

360 CAPITAL TOTAL RETURN ACTIVE FUND

ARSN 602 303 613

Interim Financial Report For the half year ended 31 December 2018

Contents	Page
Responsible entity report	2
Auditor's independence declaration	5
Interim statement of profit or loss and other comprehensive income	6
Interim statement of financial position	7
Interim statement of changes in equity	8
Interim statement of cash flows	9
Condensed notes to the interim financial report	10
Directors' declaration	17
Independent auditor's review report	18

360 Capital Total Return Active Fund

Responsible Entity report

For the half year ended 31 December 2018

The Directors of 360 Capital FM Limited (CFML) (ABN 15 090 664 396) (AFSL No 221474), the Responsible Entity, present their report together with the interim financial report of 360 Capital Total Return Active Fund ARSN 602 303 613 (the Fund) (Active Fund) for the half year ended 31 December 2018.

The Active Fund forms part of the stapled entity, 360 Capital Total Return Fund (Stapled Fund) (ASX: TOT) comprising 360 Capital Total Return Passive Fund (Passive Fund) (Parent Entity) ARSN 602 304 432 and its controlled entities and 360 Capital Total Return Active Fund.

Directors

The following persons were Directors of 360 Capital FM Limited during the half year up to the date of this report, unless otherwise stated:

David van Aanholt (Chairman)

Tony Robert Pitt

William John Ballhausen

Graham Ephraim Lenzner

Andrew Graeme Moffat

Principal activities

The Stapled Fund listed on the Australian Stock Exchange (ASX) in April 2015 as a unique, opportunistic fund investing in various forms of Australian real estate assets. The Fund's objective is to deliver a total return of 12.0% plus per annum through disciplined investment in a broad range of real estate opportunities. The Funds mandate and reasons why it is currently focused on the real estate debt sector are set out below:

Wide Real Estate Mandate

- repositioning assets
- investing in investment properties
- underwriting potential capital raisings including syndicates and both unlisted and listed funds
- strategic positions in unlisted funds
- capitalising on mispriced trading opportunities AREIT sector
- participating in mergers and acquisition activities
- special situations within markets including distressed sales, investments with restructuring potential, and providing loans.

Why Real Estate Debt?

- late stages of real estate cycle, focus on capital preservation, step-out of first loss position
- Banking Royal Commission and changes to prudential regulation continue to benefit non-bank sector
- secured loans with higher risk-adjusted returns than equity
- this strategy is expected to continue for several years; however, TOT expects to re-enter equity investing into real estate (initially through distressed opportunities) before mainstream real estate investing again.

360 Capital Total Return Active Fund
Responsible Entity report
For the half year ended 31 December 2018

Operating and financial review

Financial results

The Fund's statutory net profit attributable to unitholders for the period ended 31 December 2018 was \$171,381 (December 2017: \$24,416).

The Fund's balance sheet as at 31 December 2018 had total assets of \$12.5 million (June 2018: \$12.0 million).

Dividends and distributions

The Fund did not declare any distributions during the half year ended 31 December 2018 (December 2017: Nil).

Debt origination and management joint venture

The Fund holds a 50% stake in AMF Finance Pty Limited (AMF). AMF originates alternative lending and structured financing solutions to Australian real estate investors and developers and receives all establishment fees on development transactions written by 360 Capital Group entities, including TOT and other private client development funding.

AMF has begun to establish itself as a major non-bank real estate debt originator. AMF has built strong relationships with the Australian banks and over 100 accredited brokers, and these relationships have delivered a strong track record to-date and are providing a robust and growing pipeline of transaction opportunities over time. This revenue stream will add to the Fund's active earnings.

Buy back arrangements

As detailed in the Fund constitution, the Responsible Entity is not under any obligation to buy back, purchase or redeem units from securityholders. During the half year ended 31 December 2018 no units were bought back and cancelled (December 2017: 71,133).

Number of interests on issue

As at 31 December 2018 the number of units on issue in the Fund was 67,455,636 (June 2018: 65,853,647). During the period a total of 1,601,989 securities were issued under the Stapled Fund's DRP.

Significant changes in state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of 360 Capital Total Return Active Fund that occurred during the period under review other than those listed above or elsewhere in the Responsible Entity's report.

Likely developments and expected results of operations

The Fund will continue to invest in real estate based activities and actively manage a diversified portfolio of investments as outlined in the Stapled Fund's Product Disclosure Statement (PDS) dated 17 March 2015.

Events subsequent to balance date

No circumstances have arisen since the end of the period which have significantly affected or may significantly affect the operations of the Fund, the results of those operations, or the state of affairs of the Fund in future financial years.

360 Capital Total Return Active Fund
Responsible Entity report
For the half year ended 31 December 2018

Auditor's independence declaration

The auditor's independence declaration required under Section 307C of the Corporations Act 2001 is set out on page 5 and forms part of the Responsible Entity's report for the period ended 31 December 2018.

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



David van Aanholt
Chairman



Tony Robert Pitt
Managing Director

Sydney
27 February 2019

Auditor's Independence Declaration to the Directors of 360 Capital FM Limited as Responsible Entity for 360 Capital Total Return Active Fund

As lead auditor for the review of the half-year financial report of 360 Capital Total Return Active Fund for the half-year ended 31 December 2018, 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; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



Ernst & Young



Mark Conroy
Partner
27 February 2019

360 Capital Total Return Active Fund

Interim statement of profit or loss and other comprehensive income

For the half year ended 31 December 2018

		31 December 2018 \$'000	31 December 2017 \$'000
	Note		
Revenue from continuing operations			
Finance revenue		74	54
Total revenue from continuing operations		74	54
Other income			
Share of equity accounted profits		174	58
Total other income		174	58
Total revenue from continuing operations and other income		248	112
Management fees	9	45	46
Administration expenses		50	42
Profit from continuing operations before tax		153	24
Income tax benefit		(18)	-
Profit for the period		171	24
Total comprehensive income for the period		171	24
Total comprehensive loss attributable to:			
Unitholders of 360 Capital Total Return Active Fund		171	24
Profit attributable to the unitholders		171	24
Profit for the period		171	24
Loss per unit for continuing operations			
attributable to the unitholders of 360 Capital Total Return Active Fund		Cents	Cents
Basic and diluted loss per security	3	0.3	0.0

The above interim statement of profit or loss and other comprehensive income should be read with the accompanying condensed notes.

360 Capital Total Return Active Fund
Interim statement of financial position
As at 31 December 2018

		31 December 2018 \$'000	30 June 2018 \$'000
	Note		
Current assets			
Cash and cash equivalents	8	5,210	10,609
Receivables		6,623	952
Total current assets		11,833	11,561
Non-current assets			
Investments equity accounted	5	526	352
Deferred tax assets		129	111
Total non-current assets		655	463
Total assets		12,488	12,024
Current liabilities			
Trade and other payables		28	34
Total current liabilities		28	34
Total liabilities		28	34
Net assets		12,460	11,990
Equity			
Issued capital – ordinary units	6	12,248	11,949
Retained earnings		212	41
Total equity attributable to unitholders		12,460	11,990
Total equity		12,460	11,990

The above interim statement of financial position should be read with the accompanying condensed notes.

360 Capital Total Return Active Fund
Interim statement of changes in equity
For the half year ended 31 December 2018

		Issued capital \$'000	Retained earnings/ (Accumulated losses) \$'000	Total equity attributable to unitholders \$'000	Total equity \$'000
	Note				
Balance at 1 July 2018		11,949	41	11,990	11,990
Total comprehensive income for the year		-	171	171	171
Transactions with unitholders in their capacity as unitholders					
Issued units - DRP	6	302	-	302	302
Equity raising transaction costs	6	(3)	-	(3)	(3)
		299	-	299	299
Balance at 31 December 2018		12,248	212	12,460	12,460
Balance at 1 July 2017		11,975	(350)	11,625	11,625
Total comprehensive income for the year		-	24	24	24
Transactions with unitholders in their capacity as unitholders					
Unit buy back	6	(12)	-	(12)	(12)
Equity raising transaction costs	6	(7)	-	(7)	(7)
		(19)	-	(19)	(19)
Balance at 31 December 2017		11,956	(326)	11,630	11,630

The above consolidated interim statement of changes in equity should be read with the accompanying condensed notes.

360 Capital Total Return Active Fund
Interim statement of cash flows
For the half year ended 31 December 2018

		31 December 2018 \$'000	31 December 2017 \$'000
Cash flows from operating activities			
Cash payments to suppliers (inclusive of GST)		(112)	62
Finance revenue		74	54
Net cash (outflows)/inflows from operating activities	8 (b)	(38)	116
Cash flows from financing activities			
Proceeds from issue of capital		302	-
Payments for security buy backs		-	(12)
Payments for loan to related party		(5,656)	(438)
Payment of transaction costs to issue capital		(7)	(7)
Net cash outflows from financing activities		(5,361)	(457)
Net decrease in cash and cash equivalents		(5,399)	(341)
Cash and cash equivalents at the beginning of the period		10,609	6,415
Cash and cash equivalents at the end of the period	8 (a)	5,210	6,074

The above consolidated interim statement of cash flows should be read with the accompanying condensed notes.

360 Capital Total Return Active Fund
Condensed notes to the interim financial report
For the half year ended 31 December 2018

Note 1: Basis of preparation

a) Reporting entity

The Active Fund forms part of the stapled entity, 360 Capital Total Return Fund (ASX: TOT) comprising 360 Capital Total Return Passive Fund and its controlled entities and 360 Capital Total Return Active Fund.

The Responsible Entity of the Fund is 360 Capital FM Limited. The registered office and the principal place of business is Level 8, 56 Pitt Street, Sydney NSW 2000 Australia. The nature of operations and principal activities of the Fund are disclosed in the Responsible Entity's report.

The interim financial report was authorised for issue by the Board on 27 February 2019.

The interim financial report does not include all of the notes and information required for a full annual financial report and should be read in conjunction with the annual financial report for the year ended 30 June 2018 and any public announcements made by 360 Capital Total Return Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The annual financial report of the 360 Capital Total Return Active Fund for the year ended 30 June 2018 is available upon request from the registered office at Level 8, 56 Pitt Street, Sydney NSW 2000 Australia.

The accounting policies adopted in this interim financial report are consistent with those of the previous financial year and corresponding interim reporting period, except for those disclosed in Note 1(c) below.

b) Basis of preparation

Basis of preparation

360 Capital Total Return Active Fund is a for-profit entity for the purpose of preparing the interim financial report.

The interim financial report has been prepared on accruals basis and on the historical cost basis except for financial assets, which are stated at their fair value.

The interim financial report is presented in Australian dollars.

c) Changes in accounting policies and disclosures

The Fund applied AASB 9 and AASB 15 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

AASB 9 Financial Instruments

AASB 9 *Financial instruments* (AASB 9) replaces IAS 39 *Financial Instruments: Recognition and Measurement* and is effective for annual periods beginning on or after 1 January 2018. AASB 9 makes changes to the classification and measurement of financial instruments, introduces a new expected credit loss (ECL) model when recognising and calculating impairment on financial assets, and also introduces new general hedge accounting requirements.

The Fund has adopted AASB 9 and related amendments from 1 July 2018. Comparative results are not restated as permitted by the standard. The impact of the adoption of AASB 9 is detailed below:

c) Changes in accounting policies and disclosures (continued)

i) Classification and measurement

The classification and measurement requirements of AASB 9 did not have a significant impact on the Fund. Receivables, previously classified as *Loans and receivables* under IAS 39 are now classified and measured as *Financial assets at amortised cost*.

From 1 July 2018, the Fund classifies its financial assets as follows:

- Cash and cash equivalents, trade and other receivables & loans receivable are held at amortised cost. These are held to collect contractual cash flows and these contractual cash flows are solely payments of principal and interest (SPPI).
- Financial assets that do not meet the SPPI criterion are measured at fair value through profit and loss (FVTPL).

At initial recognition, the Fund measures a financial assets and financial liabilities (other than trade receivables, loan receivables and cash) at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets at FVTPL are subsequently measured at fair value. Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

ii) Impairment

The adoption of AASB 9 has changed the Fund's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the Fund to recognise an allowance for ECLs for all financial assets not held at fair value through profit or loss.

Upon the adoption of AASB 9, the Fund did not recognise any ECL provision.

AASB 15 Revenue from Contracts with Customers

AASB 15 *Revenue from Contracts with Customers* (AASB 15) establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

The Fund has adopted AASB 15 using the modified retrospective method and as a result no adjustments have been required to the financial statements.

Note 2: Distributions

The Fund did not declare or pay any distributions during the period ended 31 December 2018 (December 2017: Nil).

360 Capital Total Return Active Fund
Condensed notes to the interim financial report
For the half year ended 31 December 2018

Note 3: Earnings per unit

	31 December 2018	31 December 2017
	¢	¢
Basic and diluted loss per stapled security	0.3	0.0
	\$'000	\$'000
Basic and diluted profit		
Profit attributable to unitholders of 360 Capital Total Return Active Fund		
used in calculating loss per unit	171	24
	'000	'000
Weighted average number of units used as a denominator		
Weighted average number of units – basic and diluted	66,446	65,873

Note 4: Income tax expense

The Fund calculates income tax expense using the tax rate applicable to the expected total annual earnings. The major components of income tax expense during the year are:

	31 December 2018	31 December 2017
	\$'000	\$'000
Profit before tax attributable to stapled securityholders	153	24
Income tax expense at the effective corporate rate of 27.5%	42	7
<u>Increase/(decrease) in income tax expense due to:</u>		
Trust income exempt from income tax	-	(7)
Equity raising costs	(15)	-
Equity accounted profits	(48)	-
Other tax adjustments	3	-
Income tax benefit	(18)	-
Adjustment for current tax of prior years	-	-
Income tax benefit recognised in the statement of profit or loss	(18)	-

In the prior year, the Active Fund recognised \$64,401 of tax losses from the year ended 30 June 2017 which had previously not been recognised, in addition to recognising \$46,460 in tax losses for the year ended 30 June 2018. In prior years, the Active Fund and Passive Fund were not liable for income tax as their taxable income and taxable capital gains were fully distributed to securityholder each year. The Active Fund commenced trading activities through its investment in AMF and as a result is likely to be liable to pay income tax in the future.

360 Capital Total Return Active Fund
Condensed notes to the interim financial report
For the half year ended 31 December 2018

Note 5: Investments accounted for using the equity method

	31 December 2018 %	30 June 2018 %	31 December 2018 \$'000	30 June 2018 \$'000
Joint venture				
AMF Finance Pty Limited	50.0	50.0	526	352

Reconciliation of movements in equity accounted investments for the half year are as follows:

	31 December 2018 \$'000	30 June 2018 \$'000
AMF Finance Pty Limited		
Opening balance – 1 July	352	-
Equity accounted profit for the year	174	352
Closing Balance	526	352

Note 6: Equity

(a) Issued capital

	31 December 2018 '000	30 June 2018 '000
360 Capital Total Return Active Fund - Ordinary units issued	67,456	65,854
	\$'000	\$'000
360 Capital Total Return Active Fund - Ordinary units issued	12,248	11,949
Total issued capital	12,248	11,949

(b) Movements in issued capital

Movement during the period in the number of issued units of the Fund was as follows:

	31 December 2018 '000	30 June 2018 '000
Opening balance	65,854	65,925
Unit buy back	-	(71)
Securities issued under Distribution Reinvestment Plan	1,602	-
Closing balance	67,456	65,854

Movement during the half year in the value of issued units of the Fund was as follows:

	31 December 2018 \$'000	30 June 2018 \$'000
Opening balance	11,949	11,975
Unit buy back	-	(12)
Securities issued under Distribution Reinvestment Plan	302	-
Transaction costs incurred in issuing capital	(3)	(14)
Closing balance	12,248	11,949

360 Capital Total Return Active Fund
Condensed notes to the interim financial report
For the half year ended 31 December 2018

Note 6: Equity (continued)

(c) Distribution Reinvestment Plan

During the half year the Stapled Fund introduced a Distribution Reinvestment Plan (DRP) which was activated for the September 2018 quarterly distribution from the Passive Fund. The Stapled Fund issued 1,601,989 securities in October 2018 and raised \$2.0 million relating to the September 2018 Passive Fund quarterly distribution. Securities were issued at a 1.5% discount to the Stapled Fund's 10 day average of the daily volume weighted average trading price as per the Stapled Fund's DRP policy. In January 2019 the Stapled Fund issued 1,692,875 securities and raised a further \$2.0 million relating to the December 2018 Passive Fund quarterly distribution. Both the September and December quarter distributions were fully underwritten.

Note 7: Other financial assets and liabilities

Fair values

The fair value of the Fund's financial assets and liabilities are approximately equal to that of their carrying values as at 31 December 2018.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows and based on the lowest level input that is significant to the fair value measurements as a whole:

Level 1 – Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities

Level 2 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable)

Level 3 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable)

For financial instruments that are recognised at fair value on a recurring basis, the Fund determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Note 8: Cash flow information

(a) Reconciliation of cash and cash equivalents

	31 December	30 June
	2018	2018
	\$'000	\$'000
Cash at bank	5,210	10,609
Cash and cash equivalents in the statement of cash flows	5,210	10,609

360 Capital Total Return Active Fund
Condensed notes to the interim financial report
For the half year ended 31 December 2018

Note 8: Cash flow information (continued)

(b) Reconciliation of net profit to net cash inflows from operating activities

	31 December	30 June
	2018	2018
	\$'000	\$'000
Net profit for the period	171	391
<u>Adjustment for:</u>		
Share of equity accounted profits	(174)	(352)
<u>Change in assets and liabilities</u>		
Increase in receivables	(33)	(107)
(Increase)/decrease in payables	(2)	4
Net cash outflows from operating activities	(38)	(64)

Note 9: Related party transactions

Responsible entity

The Responsible Entity of the Fund is 360 Capital FM Limited (ABN 15 090 664 396) (AFSL No 221474). The immediate parent entity of the Responsible Entity is 360 Capital Property Limited (ABN 46 146 484 433), and its ultimate parent entity is 360 Capital Group Limited (ABN 18 113 569 136).

Responsible Entity's fees and other transactions

Under the terms of the constitution, the Responsible Entity is entitled to receive fees in accordance with the product disclosure statement.

	31 December	31 December
	2018	2017
	\$	\$
Fees for the year paid/payable by the Fund:		
Management of the Fund	41,958	39,129
Fund recoveries	3,263	2,211
	45,220	41,340

Management Fee: The Responsible Entity is entitled to a Management Fee of 0.65% p.a. of the gross value of the assets of the Fund during the relevant year for its role in managing and administering the Fund.

Performance Fee: The Responsible Entity is entitled to a Performance Fee of 20% of any total return in excess of 12% p.a. The calculation of total return is based on actual distributions paid to Stapled Unitholders during the relevant financial year plus any increase in the trading price of Stapled Units in the relevant financial year. The Performance Fee is payable yearly in arrears after the end of the relevant financial year.

Acquisition Fee: The Responsible Entity will be entitled to an acquisition fee of up to 1.0% of the total purchase price of an investment of the Fund. The acquisition fee is payable upon the completion of the relevant acquisition.

Disposal Fee: The Responsible Entity will be entitled to a disposal fee of up to 1.0% of the total sale price of an investment sold by the Fund. The disposal fee is payable upon the completion of the relevant sale.

360 Capital Total Return Active Fund
Condensed notes to the interim financial report
For the half year ended 31 December 2018

Note 9: Related party transactions (continued)

Related Party Loan

The Active Fund has a loan with the Passive Fund. The balance of the loan at 31 December 2018 is \$6,607,101 (December 2017: \$5,668,762). There is no interest charged on the loan.

Interest in Joint venture

The Fund holds a 50% stake of AMF Finance Pty Limited (AMF). AMF provides alternative lending and structured financing solutions to Australian real estate investors and developers and receives all establishment fees on development transactions written by 360 Capital Group entities, including TOT and other private client development funding. The other 50% stake is held by 360 Capital Group.

Note 10: Events subsequent to balance date

No circumstances have arisen since the end of the period which have significantly affected or may significantly affect the operations of the Fund, the results of those operations, or the state of affairs of the Fund in future financial years.

360 Capital Total Return Active Fund

Directors' declaration

For the half year ended 31 December 2018

In the opinion of the Directors of 360 Capital FM Limited:

- 1) The interim financial statements and notes that are set out on pages 6 to 16 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the entity's financial position as at 31 December 2018 and of its performance for the period ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- 2) There are reasonable grounds to believe that the entity 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 Directors.



David van Aanholt
Chairman



Tony Robert Pitt
Managing Director

Sydney
27 February 2019

Independent Auditor's Review Report to the unitholders of 360 Capital Total Return Active Fund

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of 360 Capital Total Return Active Fund (the "Fund"), which comprises the statement of financial position as at 31 December 2018, the statement of 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 declaration of directors of 360 Capital FM Limited, the Responsible Entity of the Fund.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Fund is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the financial position of the Fund as at 31 December 2018 and of its financial performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Responsible Entity 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to 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 2018 and 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*. As the auditor of the Fund, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Ernst & Young



Mark Conroy
Partner
Sydney
27 February 2019