Preference Share Dividends per Ordinary Share.

Half Year Dividend Increase

Whitefield has declared a dividend for the half year of 10.50 cents (prior year 10.25 cents) per Ordinary Share and 131.25 cents per Convertible Resetable Preference Share. The dividends are payable on 13th December 2024 and are fully franked.

20% of the dividend will be attributed to LIC Discount Capital Gains entitling individual and superannuation shareholders to an associated LIC discount gains tax deduction.

The Ordinary Share dividend has been increased by 0.25 cents per share supported by the growth in the Company's earnings over the year to date.

Net Asset Backing

NET ASSET BACKING

At 30 Sep 2024 ^b

Net Asset Backing [NAB] (Post Deferred Tax)	\$648.6m
Ordinary Shares on Issue	117,398,308
Convertible Resetable Pref Shares (Face Value)	\$24.0m
Net Asset Backing per Share (Pre-Deferred Tax)	\$6.23
Net Asset Backing per Share (Post-Deferred Tax)	\$5.52
Share Price	\$5.55
(Discount)/Premium to NAB (Pre-Tax)	(10.9%)
(Discount)/Premium to NAB (Post-Tax)	0.5%

^b Asset Backing Releases after this date are made available on the company's website or ASX Announcements

WHITEFIELD

A structured and disciplined
investment strategy
consistently applied over time.

Portfolio Return

The investment portfolio recorded a strong return of 8.2% over the quarter, bringing returns for a rolling 12 months to 28.7%.

This rolling one year return was 7% higher than the broad S&P/ASX 200 Index return reflecting the stronger outcomes of the industrial (non-resource) economy relative to the resource sector over this period.

Whitefield's portfolio returns over the quarter, rolling year and rolling five year periods were also each a margin above the benchmark S&P/ASX 200 Industrials Index as shown in the table below.

Strongest returns for the half year were visible in the company's holdings in Promedius, AGL, Wisetech, HUB24, Aristocrat, Qantas, JB Hi-F and Westpac, Life360, Telix Pharmaceuticals, Pinnacle Investment Management, Technology One and Fisher & Paykel Healthcare.

INVESTMENT RETURNS

At 30 September 2024	One Quarter	One Year	Five Year pa
Portfolio Returns (Before tax, cost, franking)			
Investment Portfolio	8.2%	28.7%	8.1%
Benchmark [ASX200 Ind XJIAI]	8.0%	28.6%	7.9%
Shareholder Returns (After Tax, Cost, Gross of Franking Credits)			
Net Asset Backing (Pre-Def Tax)	8.3%	30.2%	8.8%
Share Price	8.4%	15.2%	8.0%

CONTRIBUTION TO RETURN

Quarter Ended 30 September 2024	Portfolio Weight	Weighted Contribution to Performance
Top 5 Contributors		
Commonwealth Bank of Australia	11.7%	1.0%
Westpac Banking Corporation Ltd	5.8%	0.9%
Macquarie Group Ltd	4.0%	0.5%
Wesfarmers Limited	4.1%	0.4%
Brambles Limited	1.7%	0.4%
Top 5 Detractors		
Cochlear Limited	0.9%	(0.2%)
CSL Limited	6.9%	(0.1%)
QBE Insurance Group Ltd	1.4%	(0.1%)
Origin Energy Limited	1.0%	(0.1%)
NIB Holdings Limited	<0.1%	(<0.1%)

Investment Exposures

At quarter-end the company held overweight exposures to selected holdings within the real estate investment, finance, heavy industrial, consumer discretionary and insurance sectors.

During the quarter adjustments to investment exposures included:

- Increasing exposure to selected stocks in the consumer discretionary, diversified financial, real estate investment and telecommunications sectors.
- Decreasing exposure to selected stocks in the consumer staple, real estate developer, infrastructure and general financial sectors.

TOP TWENTY HOLDINGS

As at 30 September 2024

COMMONWEALTH BANK OF AUSTRALIA	11.7%
CSL LIMITED	6.9%
NATIONAL AUSTRALIA BANK LIMITED	5.9%
WESTPAC BANKING CORPORATION	5.8%
ANZ BANKING GROUP LIMITED	4.8%
WESFARMERS LIMITED	4.1%
MACQUARIE GROUP LIMITED	4.0%
GOODMAN GROUP	3.5%
TELSTRA GROUP LIMITED	2.2%
ARISTOCRAT LEISURE LIMITED	2.2%
TRANSURBAN GROUP	1.9%
WOOLWORTHS GROUP LIMITED	1.9%
BRAMBLES LIMITED	1.7%
COLES GROUP LIMITED	1.4%
QBE INSURANCE GROUP LIMITED	1.4%
WISETECH GLOBAL LIMITED	1.4%
RESMED INC	1.2%
XERO LIMITED	1.2%
SCENTRE GROUP	1.2%
SUNCORP GROUP LIMITED	1.1%

SECTOR BREAKDOWN

As at 30 September 2024

Financials	41.5%
Health Care	11.0%
Consumer Discretionary	9.9%
Industrials	9.8%
Real Estate	9.5%
Consumer Staples	5.3%
Communication Services	3.9%
Information Technology	3.9%
Materials	2.3%
Utilities	1.7%
Cash & Cash Equivalents	1.2%

Market Outlook

As we move into the latter months of the 2024 calendar year Australian economic activity has remained resilient, an outcome which has surpassed the expectations of many forecasters.

Continued spending by government on infrastructure, health and education, ongoing demand for new housing and an underlying level of population growth that is higher than many other developed countries remain as important positive contributors to the Australian economic outlook. Recent improvements in trade relations with China are also a welcome development.

These drivers of business activity have translated into continued strength of employment (Australian unemployment remains low at 4.1%) and in turn are supporting widespread increases in wages.

While strength of employment and wage growth are supportive for Australian consumers, retail spending volumes have remained subdued reflecting the influence of the current level of interest rates and inflating costs of rent, services and imported goods.

A combination of multi-year wage growth, relatively steady interest rates, conservative consumer spending and an increasing stock of houses are important ingredients that would collectively assist in rebalancing the affordability of housing within the Australian economy. These factors are undoubtedly featuring in the Reserve Bank's consideration of monetary policy at present.

Measures of headline inflation in most economies have fallen over the last six months, reflecting a partial reversal of prices in volatile items such as fuel, energy and food. This has seen interest rates lowered in the USA, New Zealand the EU. Notwithstanding this outcome, core inflation (which excludes volatile items and includes inflating costs of services) remains elevated. While some cutting of interest rates to support consumers is possible both in Australia and overseas, this persistence of core inflation is most likely to limit the scope of any cuts in the near term.

We have been pleased with the performance of the Australian industrial (non-resource) economy over the first half of our financial year and will look forward to reporting to investors as we progress into 2025.

Convertible Resettable Preference Share (WHFPB) Maturity, Conversion & Buy-Back

Whitefield's WHFPB preference shares mature on 30 November 2024.....(continued over)

In accordance with the terms of the security, WHFPB's on issue at that date will convert into an equivalent dollar value of WHF Ordinary shares (based on the conversion formula which allows for a conversion discount). WHFPB holders should refer to the Conversion and Maturity Notice sent to them for further details.

Whitefield has been running an on-market buyback of WHFPBs to provide liquidity for those holders wishing to sell their WHFPBs.

Whitefield Income Limited IPO

Whitefield Income Limited is a new investment company to be listed on ASX following its initial Offer of shares to the public. The company aims to invest in S&P/ASX 300 securities over their income recognition and dividend payment periods and distribute profit as monthly franked dividends.

The Prospectus for Whitefield Income Limited can be accessed at whitefield.com.au/whitefield-income

A Priority Allocation of up to \$50,000,000 will be provided to investors who were shareholders of Whitefield Industrials Ltd on 25th October 2024.

The Closing Date for the issue was 26 November 2024.

Angus Gluskie
Chairman and Managing Director

IMPORTANT INFORMATION

General, Limited Commentary: This document contains information about Whitefield and the markets in which it operates. The document is limited in scope and accordingly may not contain all the information necessary for an investor to make an investment decision. It is not a personal investment recommendation, it is not investment advice, and accordingly does not take account the specific situation, financial situation or particular needs of any individual investor. Before making an investment decision an individual should consider all other relevant information, including (but not limited to) information as to their specific circumstances and needs, the risks of investing, other investment alternatives and consider whether they should seek professional advice in forming their decision.

Information regarding past performance reflects the specific circumstances and decisions that transpired across the time frames shown. Past performance may not be indicative of the future and should not be relied upon as a guide or guarantee of future outcomes.

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