APPENDIX 4D

Interim Report

For the half year ended 31 December 2020

Name of entity	Aventus Group

Aventus Group

The Aventus Group is a stapled entity comprising the Aventus Retail Property Fund ("ARPF") (ARSN 608 000 764) and its controlled entities and Aventus Holdings Limited ("AHL") (ACN 627 640 180) and its controlled entities.

For financial reporting purposes ARPF has been deemed the parent entity of the Aventus Group.

This Appendix 4D should be read in conjunction with the interim consolidated financial report for the half year ended 31 December 2020.

Explanation of reporting periods

The interim report of the Aventus Group is for the period 1 July 2020 to 31 December 2020. The previous corresponding interim period is 1 July 2019 to 31 December 2019.

Results for announcement to the market

		Change $m	Change %		31 Dec 2020 $m
Revenue from ordinary activities	Up	0.1	0.1%	to	87.0
Net profit after tax attributable to securityholders	Up	31.5	43.8%	to	103.4
Funds from operations attributable to securityholders	Up	3.4	6.5%	to	55.9

Refer to the directors' report in the attached interim consolidated financial report for an overview of the financial performance for the half year ended 31 December 2020.

Distributions

Quarter ended	Distribution per security (cents)	Total distribution $m	Ex-distribution date	Record date	Payment date
September 2020	4.00	22.3	29/09/2020	30/09/2020	30/10/2020
December 2020	4.20	23.9	30/12/2020	31/12/2020	24/02/2021
Total	8.20	46.2			
September 2019	4.22	23.1	27/09/2019	30/09/2019	31/10/2019
December 2019	4.26	23.7	30/12/2019	31/12/2019	20/02/2020
Total	8.48	46.8			

Distribution reinvestment plan ("DRP")

During the financial period the Aventus Group operated a DRP under which securityholders may elect to reinvest all or part of their distributions or dividends in new stapled securities rather than being paid in cash. The last date for the receipt of an election notice for participation in the DRP is the next business day after the record date for the respective distribution or dividend. The DRP price is determined as the average of the daily volume weighted average price of the stapled securities sold on the Australian Securities Exchange during a ten-day trading period prior to the payment date for the distribution or dividend, less a discount (if any). The DRP unit price for the quarters ended 30 September 2020 and 31 December 2020 included a discount of 2%.

DRP underwriting agreement

During the period, the Aventus Group entered into an agreement with Macquarie Capital (Australia) Limited to act as sole underwriter of an offer of stapled securities under its DRP for the quarter ended 30 September 2020.

$22.3 million was raised via the DRP for the quarter ended 30 September 2020.

Net tangible assets

	31 Dec 2020	30 June 2020
Net tangible assets ($m)	1,274.3	1,193.4
Net tangible assets per security ($)	2.24	2.14

Entities over which control has been gained or lost during the period

Not applicable.

Details of associates and joint venture entities

Refer to note 7 "Investments in associates" in the attached interim consolidated financial report.

Accounting standards used by foreign entities

Not applicable.

Audit

This report is based on the attached interim consolidated financial statements which have been reviewed by Ernst & Young.

AVENTUS RETAIL PROPERTY FUND & CONTROLLED ENTITIES (AVENTUS GROUP)

ARSN 608 000 764

Interim consolidated financial report

for the half year ended 31 December 2020

CONTENTS

DIRECTORS' REPORT

The directors of Aventus Capital Limited ("ACL") (ACN 606 555 480), the Responsible Entity of the Aventus Retail Property Fund ("ARPF" or "Fund") (ARSN 608 000 764), and the directors of Aventus Holdings Limited ("AHL") (ACN 627 640 180) present their report together with the interim consolidated financial statements of the Aventus Group and AHL Group for the half year ended 31 December 2020.

The Aventus Group is a stapled entity comprising ARPF and its controlled entities ("the ARPF Group") and AHL and its controlled entities ("the AHL Group"). For financial reporting purposes ARPF has been deemed the parent entity of the Aventus Group. The interim consolidated financial statements of the Aventus Group comprise ARPF and its controlled entities which includes AHL.

Directors

The following persons held office as directors of ACL and AHL during the period and up to the date of this report, unless otherwise stated:

> Bruce Carter	Independent Non-Executive Chairman
> Darren Holland	Executive Director
> Kieran Pryke	Independent Non-Executive Director
> Robyn Stubbs	Independent Non-Executive Director
> Ray Itaoui	Independent Non-Executive Director

The company secretaries of ACL and AHL are Mary Weaver AGIA and Lawrence Wong.

Review of operations and results

The principal activity of the Aventus Group during the period was investment and management of large format retail property assets.

Summary of financial performance

A summary of the financial performance of the Aventus Group for the period ended 31 December 2020 is set out below.

	31 Dec 2020 $m	31 Dec 2019 $m
Funds from operations ("FFO")	55.9	52.5
FFO per security (cents per security)	10.0	9.6
Net profit after tax	103.4	71.9
Basic and diluted earnings per security (cents per security)	18.4	13.1
Distributions to securityholders	46.2	46.8
Distributions to securityholders (cents per security)	8.2	8.5

Funds from Operations (FFO)

FFO represents the Aventus Group's underlying and recurring earnings from operations. FFO is calculated by adjusting statutory net profit after tax for certain non-cash items, unrealised revenue and expenses and non-recurring amounts outside core operating activities. FFO has been determined in accordance with best practice guidelines published by the Property Council of Australia.

The Aventus Group derived FFO of $55.9m for the period ended 31 December 2020 representing an increase of $3.4 million or 6.5% on the prior financial period. This translates to FFO per security of 10.0 cents per security representing an increase of 0.4 cents per security or 4.2%.

Review of operations and results (continued)

Summary of financial performance (continued)

Funds from Operations (FFO) (continued)

The $3.4 million increase was mainly attributable to a $1.6 million increase in net property income (excluding non-cash straight-lining adjustments) and a $2.3 million decrease in interest expenses resulting from lower drawn debt and interest rates compared to the prior period.

Net profit

The Aventus Group's net profit for the period ended 31 December 2020 was $103.4 million representing an increase of $31.5 million or 43.8% on the prior financial period. The increase was mainly attributable to the $25.7 million increase in net fair value adjustments on investment properties and the $3.4 million increase in FFO.

A reconciliation of statutory net profit for the financial period to FFO is as follows:

	31 Dec 2020 $m	31 Dec 2019 $m
Net profit after tax	103.4	71.9
Straight-lining of rental income	1.3	0.7
Amortisation of rental guarantees	-	0.4
Amortisation of debt establishment costs	0.7	0.7
Net gain on movement in fair value of investment properties	(45.7)	(20.0)
Net gain on movement in fair value of derivative financial instruments	(3.7)	(1.4)
Share of net profit or loss from associates	(0.3)	0.3
Distribution income from associates	0.3	0.1
Other	(0.1)	(0.2)
FFO	55.9	52.5

COVID-19 rental relief update

Since the outbreak of the COVID-19 pandemic Aventus has supported its tenants by:

- providing rental relief in the form of rental abatements and/or deferred rental payments; and
- passing on cost savings in the form of lower outgoings.

At 31 December 2020 Aventus had finalised negotiations with the majority of tenants seeking rental relief. Requests were assessed on a case by case basis taking into account specific tenant circumstances including whether they qualified for the National Cabinet's Code of Conduct.

Rental abatements granted to tenants are recognised bad and doubtful debts expense which is classified as property expenses in the consolidated statement of comprehensive income. Total bad and doubtful debts expense for the period ended 31 December 2020 amounted to $1.0 million. This compares to $6.3 million for the year ended 30 June 2020.

In November 2020, a reconciliation of rental relief provided to tenants against verified sales data was undertaken for the period April 2020 to September 2020. This process resulted in the reversal of $0.9 million (excluding GST) of abatements previously provided to tenants plus the accelerated repayment of $0.9 million (excluding GST) in deferred rental payments which are now payable in January 2021.

Review of operations and results (continued)

Occupancy and leasing

Occupancy at 31 December 2020 was 98.5% increasing marginally from 98.0% at June 2020.

63 leasing deals were successfully negotiated during the six months to 31 December 2020 demonstrating the resilience of our tenant base and the quality of the centres in the portfolio.

The weighted average lease expiry of the portfolio at 31 December 2020 was 3.8 years decreasing from 3.9 years at 30 June 2020.

Distributions

Distributions declared and/or paid to securityholders during the period were as follows:

Quarter ended	Distribution per security (cents)	Total distribution $m	Ex-distribution date	Record date	Payment date
September 2020	4.00	22.3	29/09/2020	30/09/2020	30/10/2020
December 2020	4.20	23.9	30/12/2020	31/12/2020	24/02/2021
Total	8.20	46.2			
September 2019	4.22	23.1	27/09/2019	30/09/2019	31/10/2019
December 2019	4.26	23.7	30/12/2019	31/12/2019	20/02/2020
Total	8.48	46.8			

The Aventus Group's distribution policy is to distribute between 90% and 100% of FFO to securityholders.

Summary of financial position

A summary of the Aventus Group's financial position at 31 December 2020 is set out below.

	Dec 2020 $m	June 2020 $m
Assets		
Investment property portfolio (excluding rental guarantees)	2,002.9	1,930.3
Total assets	2,178.8	2,136.4
Net tangible assets	1,274.3	1,193.4
Net tangible assets ($ per security)	2.24	2.14
Net asset value	1,420.9	1,340.5
Net asset value ($ per security)	2.50	2.41
Capital management		
Drawn debt	694.9	738.4
Debt facility limit	820.0	820.0
Cash and undrawn debt	136.4	120.8
Look-through gearing ratio (%)	34.0%	36.0%
Interest rate hedging (notional amount)	420.0	460.0
Hedged debt to drawn debt ratio (%)	60.4%	62.3%

Summary of financial position (continued)

Investment property portfolio

At 31 December 2020 the Aventus Group owned 19 large format retail investment properties across Australia with a combined value of $2.0 billion (30 June 2020: $1.9 billion). The weighted average capitalisation rate of the portfolio was 6.6% (30 June 2020: 6.7%).

Net fair value gains on the portfolio for the period ended 31 December 2020 amounted to $45.7 million (31 December 2019: gain of $20.0 million).

On 20 July 2020 the Aventus Group settled the acquisition of development land adjoining Epping Hub for $12.2 million including stamp duty. The land is zoned for mixed use, retail, residential, office, medical and large format retail.

The key development highlight during the period was the completion of development works at Caringbah Super Centre. The centre is now 100% leased and anchored by national retailers Harvey Norman, Freedom and JB Hi-Fi. The development was delivered on time during the midst of the COVID-19 pandemic and generated an internal rate of return of 13%.

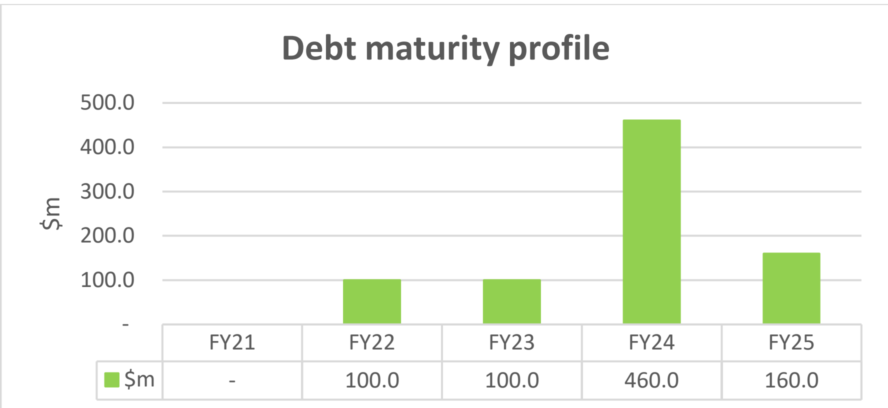
The property was independently valued at $139.0 million at 31 December 2020 representing a $26.9 million or 24.0% increase on the carrying value at 30 June 2020.

The Aventus Group also holds a 25.3% interest in Aventus Property Syndicate 1 Fund (APS 1). The carrying amount of the investment at 31 December 2020 was $5.8 million (30 June 2020: $5.8 million).

Debt portfolio

Look-through gearing decreased from 36.0% at 30 June 2020 to 34.0% at 31 December 2020 mainly due to debt repayments following $22.3 million equity raised from the DRP for the quarter ended 30 September 2020 and $45.7 million of net valuation gains recognised in December 2020.

The Aventus Group has no debt expiring before May 2022. The debt maturity profile as at 31 December 2020 was as follows:



The Aventus Group continued to comply with and maintain significant headroom for all key debt covenants during the financial period.

DIRECTORS' REPORT

Review of operations and results (continued)

Summary of financial position (continued)

Hedging

At 31 December 2020 the Aventus Group had $420.0 million in interest rate swaps (30 June 2020: $460.0 million). Hedging coverage as a percentage of drawn debt decreased from 62.3% at 30 June 2020 to 60.4% at 31 December 2020.

Events occurring after the reporting period

There has not been any matter or circumstance occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the Aventus Group or AHL Group, the results of those operations, or the state of affairs of the Aventus Group or AHL Group in future financial years.

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 8.

Rounding of amounts

In accordance with ASIC Legislative Instrument 2016/191 amounts disclosed in the directors' report and the financial report for the Aventus Group have been rounded off to the nearest hundred thousand dollars, or in certain cases, to the nearest thousand dollars or nearest dollar. AHL Group balances have been rounded to the nearest thousand dollars, or in certain cases to the nearest dollar.

This report is made in accordance with a resolution of the directors of ACL and AHL made pursuant to s306(3) of the Corporations Act 2001.

Darren Holland
Executive Director

Sydney
25 February 2021

Bruce Carter
Chairman

Sydney
25 February 2021

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Building a better working world

Auditor's independence declaration to the directors of Aventus Capital Limited as the Responsible Entity of Aventus Retail Property Fund and the Directors of Aventus Holdings Limited

As lead auditor for the review of the half-year financial report of Aventus Group for the half-year ended 31 December 2020, 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.

This declaration is in respect of Aventus Retail Property Fund and Aventus Holdings Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

SE Wilken

St Elmo Wilken
Partner
25 February 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	Note	Aventus Group 2020 $m	Aventus Group 2019 $m	AHL Group 2020 $'000	AHL Group 2019 $'000
Revenue					
Rental and other property revenue		85.4	85.5	-	-
Revenue from services		0.9	1.2	9,720	10,255
Other revenue		0.7	0.2	572	255
		87.0	86.9	10,292	10,510
Other income					
Net gain on movement in fair value of investment properties		45.7	20.0	-	-
Share of net profit or loss from associates		0.3	(0.3)	-	-
Total revenue and other income		133.0	106.6	10,292	10,510
Expenses					
Property expenses		(14.2)	(15.2)	-	-
Finance costs	4	(7.1)	(11.6)	(1,347)	(1,849)
Employee benefits expense		(5.3)	(5.3)	(5,631)	(6,031)
Depreciation		(0.6)	(0.5)	(458)	(456)
Other expenses		(2.0)	(2.1)	(2,016)	(1,770)
Total expenses		(29.2)	(34.7)	(9,452)	(10,106)
Profit before income tax		103.8	71.9	840	404
Income tax expense		(0.4)	-	(351)	(22)
Profit for the year		103.4	71.9	489	382
Other comprehensive income for the year net of tax		-	-	-	-
Total comprehensive income for the year		103.4	71.9	489	382
Profit/(loss) for the year and total comprehensive income/(loss) for the year attributable to:					
ARPF		109.8	77.9	-	-
AHL		(6.4)	(6.0)	489	382
Total		103.4	71.9	489	382
Earnings per security					
Basic and diluted earnings per security attributable to the securityholders (cents per security)	5	18.4	13.1	0.1	0.1

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m	AHL Group Dec 2020 $'000	AHL Group June 2020 $'000
Assets					
Current assets					
Cash and cash equivalents		11.3	39.2	5,196	3,929
Trade and other receivables	6	7.0	6.2	2,230	2,113
Rental guarantees		1.9	2.1	-	-
Current tax assets		-	0.2	49	202
Other assets		2.0	4.4	761	143
Total current assets		22.2	52.1	8,236	6,387
Non-current assets					
Plant and equipment		0.2	0.1	157	145
Right-of-use asset		2.4	2.9	1,575	2,005
Investments in associates	7	5.8	5.8	-	-
Rental guarantees		1.2	1.0	-	-
Investment properties	8	2,002.9	1,930.3	-	-
Intangible assets	9	144.2	144.2	186,002	186,002
Total non-current assets		2,156.7	2,084.3	187,734	188,152
Total assets		2,178.9	2,136.4	195,970	194,539
Liabilities					
Current liabilities					
Trade and other payables		(19.4)	(23.1)	(3,447)	(3,249)
Distributions payable		(23.8)	(13.1)	-	-
Lease liabilities		(1.1)	(1.0)	(871)	(834)
Derivative financial instruments	11	(3.1)	(1.8)	-	-
Provision for employee benefits		(0.4)	(0.4)	(417)	(379)
Deferred revenue		(6.1)	(4.0)	-	-
Total current liabilities		(53.9)	(43.4)	(4,735)	(4,462)
Non-current liabilities					
Borrowings	10	(692.1)	(735.0)	(84,941)	(84,941)
Lease liabilities		(1.4)	(2.0)	(750)	(1,209)
Derivative financial instruments	11	(10.0)	(15.0)	-	-
Deferred tax liabilities		(0.4)	(0.3)	(42,180)	(42,075)
Provision for employee benefits		(0.2)	(0.2)	(171)	(222)
Total non-current liabilities		(704.1)	(752.5)	(128,042)	(128,447)
Total liabilities		(758.0)	(795.9)	(132,777)	(132,909)
Net assets		1,420.9	1,340.5	63,193	61,630

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m	AHL Group Dec 2020 $'000	AHL Group June 2020 $'000
Equity					
Contributed equity	12	1,141.6	1,118.2	-	-
Reserves		(0.3)	0.9	-	-
Retained earnings		298.0	234.4	-	-
Total equity attributable to ARPF		1,439.3	1,353.5	-	-
Contributed equity	12	8.0	6.9	62,413	61,283
Reserves		-	0.1	(14)	42
(Accumulated losses)/retained earnings		(26.4)	(20.0)	794	305
Total equity attributable to AHL		(18.4)	(13.0)	63,193	61,630
Total equity		1,420.9	1,340.5	63,193	61,630

The consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

Aventus Group	Note	ARPF Contributed equity $m	ARPF Reserves $m	ARPF Retained earnings $m	ARPF Total equity $m	AHL Contributed equity $m	AHL Reserves $m	AHL Accumulated losses $m	AHL Total equity $m	Aventus Group Total equity $m
Balance at 1 July 2019		1,071.2	0.1	232.8	1,304.1	4.7	-	(9.3)	(4.6)	1,299.5
Profit/(loss) for the period		-	-	77.9	77.9	-	-	(6.0)	(6.0)	71.9
Other comprehensive income		-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period		-	-	77.9	77.9	-	-	(6.0)	(6.0)	71.9
Issue of securities net of transaction costs	12	43.6	(0.4)	-	43.2	2.0	-	-	2.0	45.2
Security based payments		-	0.3	-	0.3	-	-	-	-	0.3
Distributions paid or provided for	13	-	-	(46.8)	(46.8)	-	-	-	-	(46.8)
Balance at 31 December 2019		1,114.8	-	263.9	1,378.7	6.7	-	(15.3)	(8.6)	1,370.1
Balance at 1 July 2020		1,118.2	0.9	234.4	1,353.5	6.9	0.1	(20.0)	(13.0)	1,340.5
Profit/(loss) for the period		-	-	109.8	109.8	-	-	(6.4)	(6.4)	103.4
Other comprehensive income		-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period		-	-	109.8	109.8	-	-	(6.4)	(6.4)	103.4
Issue of securities net of transaction costs	12	23.4	(1.5)	-	21.9	1.1	(0.1)	-	1.0	22.9
Security based payments		-	0.3	-	0.3	-	-	-	-	0.3
Distributions paid or provided for	13	-	-	(46.2)	(46.2)	-	-	-	-	(46.2)
Balance at 31 December 2020		1,141.6	(0.3)	298.0	1,439.3	8.0	-	(26.4)	(18.4)	1,420.9

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

AHL Group	Note	Contributed equity $'000	Reserves $'000	Retained earnings/ (accumulated losses) $'000	Total equity $'000
Balance at 1 July 2019		59,062	8	(462)	58,608
Profit for the period		-	-	382	382
Other comprehensive income		-	-	-	-
Total comprehensive profit for the period		-	-	382	382
Issue of securities net of transaction costs		2,064	(20)	-	2,044
Security based payments		-	11	-	11
Dividends paid or provided for		-	-	-	-
Balance at 31 December 2019		61,126	(1)	(80)	61,045
Balance at 1 July 2020		61,283	42	305	61,630
Profit for the period		-	-	489	489
Other comprehensive income		-	-	-	-
Total comprehensive profit for the period		-	-	489	489
Issue of securities net of transaction costs		1,130	(69)	-	1,061
Security based payments		-	13	-	13
Dividends paid or provided for		-	-	-	-
Balance at 31 December 2020		62,413	(14)	794	63,193

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	Notes	Aventus Group 2020 $m	Aventus Group 2019 $m	AHL Group 2020 $'000	AHL Group 2019 $'000
Cash flows from operating activities					
Rental and other property revenue received		95.8	97.6	-	-
Receipts from services		0.8	0.4	11,023	11,060
Other revenue received		0.7	0.2	630	281
Payments to suppliers and employees		(28.6)	(33.3)	(8,660)	(9,473)
Finance costs paid		(10.3)	(12.6)	(674)	(1,849)
Income tax paid		(0.1)	(0.7)	(94)	(682)
Net cash inflows/(outflows) from operating activities		58.3	51.6	2,225	(663)
Cash flows from investing activities					
Acquisition of development land		(11.6)	-	-	-
Payments for capital expenditure		(18.4)	(25.3)	-	-
Payment for plant and equipment		-	-	(41)	(44)
Proceeds on disposal of subsidiary		-	36.4	-	-
Distributions from associates		0.3	-	-	-
Advances to related parties		-	-	(5,444)	(4,250)
Repayment of advances to related parties		-	-	4,950	3,854
Net cash inflows/(outflows) from investing activities		(29.7)	11.1	(535)	(440)
Cash flows from financing activities					
Proceeds from issue of securities		20.6	39.2	-	-
Security issue transaction costs		(0.2)	(0.3)	-	-
Proceeds from borrowings		23.0	28.0	-	-
Repayment of borrowings		(66.5)	(88.5)	-	-
Payment of debt establishment costs		(0.1)	(0.2)	-	-
Distributions paid		(32.8)	(39.2)	-	-
Principal elements of lease payments		(0.5)	(0.4)	(423)	(405)
Net cash inflows/(outflows) from financing activities		(56.5)	(61.4)	(423)	(405)
Net increase/(decrease) in cash and cash equivalents		(27.9)	1.3	1,267	(1,508)
Cash at the beginning of the financial period		39.2	8.1	3,929	5,484
Cash at the end of the financial period		11.3	9.4	5,196	3,976

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. Basis of preparation

a) The Aventus Group

The Aventus Group is a stapled entity comprising the Aventus Retail Property Fund ("ARPF") (ARSN 608 000 764) and its controlled entities ("the ARPF Group") and Aventus Holdings Limited ("AHL") (ACN 627 640 180) and its controlled entities ("the AHL Group"). For financial reporting purposes ARPF has been deemed the parent entity of the Aventus Group. The interim consolidated financial statements of the Aventus Group comprise ARPF and its controlled entities which includes AHL.

The stapled securities of the Aventus Group comprise one unit in ARPF and one share in AHL. Stapled securities cannot be traded or dealt with separately. ARPF and AHL remain separate legal entities in accordance with the Corporations Act 2001.

b) Statement of compliance

This condensed consolidated interim financial report for the half year ended 31 December 2020 has been prepared in accordance with Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001.

The interim consolidated financial report does not include all the notes normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2020 and public announcements made during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended accounting standards as disclosed in note 1(e) below.

c) Comparative information

Where necessary, comparative information has been adjusted to conform with changes in presentation in the current period.

d) Excess of current liabilities over current assets

The Aventus Group's current liabilities exceeded its current assets by $31.7 million at 31 December 2020. The deficiency is mainly attributable to distributions payable of $23.8 million and deferred revenue of $6.1 million which are recorded as current liabilities at balance date.

Distributions were paid on 24 February 2021 and funded from available cash and debt reserves. Deferred revenue represents rental income received in advance and will be recognised as revenue in future financial periods.

e) New and amended accounting standards adopted

The Aventus Group adopted all of the new and revised accounting standards issued by the Australian Accounting Standards Board that are relevant to its operation and effective for the financial reporting period beginning 1 July 2020.

No changes to accounting policies were required in adopting these new and amended standards and there were no changes to amounts recognised in prior periods.

f) New and amended accounting standards issued but not yet adopted

Certain new accounting standards have been published that are not mandatory for the financial reporting period beginning 1 July 2020 and have not been early adopted by the Aventus Group. These standards are not expected to have a material impact in the current or future reporting periods and on foreseeable future transactions.

2. Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires the use of critical accounting estimates and judgement.

Financial statement balances or transactions involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the consolidated financial statements are outlined as follows:

Account balance or transaction	Note
Trade and other receivables – expected credit loss allowance	6
Investment properties	8
Goodwill and management rights with an indefinite useful life	9
Derivative financial instruments	11

The COVID-19 pandemic has created a higher degree of estimation uncertainty at 31 December 2020 and required a higher degree of judgement for investment property valuations, estimating credit loss allowances for trade and other receivables and assessing the recoverability of goodwill and management rights.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events, that may have a financial impact on the Aventus Group and are believed to be reasonable under the circumstances. The resulting accounting estimates may differ from actual results.

3. Segment information

The Aventus Group

The Aventus Group has only one reportable segment being the investment and management of Australian large format retail assets.

The directors of ACL are the chief operating decision makers of the Aventus Group. Information provided to the directors for strategic decision making is consistent with that presented in the financial report.

The AHL Group

The AHL Group has only one reportable segment being the management of Australian large format retail assets. The directors of AHL are the chief operating decision makers of the AHL Group.

4. Finance costs

	Aventus Group 2020 $m	Aventus Group 2019 $m	AHL Group 2020 $'000	AHL Group 2019 $'000
Interest expenses	10.4	12.7	1,347	1,849
Amortisation of debt establishment costs	0.7	0.7	-	-
Less: amounts capitalised relating to redevelopment of investment properties	(0.3)	(0.4)	-	-
Fair value gains on interest rate swaps	(3.7)	(1.4)	-	-
Finance costs expensed	7.1	11.6	1,347	1,849

5. Earnings per security

	Aventus Group 2020 $m	Aventus Group 2019 $m	AHL Group 2020 $'000	AHL Group 2019 $'000
Net profit for the period	103.4	71.9	489	382
Weighted average number of securities used in calculating basic and diluted earnings per security (m)	560.9	547.3	560.9	547.3
Basic and diluted earnings per security (cents)	18.4	13.1	0.1	0.1

6. Trade and other receivables

	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m	AHL Group Dec 2020 $'000	AHL Group June 2020 $'000
Current				
Trade receivables	8.8	12.2	1,577	1,669
Expected credit loss allowance	(2.7)	(6.7)	-	-
	6.1	5.5	1,577	1,669
Other receivables	0.9	0.7	653	444
Total	7.0	6.2	2,230	2,113

A reconciliation of the movement in the expected credit loss allowance during the period is as follows:

	Aventus Group 1 July 2020 to 31 Dec 2020 $m	Aventus Group 1 July 2019 to 30 June 2020 $m
Balance at the beginning of the financial period	6.7	0.6
Increase in loss allowance recognised in profit or loss during the period	1.0	6.3
Receivables written off during the period as uncollectable	(5.0)	(0.2)
Balance at the end of the financial period	2.7	6.7

Trade and other receivables and expected credit loss allowance

Trade and other receivables are mainly comprised of rental revenue due from tenants.

Trade and other receivables are initially recognised at amounts due, and subsequently at amortised cost, less any provision for impairment.

6. Trade and other receivables (continued)

Critical estimates and judgements

Collectability of receivables is reviewed on an ongoing basis. The Aventus Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Expected loss rates are based on historical payment profiles adjusted for current and forward-looking macroeconomic factors affecting the ability of debtors to settle the receivables. Trade receivables are written off when there is no reasonable expectation of recovery.

COVID-19 has created a higher degree of credit risk and a higher degree of uncertainty when adopting key assumptions, estimates and judgements in calculating the expected credit loss allowance at 31 December 2020.

The expected loss allowance incorporates COVID-19 specific adjustments for rental relief granted or expected to be granted to tenants plus other adjustments based on retailer types, industries, geographical locations and/or specific tenant circumstances. Management has also taken into account security deposits and bank guarantees in assessing the expected credit loss allowance.

The expected credit loss allowance incorporates a best estimate of the impact of COVID-19 using information available and conditions existing at the reporting date. If there are any changes in these key judgements, estimates, assumptions or economic conditions the actual credit loss allowance required may differ.

7. Investments in associates

	Ownership interest Dec 2020	Ownership interest June 2020	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m
Non-current				
Investment in Aventus Property Syndicate 1 Fund (APS 1)	25.3%	25.3%	5.8	5.8

The movement in the carrying amount of the investment for the period is as follows:

	Aventus Group 1 July 2020 to 31 Dec 2020 $m	Aventus Group 15 Nov 2019 to 30 June 2020 $m
Balance at the beginning of the period	5.8	6.1
Equity accounted gain for the period	0.3	-
Distributions	(0.3)	(0.3)
Balance at the end of the period	5.8	5.8

8. Investment properties

Property	Independent valuation date	Independent valuation $m	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m
Ballarat Home	30 June 2019	42.5	43.0	42.9
Bankstown Home	31 Dec 2019	67.0	67.4	66.0
Belrose Super Centre	31 Dec 2020	183.0	183.0	183.0
Caringbah Super Centre	31 Dec 2020	139.0	139.0	112.1
Hills Super Centre	30 June 2020	340.0	346.6	340.0
Cranbourne Home	31 Dec 2019	143.5	143.2	141.6
Epping Hub	31 Dec 2020	59.5	59.5	44.7
Highlands Hub	31 Dec 2020	36.8	36.8	33.6
Jindalee Home	30 June 2019	135.5	135.6	134.5
Kotara Home (South)	31 Dec 2019	126.5	123.7	122.8
Logan Super Centre	30 June 2020	92.0	91.9	92.0
MacGregor Home	31 Dec 2020	26.6	26.6	26.3
Marsden Park Home	30 June 2020	100.0	102.0	100.0
Midland Home	31 Dec 2019	65.0	63.6	63.8
Mile End Home	30 June 2019	104.0	105.3	103.4
Peninsula Home	31 Dec 2020	95.0	95.0	89.8
Sunshine Coast Home	30 June 2020	101.0	102.1	101.0
Tuggerah Super Centre	30 June 2020	94.2	95.7	94.2
Warners Bay Home	31 Dec 2020	46.0	46.0	41.7
		1,997.1	2,006.0	1,933.4
Less amounts classified as rental guarantees			(3.1)	(3.1)
			2,002.9	1,930.3

A reconciliation of the movement in the carrying value of investment properties for the period is as follows:

	Aventus Group 1 July 2020 to 31 Dec 2020 $m	Aventus Group 1 July 2019 to 30 June 2020 $m
Balance at the beginning of the period	1,930.3	1,973.8
Acquisition of development land	12.2	-
Disposals	-	(42.5)
Capitalised expenditure	16.0	38.5
Straight-lining of rental income	(1.3)	(2.2)
Net gain/(loss) on movement in fair value of investment properties	45.7	(37.3)
Balance at the end of the period	2,002.9	1,930.3

8. Investment properties (continued)

Investment properties are measured at fair value using recognised valuation techniques including the capitalisation of net income method and discounted cash flow method.

At the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent independent valuations. Independent valuations are obtained for investment properties at least every two years. The directors determine a property's value within a range of reasonable fair value estimates.

Critical estimates and judgements

Critical assumptions adopted in estimating the fair value of investment properties include passing and market rents, capitalisation rates, terminal yields and discount rates. If there is any change in these assumptions, or economic conditions, the fair value of investment properties may differ.

The COVID-19 pandemic has created a higher degree of estimation uncertainty for investment property valuations. As a result, independent valuations at 31 December 2020 are reported on the basis of 'significant valuation uncertainty'. This implies valuations are current at the valuation date only and less certainty and a higher degree of caution should be attached to the valuation. Estimated fair values may change significantly and unexpectedly over a relatively short period of time.

To reflect the impact of COVID-19 independent valuers have adjusted a number of valuation inputs and estimates, where appropriate, including lower probabilities of tenant retention, lower market rent growth rates, longer lease up periods, increased leasing allowances and adjustments to capitalisation and discount rates to reflect the uncertainty in the amount and timing of cash flows. Where appropriate director valuations have adopted the same adjustment process as used for independent valuations.

While these estimates have been formed after careful consideration and consultation COVID-19 is a unique and continually evolving event. The fair value assessment of investment properties incorporates a best estimate of the impact of COVID-19 using information available at the time of preparing the valuations and conditions existing at the reporting date. The duration and depth of the pandemic are unknown at reporting date. In the event the impacts of the COVID-19 pandemic are more severe or prolonged than anticipated this may have an adverse impact on the fair value of the portfolio.

Sensitivity analysis

The sensitivity analysis below shows the impact a 0.25% and 0.50% increase and decrease in the weighted average capitalisation rate would have on the fair value of the portfolio. The analysis assesses the movement in capitalisation rates in isolation and assumes all other inputs are held constant.

	Capitalisation rate movement	$m	%
	-0.50%	163.4	8.1%
	-0.25%	78.5	3.9%
	+0.25%	(72.8)	(3.6%)
	+0.50%	(140.5)	(7.0%)

9. Intangible assets

	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m	AHL Group Dec 2020 $'000	AHL Group June 2020 $'000
Goodwill	140.4	140.4	42,923	42,923
Management rights	3.8	3.8	143,079	143,079
	144.2	144.2	186,002	186,002

No indicators of impairment have been identified at 31 December 2020.

Critical estimates and judgements

The recoverable amount of goodwill and management rights with an indefinite useful life are estimated based on projected future cash flows. Key assumptions underlying these calculations include growth rates and discount rates. The COVID-19 pandemic has created a higher degree of estimation uncertainty for forecasting future cash flows, estimating growth rates and calculating discount rates at 31 December 2020.

Significant differences between actual and projected cash flows or changes in discount rates may result in changes to the estimated recoverable amount.

10. Borrowings

	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m	AHL Group Dec 2020 $'000	AHL Group June 2020 $'000
Non-current				
Secured				
Syndicated bank debt facility	274.9	318.4	-	-
Syndicated loan note facility	160.0	160.0	-	-
Bi-lateral bank debt facilities	260.0	260.0	-	-
Less: unamortised transaction costs	(2.8)	(3.4)	-	-
	692.1	735.0	-	-
Unsecured				
Interest bearing loan – ARPF	-	-	84,941	84,941
Total	692.1	735.0	84,941	84,941

10. Borrowings (continued)

a) Financing arrangements

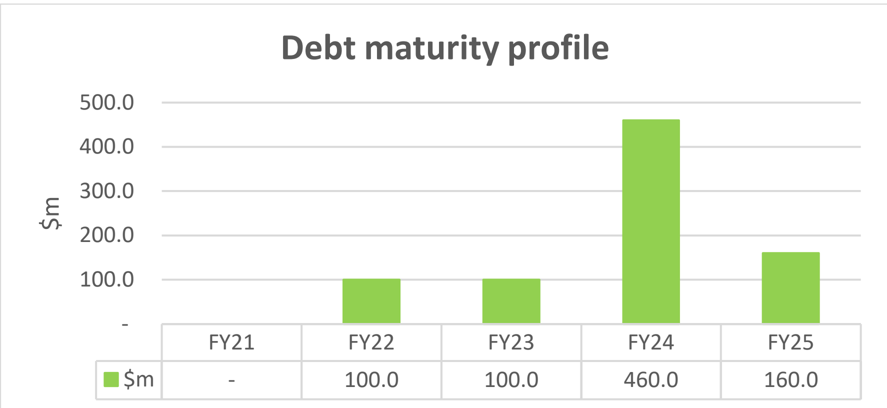
At 31 December 2020 the Aventus Group had access to the following undrawn debt:

	Dec 2020			June 2020		
	Limit $m	Drawn $m	Undrawn $m	Limit $m	Drawn $m	Undrawn $m
Syndicated bank debt facility						
- Tranche C	100.0	65.0	35.0	100.0	100.0	-
- Tranche E	50.0	50.0	-	50.0	50.0	-
- Tranche F	50.0	50.0	-	50.0	50.0	-
- Tranche G	75.0	60.4	14.6	75.0	60.4	14.6
- Tranche H	125.0	49.5	75.5	125.0	58.0	67.0
Syndicated loan note facility	160.0	160.0	-	160.0	160.0	-
Bi-lateral bank debt facilities	260.0	260.0	-	260.0	260.0	-
Total	820.0	694.9	125.1	820.0	738.4	81.6

Undrawn debt may be drawn at any time.

An additional tranche (tranche D) of up to $100 million may be added to the existing syndicated bank debt facility subject to the satisfaction of certain conditions. No commitment is provided by the banks for this additional tranche and there is no certainty that it will be available in future financial periods.

b) Debt maturity profile



c) Compliance with debt covenants

The Aventus Group has complied with the financial covenants of its borrowing facilities during the period ended 31 December 2020.

11. Derivative financial instruments

	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m	AHL Group Dec 2020 $'000	AHL Group June 2020 $'000
Current liabilities				
Interest rate swaps	3.1	1.8	-	-
Non-current liabilities				
Interest rate swaps	10.0	15.0	-	-

The Aventus Group utilises interest rate swaps to partially hedge against interest rate fluctuations.

As at 31 December 2020 the Aventus Group had entered into interest swap agreements totalling $420.0 million (30 June 2020: $460.0 million) representing 60.4% of drawn debt (30 June 2020: 62.3%).

The maturity profile of the interest rate swaps are summarised as follows:

Maturity date	Notional amount Dec 2020 $m	Notional amount June 2020 $m	Fair value Dec 2020 $m	Fair value June 2020 $m
FY21	85.0	125.0	(0.7)	(1.8)
FY22	120.0	120.0	(2.3)	(3.3)
FY23	125.0	125.0	(4.5)	(5.5)
FY24	90.0	90.0	(5.6)	(6.2)
Total	420.0	460.0	(13.1)	(16.8)

12. Contributed equity

	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m	AHL Group Dec 2020 $'000	AHL Group June 2020 $'000
567,699,674 fully paid stapled securities (30 June 2020: 557,117,635)				
ARPF	1,141.6	1,118.2	-	-
AHL	8.0	6.9	62,413	61,283
Total	1,149.6	1,125.1	62,413	61,283

A reconciliation of the movement in contributed equity of the Aventus Group is as follows:

Aventus Group	1 July 2020 to 31 Dec 2020 Securities	1 July 2019 to 30 June 2020 Securities	1 July 2020 to 31 Dec 2020 $m	1 July 2019 to 30 June 2020 $m
Balance at the beginning of the period	557,117,635	537,474,903	1,125.1	1,075.9
Securities issued in accordance with underwriting the distribution reinvestment plan	8,804,226	15,711,530	20.6	39.2
Securities issued in accordance with the distribution reinvestment plan	1,132,679	3,759,538	2.6	9.8
Securities issued in accordance with the executive incentive scheme and employee security scheme	645,134	171,664	1.5	0.4
Security issue costs	-	-	(0.2)	(0.2)
Balance at the end of the period	567,699,674	557,117,635	1,149.6	1,125.1

A reconciliation of the movement in contributed equity of the AHL Group is as follows:

AHL Group	1 July 2020 to 31 Dec 2020 Securities	1 July 2019 to 30 June 2020 Securities	1 July 2020 to 31 Dec 2020 $'000	1 July 2019 to 30 June 2020 $'000
Balance at the beginning of the period	557,117,635	537,474,903	61,283	59,062
Securities issued in accordance with underwriting the distribution reinvestment plan	8,804,226	15,711,530	948	1,769
Securities issued in accordance with the distribution reinvestment plan	1,132,679	3,759,538	118	442
Securities issued in accordance with the executive incentive scheme and employee security scheme	645,134	171,664	69	20
Security issue costs	-	-	(5)	(10)
Balance at the end of the period	567,699,674	557,117,635	62,413	61,283

13. Distributions

	Aventus Group 2020 Distribution cents	Aventus Group 2020 Distribution $m	Aventus Group 2019 Distribution cents	Aventus Group 2019 Distribution $m
Fully paid ordinary securities				
September quarter	4.00	22.3	4.22	23.1
December quarter	4.20	23.9	4.26	23.7
Total	8.20	46.2	8.48	46.8

Distribution reinvestment plan ("DRP")

During the financial period the Aventus Group operated a DRP under which securityholders may elect to reinvest all or part of their distributions or dividends in new stapled securities rather than being paid in cash. The last date for the receipt of an election notice for participation in the DRP is the next business day after the record date for the respective distribution or dividend. The DRP price is determined as the average of the daily volume weighted average price of the stapled securities sold on the Australian Securities Exchange during a ten-day trading period prior to the payment date for the distribution or dividend, less a discount (if any). The DRP unit price for the quarters ended 30 September 2020 and 31 December 2020 included a discount of 2%.

DRP underwriting agreement

During the period, the Aventus Group entered into an agreement with Macquarie Capital (Australia) Limited to act as sole underwriter of an offer of stapled securities under its DRP for the quarter ended 30 September 2020.

$22.3 million was raised via the DRP for the quarter ended 30 September 2020.

14. Fair value measurement of financial instruments

Aventus Group

a) Financial assets and liabilities measured at fair value on a recurring basis

To provide an indication about the reliability of inputs used in determining fair value, the Aventus Group classifies its financial assets and liabilities into three levels prescribed under accounting standards. An explanation of each level is outlined below:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Inputs for the asset or liability are not based on observable market data (unobservable inputs).

The following table summarises the Aventus Group's financial assets and liabilities measured and recognised at fair value on a recurring basis:

Aventus Group	Note	Level 2 Dec 2020 $m	 June 2020 $m
Financial liabilities			
Derivative financial instruments	11	13.1	16.8

The Aventus Group did not measure any financial assets or liabilities at fair value on a non-recurring basis as at 31 December 2020 or 30 June 2020.

Valuation techniques used to derive level 2 fair values
The only level 2 assets or liabilities measured at fair value are interest rate swaps.

The fair value of interest rate swaps is estimated using the discounted cash flow technique. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

b) Assets and liabilities not measured at fair value

The Aventus Group and AHL Group have a number of financial assets and liabilities which are not measured at fair value in the consolidated balance sheet. The fair values of these assets and liabilities are not materially different to their carrying amounts.

15. Contingencies

Bank guarantees

	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m	AHL Group Dec 2020 $'000	AHL Group June 2020 $'000
Bank guarantees	1.6	1.6	-	-

16. Commitments

Development expenditure

Development expenditure contracted for at balance date but not recognised as liabilities is as follows:

	Aventus Group Dec 2020 $m	Aventus Group June 2020 $m	AHL Group Dec 2020 $'000	AHL Group June 2020 $'000
Development expenditure	-	8.0	-	-
Acquisition of development land	-	13.0	-	-
	-	21.0	-	-

17. Significant contract terms and conditions

Kotara Home call option and pre-emptive deed

The Aventus Group's Kotara Home (South) property ("Kotara South") is adjacent to another property ("Kotara North") which is owned by an entity associated with Brett Blundy. The respective owners have entered into the Kotara Call Option and Pre-emptive Deed under which:

- The owner of Kotara South grants to the owner of Kotara North a call option to acquire Kotara South ("Call Option"); and
- The owner of Kotara North and the owner of Kotara South have each granted the other reciprocal pre-emptive rights in the event that either of them wishes to sell their respective Kotara properties ("Pre-emptive Right").

Further information relating to the Call Option and the Pre-emptive Right is outlined below.

Call option

Where as a result of a vote of securityholders, there is a change of the responsible entity of ARPF to an entity who is not a member of the Aventus Property Group ("Call Option Event") the following process will apply:

- The owner of Kotara North may require a valuation to be conducted on Kotara South, with two independent valuers to be appointed – one by the owner of Kotara North Owner and one by the new responsible entity;
- the purchase price for Kotara South will be the average of the two valuations; and
- upon receipt of those valuations, the owner of Kotara North may exercise the call option and purchase Kotara South for the relevant purchase price so determined.

Pre-emptive right

Under the pre-emptive right, where an owner wishes to deal with their Kotara property, it must give notice to the other owner of the proposed sale terms which will constitute an offer to the relevant recipient to acquire the selling owner's Kotara property. The owner will have 40 days to accept those sale terms. If the offer is not accepted, then the owner selling its Kotara asset may sell to another third party within six months on terms and at a price that are no more favourable to the proposed purchaser than the terms offered under the pre-emptive right.

18. Events occurring after the reporting period

There has not been any matter or circumstance occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the Aventus Group or AHL Group, the results of those operations, or the state of affairs of the Aventus Group or AHL Group in future financial years.

DIRECTORS' DECLARATION

In the opinion of the directors of ACL and AHL:

a) the consolidated financial statements and notes of ARPF and AHL are in accordance with the Corporations Act 2001, including:

   i. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
   ii. giving a true and fair view of the consolidated financial position of the Aventus Group and AHL Group as at 31 December 2020 and of their performance for the half year ended on that date, and

b) there are reasonable grounds to believe that ARPF and AHL will be able to pay their debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors of ACL and AHL made pursuant to s303(5) of the Corporations Act 2001.

Darren Holland
Executive Director

Sydney
25 February 2021

Bruce Carter
Chairman

Sydney
25 February 2021

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent Auditor's Review Report to the members of Aventus Group

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Aventus Group (collectively the Group), which comprises Aventus Retail Property Fund (the Fund) and its controlled entities, and Aventus Holdings Limited (the Company or AHL) and its controlled entities, which comprises of the Group and AHL consolidated statements of financial position as at 31 December 2020, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements 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, nothing has come to our attention that causes us to believe that the half-year financial report of the Group and AHL is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's and AHL's consolidated financial position as at 31 December 2020 and of their consolidated 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*.

Emphasis of Matter - Impact of the Coronavirus (COVID-19) Pandemic

We draw attention to Note 8 of the half-year financial report which describes the impact of the COVID-19 pandemic on the determination of fair value of investment properties and how this has been considered by the Directors in the preparation of the financial report. Due to the heightened degree of valuation uncertainty, property values may change significantly and unexpectedly over a relatively short period of time. Our opinion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The directors 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 Group's and AHL's consolidated financial position as at 31 December 2020 and its consolidated financial performance for the half-year

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ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, 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

Ernst & Young

SE Wilken

St Elmo Wilken
Partner
Sydney
25 February 2021