BRISBANE MARKETS LIMITED®

ABN 39 064 983 017

AND CONTROLLED ENTITIES

Financial report for the half-year ended 31 December 2020

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2020.

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Directors' report
31 December 2020

Your Directors present their report on the consolidated entity consisting of Brisbane Markets Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2020.

Directors

The following persons were Directors of Brisbane Markets Limited during the half-year or at the date of this report:

Anthony John Joseph

Bruce Miles Hatcher

Peter Gerard Tighe

Anthony Robert Kelly

Stuart Anthony Lummis

Noel Anthony Greenhalgh

Andrew Alexander George Young

Evonne Maree Collier

Principal activities

During the half-year, the principal continuing activities of the consolidated entity consisted of:

- Facilitating the efficient and effective operation and growth of the Brisbane Markets® site;
- Providing world class infrastructure and services to facilitate the marketing and distribution of predominantly fresh produce, together with flowers and other ancillary products, to domestic and international customers; and
- Preserving and promoting the role of the Central Market for the benefit of industry stakeholders and consumers.

There were no significant changes in the nature of the activities of the consolidated entity during the half-year.

Review of operations

The net profit of the consolidated entity after income tax for the half-year ended 31 December 2020 was $10.47 million (2019: $8.36 million). The underlying performance for the period was strong with growth in operating profit of 16.0% to $8.92 Million when compared to the same period last year. Furthermore, there was a positive valuation movement with the resultant impact on Net Profit before tax of $14.7 million. The operating result for the period is summarised below.

	December 2020	December 2019	Change
	$ million	$ million	
Brisbane Markets Limited Operating Profit	8.92	7.69	16.0%
Brisbane Markets Limited Revaluation	14.70	2.48	
Share of Profit/(Loss) from Perth Markets Group Limited*	1.40	(4.68)	
Dividend Received and Investment Movement*	0.18	0.25	
Net Profit before Income Tax	**25.20**	**5.74**	
Income Tax Benefit/(Expense)	(14.73)	2.62	
Net Profit after Income Tax	**10.47**	**8.36**	

*Includes allocation of interest expense and borrowing costs related to the investment

Directors' report
31 December 2020

The following matters are of note for the financial half-year:

- The Consolidated entity records its Investment Property at fair value, in accordance with the relevant accounting standards. BML's Investment Property was valued at $366.6 million at 31 December 2020 (30 June 2020 was $349.6 million). The property valuation was completed by an independent valuer. This resulted in an increase in investment property value of $14.70 million, reflecting the positive contribution of recent site development projects.
- An adjustment to income tax expense for the period to reflect the change of the applicable corporate tax rate to 30%. The Consolidated Entity has been determined to have an aggregate turnover in excess of $50 million for income tax purposes, and accordingly the carrying value of the deferred tax liability has been restated to 30% (from 27.5% at 30 June 2020). The income tax expense for the period includes a charge of $3.15 million relating to the change in tax rate. In addition, a charge to income tax expense for the period of $4.35 million was required to record the relevant tax impacts relating to the Investment in Associates.
- The Building E1 warehouse development was completed and handed over to new tenant, J.H. Leavy & Co (a subsidiary of Darling Group), in August 2020. This $19.5 million purpose-built warehouse has a total lettable area of 6,362 m2 and includes four finger docks and nine loading docks; 10 fast cool rooms; 1,826 pallet spaces; a disinfestation facility; and an elevated plant deck.
- Works to upgrade the sewerage pump station at Building A1 were completed. These works replaced the station's two existing pumps and provide additional load in the South Gate sewer network.
- After a series of workshops for employers and employees, drug and alcohol testing of forklift operators commenced in October, with 109 forklift operators taking part in voluntary testing by The Drug Detection Agency. Random drug and alcohol testing will progress in 2021 in accordance with the joint BML/Brismark Site Safety Program.
- BML maintained its focus on sustaining the essential operation of the Markets during the COVID-19 pandemic. This response included ongoing additional cleaning and sanitisation services throughout the Common Areas of this site and daily health checks for Buyers, Service Providers and registered visitors to the access-controlled Northern Industrial Precinct. Public health alerts continued to be sent to relevant stakeholders during the period.
- After event closures due to the COVID-19 health pandemic, the Sunday Discovery Market reopened in July 2020.
- Works commenced to install a new sewerage rising main at South Gate East, which will connect the existing South Gate sewer network to that of Queensland Urban Utilities, reducing pressure on the northern sewer network, reduce reliance on pump stations and improve flood mitigation.
- Consistent with prior years, the Brisbane Markets site continues to maintain an exceptional occupancy rate of 98.9% at 31 December 2020, with the weighted average lease expiry by income at 6.22 years.

Other than the above, there were no significant changes in the state of affairs of the parent entity during the financial half-year.

Matters subsequent to the end of the financial half-year

The impact of the COVID-19 pandemic remains ongoing, and while the financial impact has been well managed for the consolidated entity up to 31 December 2020, it is not practical to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing in certain states of Australia and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Despite the situation as described above, the impact of the Covid-19 pandemic on the consolidated entity since 1 January 2021 has not been significant, and we continue to manage the situation closely.

There are no significant events that have occurred subsequent to the end of the financial half-year that have not been disclosed in this report.

Directors' report
31 December 2020

Auditor independence

Section 307C of the Corporations Act 2001 requires the company's auditors, BDO Audit Pty Ltd, to provide the Directors with a written Independence Declaration in relation to their audit of the financial report ended 31 December 2020. The Auditor's Independence Declaration is attached and forms part of this Directors' Report.

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

A J Joseph
Chairman

A Young
Director

24 February 2020

Auditors' independence declaration

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DECLARATION OF INDEPENDENCE BY D P WRIGHT TO THE DIRECTORS OF BRISBANE MARKETS LIMITED

As lead auditor for the review of Brisbane Markets Limited for the half-year ended 31 December 2020, 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.

This declaration is in respect of Brisbane Markets Limited and the entities it controlled during the period.

D P Wright
Director

BDO Audit Pty Ltd

Brisbane, 24 February 2021

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia 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.

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Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2020

	Note	Consolidated 31 Dec 2020 $'000	Consolidated 31 Dec 2019 $'000
Revenue			
Rent revenue		13,555	13,301
Revenue from contracts with customers			
Service revenue		5,210	5,726
Recoveries revenue		2,577	2,465
Entry fees and parking		1,225	1,396
Marketing revenue		78	216
Other		205	299
		9,295	10,102
Other Revenue			
Investment property increase	2(a)	14,697	2,479
Fair value increase in Investments		159	234
Share of net profits of associates	3	1,584	-
Other		926	8
		17,366	2,721
Total revenue and other income		**40,216**	**26,124**
Expenses			
Share of net loss of associates	3	-	4,376
Finance costs		3,043	3,412
Direct costs of services provided		3,422	3,858
Employee benefits expenses		3,174	3,684
Site operating costs		3,136	2,605
Other expenses		682	624
Repairs and maintenance		477	563
Depreciation and amortisation expense		519	518
Defined contribution superannuation expense		262	296
Marketing and promotion - general		237	248
Marketing and promotion - Retail Market		65	202
Total expenses		**15,017**	**20,386**
Profit before income tax expense		**25,199**	**5,738**
Income tax benefit / (expense)		(14,731)	2,621
Profit after income tax for the half-year		**10,468**	**8,359**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedge reserve (movement in interest rate swaps)		953	878
Income tax relating to cash flow hedge reserve		407	(263)
		1,360	615
Share of other comprehensive income of associates (net of tax)		903	85
Other comprehensive income for the half-year, net of tax		**2,263**	**700**
Total comprehensive income for the half-year		**12,731**	**9,059**
Profit attributable to:			
Owners of Brisbane Markets Limited		**10,468**	**8,359**
Total comprehensive income attributable to:			
Owners of Brisbane Markets Limited		**12,731**	**9,059**

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

Consolidated Statement of financial position
As at 31 December 2020

	Note	Consolidated 31 Dec 2020 $'000	Consolidated 30 June 2020 $'000
Assets			
Current assets			
Cash and cash equivalents		2,249	999
Other current assets		3,902	1,936
Trade and other receivables		1,317	1,501
Short Term Finance Receivables		64	-
Current tax asset		-	273
Inventories		22	22
Total current assets		**7,554**	**4,731**
Non-current assets			
Investment properties	2	366,600	349,600
Investment accounted using the equity method	3	36,387	35,267
Property, plant and equipment		3,270	3,267
Financial Asset at Fair Value through profit or loss	4	1,637	1,478
Intangible assets		643	643
Right of use asset		40	45
Other Long Term Receivables		768	-
Total non-current assets		**409,345**	**390,300**
Total assets		**416,899**	**395,031**
Liabilities			
Current liabilities			
Trade and other payables		5,268	5,273
Current tax liabilities		311	-
Employee entitlements		232	206
Lease Liabilities		9	9
Total current liabilities		**5,820**	**5,488**
Non-current liabilities			
Borrowings		153,693	151,949
Deferred tax liabilities		41,068	28,446
Derivatives		15,364	16,710
Trade and other payables		624	604
Employee entitlements		108	114
Lease Liabilities		31	36
Total non-current liabilities		**210,888**	**197,859**
Total liabilities		**216,708**	**203,347**
Net assets		**200,191**	**191,684**
Equity			
Contributed equity	5	90,092	90,092
Reserves	7	(12,338)	(14,601)
Retained profits		122,437	116,193
Total equity		**200,191**	**191,684**

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

Statement of changes in equity
For the half-year ended 31 December 2020

		RESERVES				
	Issued capital	Cash flow hedge reserve	Share of other changes in equity in associate	Retained profits	Totals
Note	$'000	$'000	$'000	$'000	$'000
Consolidated entity					
Balance at 1 July 2019	**90,092**	**(10,970)**	**(1,901)**	**110,429**	**187,650**
Profit after income tax for the half-year	-	-	-	8,359	8,359
Other comprehensive income for the half-year, net of tax:					
Change in fair value of cash flow hedge	-	615	-	-	615
Net change in fair value of cash flow hedge in associate	-	-	85	-	85
Total comprehensive income for the half-year	**-**	**615**	**85**	**8,359**	**9,059**
Share of transaction cost in associate (net of tax)	-	-	(213)	-	(213)
Dividends paid	-	-	-	(4,496)	(4,496)
Balance at 31 Dec 2019	**90,092**	**(10,355)**	**(2,029)**	**114,292**	**192,000**
Balance at 1 July 2020	**90,092**	**(12,115)**	**(2,486)**	**116,193**	**191,684**
Profit after income tax for the year	-	-	-	10,468	10,468
Other comprehensive income for the year, net of tax:					
Change in fair value of cash flow hedge 7	-	1,360		-	1,360
Net change in fair value of cash flow hedge in associate 7	-	-	903	-	903
Total comprehensive income for the half-year	**-**	**1,360**	**903**	**10,468**	**12,731**
Transfer between cashflow hedge reserve	-	-	-	-	-
Share of transaction cost in associate	-	-	-	-	-
Dividends paid 6	-	-	-	(4,224)	(4,224)
Balance at 31 Dec 2020	**90,092**	**(10,755)**	**(1,583)**	**122,437**	**200,191**

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

Statement of cash flows
For the half-year ended 31 December 2020

	Note	Consolidated 31 Dec 2020 $'000	Consolidated 31 Dec 2019 $'000
Cash flows from operating activities			
Cash receipts from customers		25,989	25,277
Cash paid to suppliers and employees		(15,648)	(13,169)
		10,341	12,108
Interest received		27	8
Finance costs		(3,039)	(3,465)
Income taxes paid		(832)	(1,729)
Net cash provided by operating activities		**6,497**	**6,922**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		73	152
Payments relating to investment properties		(3,028)	(9,234)
Purchase of plant and equipment		(528)	(619)
Distributions from associate		688	918
Other dividends		34	34
Net cash provided by/(used in) investing activities		**(2,761)**	**(8,749)**
Cash flows from financing activities			
Proceeds from/(repayment of) borrowings		1,744	4,750
Repayment of Lease Liabilities		(6)	-
Dividends paid	6	(4,224)	(4,496)
Net cash provided by/(used in) financing activities		**(2,486)**	**254**
Net increase/(decrease) in cash and cash equivalents		**1,250**	**(1,573)**
Cash and cash equivalents at beginning of half-year		999	2,854
Cash and cash equivalents at end of the half-year		**2,249**	**1,281**

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

Notes to the financial statements

1. Significant accounting policies

(a) Basis of preparation

These general purpose financial statements for the half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standards AASB 134 "Interim Financial Reporting" and the Corporations Act 2001.

Brisbane Markets Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia.

Unless otherwise stated the financial statements are presented in Australian dollars which is the functional and presentational currency of the consolidated entity.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by Brisbane Markets Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies and methods of computation adopted in the preparation of the half-year financial statements are consistent with those adopted and disclosed in the consolidated entity's 30 June 2020 annual financial statements.

(b) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

(c) Critical accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected. Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

Estimates of fair value of investment properties

The Consolidated entity has investment properties with a carrying amount of approximately $366.6 million (30 June 2020: $349.6 million) representing estimated fair value at reporting date. The investment properties represent a significant portion of the total assets of the Consolidated entity. The fair value adopted for the investment property is based on the Update Valuation Report prepared by Charter Keck Cramer at 31 December 2020. In assessing the value of investment property, the Directors relied on information provided by the Valuer in their report. Refer to Note 2 for further details.

Estimates of fair value of interest rate derivative

The fair value of interest rate derivatives have been determined using a pricing model based on present value of the estimated future cash flows based on observable yield curves. The interest rate derivatives are categorised as level 2 in the fair value hierarchy and there were no transfers between Level 1 to Level 3.

Notes to the financial statements

Income Tax

The Consolidated Entity has made an adjustment to income tax expense for the period, to reflect the change of the applicable corporate tax rate to 30%. The Consolidated Entity has been determined to have an aggregate turnover in excess of $50 million for income tax purposes, and accordingly the carrying value of the deferred tax liability has been restated to 30% (from 27.5% at 30 June 2020). The income tax expense for the period includes a charge of $3.15 million relating to the change in tax rate.

Further, a charge to income tax expense for the period of $4.35 million was required to record the relevant tax impacts relating to the Investment in Associate.

ASSETS AND LIABILITIES

2. Investment properties

(a) Reconciliation

Reconciliations of the carrying amount of investment properties at the beginning and end of the current and previous periods:

	Consolidated	
	31 Dec 2020	**30 Jun 2020**
	$'000	**$'000**
Freehold land, buildings and improvements		
Carrying amount at beginning of financial year	349,600	329,600
Revaluation increment/(decrement)	14,697	(2,219)
Additions	1,804	22,047
Lease Costs and incentives	656	338
Amortisation of lease costs and incentives	(75)	(166)
Disposals	(82)	-
Carrying amount at end of period	**366,600**	**349,600**
Summary		
Freehold land, buildings and improvements - 250-385 Sherwood Road, Rocklea	357,000	340,000
Freehold land - 320 Sherwood Road, Rocklea	9,600	9,600
Total investment properties at fair value	**366,600**	**349,600**

(b) Amounts recognised in profit or loss for investment property:

	Consolidated	
	31 Dec 2020	**31 Dec 2019**
	$'000	**$'000**
Rental from investment property	13,555	13,301
Direct operating expense from property that generated rental income	(3,915)	(3,618)
	9,640	**9,683**

(c) An updated Valuation Report at 31 December 2020 has been prepared by qualified valuers with relevant expertise in the type of property being valued (Ross Farewell – Registered No 3250 and Michael McClifty – Registered No 2024 from Charter Keck Cramer Pty Ltd). In assessing the value of the Investment

Notes to the financial statements

Property, consistent with valuation methodology at 30 June 2020, the independent valuer has considered discounted cash flows, capitalisation of net market income and direct comparison methods.

3. Investment in associates

	Consolidated	
	31 Dec 2020	**30 Jun 2020**
	$'000	**$'000**
Investment in Perth Markets Group Limited:		
Carrying amount at beginning of financial year	35,267	38,062
Share of profit/(loss) after tax	1,584	(2,291)
Net share of other comprehensive income/(loss) after tax	224	231
Share of distributions received/receivable from associate	(688)	(735)
Carrying amount at end of period	**36,387**	**35,267**

4. Financial assets

	Consolidated	
	31 Dec 2020	**30 Jun 2020**
	$'000	**$'000**
Investment in South Australian Produce Market Limited:		
Share investment, fair value through profit or loss	1,637	1,478

The consolidated entity holds 98,500 shares in South Australian Produce Market Limited, which are reported at estimated fair value at reporting date.

CAPITAL, FINANCING AND RISK MANAGEMENT

5. Contributed equity

			Consolidated	
Issued and paid up capital	**31 Dec 2020**	**30 Jun 2020**	**31 Dec 2020**	**30 Jun 2020**
	Number	**Number**	**$**	**$**
Fully Paid Ordinary shares	54,500,000	54,500,000	90,092,405	90,092,405
Industry shares	4	4	30	30

6. Dividends

	Consolidated	
	31 Dec 2020	**31 Dec 2019**
	$'000	**$'000**
Dividends provided for or paid during the half-year:		
Final fully franked ordinary dividends (fully paid shares)	4,224	4,496
	4,224	**4,496**
Dividend per share paid for fully paid shares during the financial half-year	7.75 cent	8.25 cents

Dividends paid are fully franked at the tax rate of 30 cents in the dollar.

Notes to the financial statements

7. Reserves

	Consolidated	
	31 Dec 2020	**30 Jun 2020**
	$'000	**$'000**
Cash flow hedge reserve - interest rate swap	10,755	12,115
Share of changes in equity in associate – net of tax	1,583	2,486
	12,338	**14,601**
Movement in reserves		
Opening balance at 1 July	14,601	12,871
(Increase)/decrease in fair value of cash flow hedge (net of tax)	(1,360)	1,145
(Increase)/decrease in fair value of cash flow hedge and transaction costs of associate (net of tax)	(903)	585
Closing balance	**12,338**	**14,601**

COMMITMENTS AND CONTINGENCIES

8. Commitments

At 31 December 2020, the consolidated entity had no material capital or other expenditure commitments other than as disclosed.

Contractual capital and other expenditure commitments

Estimated major expenditure contracted for at reporting date, but not provided for is as follows:

	Consolidated	
	31 Dec 2020	**30 Jun 2020**
	$'000	**$'000**
- payable not later than one year	2,750	3,778
- payable later than one year but not later than five years	2,681	4,120
- payable later than five years	10	7
	5,441	**7,905**
Capital project commitments		
- payable not later than one year	495	2,628

9. Contingent assets and contingent liabilities

As at 31 December 2020, the consolidated entity had no significant contingent assets or contingent liabilities.

10. Events after the reporting period

The impact of the COVID-19 pandemic remains ongoing, and while the financial impact has been well managed for the consolidated entity up to 31 December 2020, it is not practical to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing in certain states of Australia and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Despite the situation as described above, the impact of the Covid-19 pandemic on the consolidated entity since 1 January 2021 has not been significant, and we continue to manage the situation closely.

There are no significant events that have occurred subsequent to the end of the half-year that have not been disclosed in this report.

Directors' declaration

In the Directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards AASB134 "Interim Financial Reporting", the Corporations Regulations 2001 and other mandatory professional reporting requirements,
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the financial half-year ended on that date, and
- there are reasonable grounds to believe that Brisbane Markets Limited will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of Directors.

On behalf of the Directors

A J Joseph
Chairman

A Young
Director

24 February 2020 at Brisbane

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Brisbane Markets Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Brisbane Markets Limited (the Company) and its subsidiaries (the Group), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, a summary of statement of accounting policies and other explanatory information, and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 31 December 2020 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 Company 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 Company, 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 Company 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.

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia 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 Group's financial position as at 31 December 2020 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*.

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

BDO

D P Wright
Director

Brisbane, 24 February 2021

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia 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.