Lanyon Investment Fund
ARSN 670 944 242

Interim report
For the half-year ended December 31, 2024

For personal use only

Lanyon Investment Fund
ARSN 670 944 242
Interim report
For the half-year ended December 31, 2024

For personal use only

Contents **Page**

Directors' report	3
Auditor's Independence Declaration	5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the interim financial statements	10
Directors' declaration	15
Independent auditor's review report to the unitholders of Lanyon Investment Fund	16

This interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim report is to be read in conjunction with the annual report for the year ended June 30, 2024 and any public announcements made in respect of the Lanyon Investment Fund during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This interim report covers Lanyon Investment Fund as an individual entity.

The Responsible Entity of the Lanyon Investment Fund is Lanyon RE Services Limited (ABN 59 661 585 815) (AFSL 544 723). The Responsible Entity's registered office is Level 1, 16 Vardon Avenue, Adelaide, SA 5000.

Directors' report

The Lanyon RE Services Limited (ABN 59 661 585 815) (AFSL 544723) is the responsible entity (the "Responsible Entity") of the Lanyon Investment Fund (the "Fund"). The directors of the Responsible Entity (the "Directors") present their report together with the financial statements of the Fund for the half-year ended December 31, 2024.

Principal activities

During the financial half-year the principal continuing activities of the fund consisted of investing in listed public companies in Australia and foreign markets in accordance with the provisions of the fund constitution.
The fund did not have any employees during the financial half-year.

Directors

The Directors of Lanyon RE Services Limited during the half-year and up to the date of this report are shown below. The Directors were in office for this entire period except where stated otherwise:

Name

David Prescott

Rebecca Wright

Jack Trengove

Review and results of operations

During the half-year, the Fund invested in accordance with the investment objective and guidelines as set out in the governing documents of the Fund and in accordance with the provision of the Fund's Constitution.

Results

The performance of the Fund, as represented by the results of its operations, was as follows:

	Half-year ended	
	December 31, 2024	December 31, 2023
	$	$
Operating profit/(loss) ($)	**1,821,838**	629,545
Distribution paid and/or payable ($)	**3,219,738**	-
Distribution (cents per unit)	**3.7852**	-

Significant changes in state of affairs

The Fund listed on the ASX on 1st August 2024, in the opinion of the Directors, there are no other significant changes in the state of affairs of the Fund that occuerred during the half year

Matters subsequent to the end of the financial year

No other matter or circumstance has arisen since December 31, 2024 that has significantly affected, or may significantly affect:

(i) the operations of the Fund in future financial years, or
(ii) the results of those operations in future financial years, or
(iii) the state of affairs of the Fund in future financial years.

For personal use only

Directors' report (continued)

Rounding of amounts

The fund is of a registered scheme of kind referred to in ASIC Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off' of amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar, unless otherwise indicated.

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 5.

This report is made in accordance with a resolution of the directors of Lanyon RE Services Limited



Director
Lanyon RE Services Limited

Adelaide
13 March, 2025

For personal use only

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

BDO Centre
Level 7, 420 King William Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
Australia

DECLARATION OF INDEPENDENCE

BY PAUL GOSNOLD

TO THE DIRECTORS OF LANYON INVESTMENT FUND

As lead auditor for the review of Lanyon Investment Fund for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.



Paul Gosnold
Partner

BDO Audit Pty Ltd

Adelaide, 13 March 2025

For personal use only

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of A.C.N. 050 110 275 Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and A.C.N. 050 110 275 Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

Statement of comprehensive income

	Notes	Half-year ended December 31, 2024	December 31, 2023
		$	$
Investment income			
Interest income from financial asset at amortised cost		**795,419**	22,649
Dividend income		**1,008,432**	28,965
Foreign income		**17,595**	22,114
Other income		**10,156**	1,120
Net gains/(losses) on financial instruments at fair value through profit or loss	4	**1,156,130**	618,478
Net foreign currency gains/(losses)		**(37,167)**	(9,835)
Total investment income/(loss)		**2,950,565**	683,491
Expenses			
Management fees		**724,681**	52,556
Other operating expenses		**404,046**	1,390
Total operating expenses		**1,128,727**	53,946
Operating profit/(loss) for the half-year		**1,821,838**	629,545
Profit/(loss) for the half-year		**1,821,838**	629,545
Other comprehensive income		**-**	-
Total comprehensive income for the half-year		**1,821,838**	629,545

The above Statement of comprehensive income should be read in conjunction with the accompanying notes.

For personal use only

Statement of financial position

	Notes	As at December 31, 2024 $	As at June 30, 2024 $
Assets			
Cash and cash equivalents		**50,246,929**	50,255,013
Due from brokers - receivable for securities sold		**1,750,000**	-
Dividends receivable		**246,768**	327,986
Other receivables		**54,400**	33,854
Financial assets held at fair value through profit or loss	5	**86,769,470**	103,811,501
Total assets		**139,067,566**	154,428,354
Liabilities			
Management fees payable		**128,627**	184,178
Due to brokers - payable for securities purchased		**-**	1,274,449
Distributions payable	8	**3,219,738**	151,846
Other payables		**79,729**	151,606
Total liabilities		**3,428,094**	152,666,275
Net assets attributable to unitholders - equity	6	**135,639,473**	152,666,275

The above Statement of financial position should be read in conjunction with the accompanying notes.

For personal use only

Statement of changes in equity

	Half-year ended	
	December 31, 2024	December 31, 2023
	$	$
Total equity at the beginning of the half-year	**152,666,275**	10,141,753
Comprehensive income/(loss) for the half-year		
Profit/(loss) for the half-year	**1,821,838**	629,545
Other comprehensive income/(loss)	**-**	-
Total comprehensive income/(loss) for the half-year	**1,821,838**	629,545
Transactions with unitholders		
Applications	**6,313,619**	443,300
Redemptions	**(22,257,253)**	(723,535)
Rebate units issued	**207,331**	-
Units issued upon reinvestment of distributions	**107,401**	449,840
Distributions paid and payable	**(3,219,738)**	-
Total transactions with unitholders	**(18,848,640)**	169,605
Total equity at the end of the half-year	**135,639,472**	10,940,903

The above Statement of changes in equity should be read in conjunction with the accompanying notes.

For personal use only

Statement of cash flows

	Notes	Half-year ended December 31, 2024 $	December 31, 2023 $
Cash flows from operating activities			
Proceeds from sale of financial instruments at fair value through profit or loss		**40,351,341**	4,165,876
Payments for purchase of financial instruments at fair value through profit or loss		**(25,177,630)**	(4,611,940)
Interest income		**795,419**	22,649
Other income		**47,099**	5,073
Dividend received		**1,108,266**	66,266
Management fees paid		**(579,413)**	(58,418)
Other operating expenses paid		**(456,041)**	(76)
Net cash inflow/(outflow) from operating activities		**16,089,040**	(410,570)
Cash flows from financing activities			
Proceeds from applications by unitholders		**6,313,619**	388,100
Payments for redemptions by unitholders		**(22,329,131)**	(723,535)
Distributions paid		**(44,445)**	(20,002)
Net cash inflow/(outflow) from financing activities		**(16,059,957)**	(355,437)
Net increase/(decrease) in cash and cash equivalents		**29,083**	(766,007)
Cash and cash equivalents at the beginning of the half-year		**50,255,013**	3,387,971
Effects of foreign currency exchange rate changes on cash and cash equivalents		**(37,167)**	(9,835)
Cash and cash equivalents at the end of the half-year		**50,246,929**	2,612,129
Non-cash financing activities		**107,401**	449,840

The above Statement of cash flows should be read in conjunction with the accompanying notes.

For personal use only

1 General information

The investment manager of the Fund is Lanyon Asset Management Pty Ltd (the "Investment Manager").

The investment objective of the Fund is to preserve and grow the Fund's capital in real terms seeking absolute returns over the long term, and in accordance with the provisions of the Fund's Constitution. The Fund primarily invests in securities of entities listed on Australian and foreign stock exchanges.

The interim financial statements of the Fund are for the half-year ended December 31, 2024. The interim financial statements are presented in the Australian currency.

The interim financial statements were authorised for issue by the directors of the Responsible Entity (the "Directors of the Responsible Entity") on March 13, 2025. The directors of the Responsible Entity have the power to amend and reissue the interim financial statements.

2 Material accounting policy information

The principal accounting policies applied in the preparation of these interim financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated in the following text.

New or amended Accounting Standards and Interpretations adopted

The fund has adopted all of the new and amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Boad ("AASB") that are mandatory for the current reporting period

Any new or amended Accounting Standards or interpretations that are not yet mandatory, have not been early adopted.

(a) Basis of preparation

These interim general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001 in Australia. The Fund is a for-profit entity for the purpose of preparing the financial statements.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

These interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these interim financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2024 and any public announcements made in respect of the Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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 balances are expected to be recovered or settled within twelve months, except for investments in financial assets at fair value through profit or loss and net assets attributable to unitholders.

The Fund manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within twelve months, however, an estimate of that amount cannot be determined as at half-year end.

In the case of net assets attributable to unitholders, the units are redeemable on demand at the unitholder's option. However, unitholders typically retain units for the medium to long-term. As such, the amount expected to be settled within twelve months cannot be reliably determined.

For personal use only

3 Fair value measurement

The Fund measures and recognises the following assets and liabilities at fair value on a recurring basis.

- Financial assets / liabilities at fair value through profit or loss (FVTPL)

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

(b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and

(c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs (level 3).

(i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

For the investments, information provided by independent pricing services is relied upon for valuation of investments.

The quoted market price used to fair value financial assets and financial liabilities held by the Fund is the last-traded prices.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

(ii) Valuation techniques used to derive level 2 and level 3 fair value

The fair value of financial assets and liabilities that are not exchange-traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This may be the case for certain unlisted shares, certain corporate debt securities and managed funds with suspended applications and withdrawals.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Fund for similar financial instruments.

The determination of what constitutes 'observable' requires significant judgement by the Investment Manager. The Investment Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

For personal use only

3 Fair value measurement (continued)

Recognised fair value measurements

The following table presents the Fund's financial assets and liabilities measured and recognised at fair value as at December 31, 2024 and June 30, 2024.

As at 31 December 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Financial assets at fair value through profit or loss				
Listed equity securities	**86,769,470**	**-**	**-**	**86,769,470**
Total	**86,769,470**	**-**	**-**	**86,769,470**

As at 30 June 2024	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value through profit or loss				
Listed equity securities	103,811,501	-	-	103,811,501
Total	103,811,501	-	-	103,811,501

(i) Transfers between levels

The Fund's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between the levels in the fair value hierarchy for the half-year ended December 31 2024.

(ii) Fair value measurements using significant unobservable inputs (level 3)

The Fund did not hold any financial instruments with fair value measurements using significant unobservable inputs during the half-year ended December 31, 2024 or year end June 30,2024

(iii) Valuation processes

Portfolio reviews are undertaken regularly by the Investment Manager to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities.

Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, the Investment Manager performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

(iv) Fair values of other financial instruments

The Fund did not hold any financial instruments which were not measured at fair value in the Statement of financial position. Due to their short-term nature, the carrying amounts of receivables and payables are assumed to approximate fair value.

For personal use only

4 Net gains/(losses) on financial instruments held at fair value through profit or loss

	Half-year ended	
	December 31, 2024	December 31, 2023
Financial assets	**$**	$
Net realised gains/(losses) on financial assets at fair value through profit or loss	**(3,781,184)**	298,269
Net unrealised gains/(losses) on financial assets at fair value through profit or loss	**4,937,314**	320,209
Net gains/(losses) on financial assets at fair value through profit or loss	**1,156,130**	618,478
Total net gains/(losses) on financial instruments at fair value through profit or loss	**1,156,130**	618,478

5 Financial assets at fair value through profit or loss

	As at	
	December 31, 2024	June 30, 2024
	$	$
Financial assets at fair value through profit or loss		
Listed equities	**86,769,470**	103,811,501
Total financial assets at fair value through profit or loss	**86,769,470**	103,811,501

6 Net assets attributable to unitholders

Movements in number of units and net assets attributable to unitholders during the half-year were as follows:

	Half-year ended		Half-year ended	
	December 31, 2024	December 31, 2023	**December 31, 2024**	December 31, 2023
	No.	No.	**$**	$
Opening balance	**94,669,022**	6,733,880	**152,666,275**	10,141,753
Applications	**3,885,332**	298,329	**6,313,619**	443,300
Redemptions	**(13,618,091)**	(488,686)	**(22,257,253)**	(723,535)
Units issued upon reinvestment of distributions	**66,601**	298,679	**107,401**	449,840
Rebate units issued	**125,177**		**207,331**	
Profit/(loss) for the year			**1,821,838**	629,545
Distribution paid and payable			**(3,219,738)**	-
Closing balance	**85,128,041**	6,842,203	**135,639,473**	10,940,903

As stipulated within the Fund's Constitution, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

For personal use only

6 Net assets attributable to unitholders (continued)

Capital risk management

The Fund considers its net assets attributable to unitholders as capital, notwithstanding that net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a monthly basis as the Fund is subject to monthly applications and redemptions at the discretion of unitholders.

Daily applications and redemptions are reviewed relative to the liquidity of the Fund's underlying assets by the Investment Manager. Under the terms of the Fund's constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

7 Distributions to unitholders

Distributions are payable at the end of each financial period. Such distributions are determined by reference to the net taxable income of the Fund.

The distributions for the half-year were as follows:

	Half-year ended December 31, 2024		Half-year ended December 31, 2023	
	$	**CPU***	$	CPU*
Distribution paid	**-**	**-**	-	-
Distribution payable	**3,219,738**	**3.7852**	-	-
Total distributions	**3,219,738**		-	

* Distribution is expressed as cents per unit amount in Australian Dollar.

8 Remuneration of auditor

During the half-year the following fees were paid or payable for services provided by the auditor of the Fund:

	Half-year ended	
	December 31, 2024	December 31, 2023
Audit and other assurance services		
Audit and review of financial statements	**10,000**	-

9 Significant events during the half-year

The Fund was listed on the ASX on 1st August 2024. There were no other significant events during the half year

10 Operating Segments

Operating segments are reported in a manner consistent with internal reporting used by the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Directors of the Responsible entity. The Funds investments are managed or a single portfolio basis in one operating segment, being investment in equity securities, fixed interest securities, cash and cash equivalents, and performance is reviewed against the performance of the Funds investment objective.

11 Events occurring after the reporting period

The Directors are not aware of any event or circumstance since the end of the half-year not otherwise addressed within this interim report that has affected or may significantly affect the operations of the Fund, the results of those operations or the state of affairs of the Fund in subsequent years. The Fund continues to operate as a going concern.

12 Contingent assets and liabilities and commitments

There are no outstanding contingent assets or liabilities or commitments as at December 31, 2024 and June 30, 2024

For personal use only

Directors' declaration

In the opinion of the directors of the Responsible Entity:

(a) The financial statements and notes set out on pages 6 to 15 are by the *Corporations Act 2001* , including:

I. Complying with Australian Accounting Standards, and interpretations issued by the Australian Accounting Standards Board and the Corporations Regulations 2001; and

II. Giving a true and fair view of the Funds financial position as at 31 December 2024 and of it's performance, as represented by the results of their operations for the half-year ended on that date.

(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 is made in accordance with a resolution of the Board of Directors.

On behalf of the directors



Director

Adelaide
13 March, 2025

For personal use only

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

BDO Centre
Level 7, 420 King William Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
Australia

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE UNITHOLDERS OF LANYON INVESTMENT FUND

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Lanyon Investment Fund (the Fund), which comprises the statement of financial position as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, material accounting policy information 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 accompanying half-year financial report of the Fund does not comply with the *Corporations Act 2001* including:

i. Giving a true and fair view of the Fund's financial position as at 31 December 2024 and of its financial performance for the half-year ended on that date; and
ii. 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*. 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 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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Fund, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Fund 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* and for 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.

For personal use only

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of A.C.N. 050 110 275 Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and A.C.N. 050 110 275 Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

Auditor's responsibility for the review of the 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 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 2024 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 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.

BDO Audit Pty Ltd

Paul Gosnold
Director

Adelaide, 13 March 2025

For personal use only