ABN 39 064 983 017

AND CONTROLLED ENTITIES

Financial Report for the half-year ended 31 December 2022

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2022.

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Directors' report
31 December 2022

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 2022.

Directors

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

Anthony Robert Kelly

Peter Gerard Tighe

Bruce Miles Hatcher

Stuart Anthony Lummis

Nicole Radice

Noel Anthony Greenhalgh

Stephen Edwards

Andrew Alexander George Young

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 2022 was a loss of $4.17 million (2021: profit of $26.67 million). The underlying performance for the period of $7.90 Million operating profit was a slight reduction when compared with the same period last year. The Investment Property valuation impact reflects an upward movement in yields, with the resultant negative impact on Net Profit before tax of $14.136 million. The operating result (non IFRS) for the period is summarised below.

	December 2022	December 2021	Change
	$ million	$ million	
Brisbane Markets Limited Operating Profit	7.90	8.44	(6.40%)
Brisbane Markets Limited Revaluation	(14.13)	28.13	
Flood recovery related expenditure	(0.19)	-	
Share of Profit/(Loss) from Perth Markets Group Limited*	0.04	1.12	
Dividend Received and Investment Movement*	0.03	0.04	
Net Profit before Income Tax	**(6.35)**	**37.73**	
Income Tax Benefit/(Expense)	2.18	(11.06)	
Net Profit after Income Tax	**(4.17)**	**26.67**	

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

Directors' report
31 December 2022

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 $430.0 million at 31 December 2022 (30 June 2022 was $425.0 million). The property valuation was completed by an independent valuer. This resulted in a recorded decline in investment property value of $14.13 million, reflecting a softening in the investment yields being sought for high quality industrial property in Brisbane.
- The $23.2 million, 5,987 m² Building H1 development project is well progressed and is scheduled for practical completion in mid-March 2023. Only finishing touches are left to be completed, including the installation of the concrete hardstand for the small vehicle docks, concrete kickers, doorways, external landscaping, as well as high level and office space services, fittings, and furnishings.
- The operational works permit is in place and bulk earth works have commenced on the new 321-space parking facility in South Gate West (SGW). The car park is designed to fulfill parking requirements for the future expansion plans for the South Gate West precinct.
- The practical completion of the 577 m² Building N cold room extension occurred in mid-February 2023. Steel framing, roofing, cladding cold room panelling and asphalt resurfacing have all been completed, as has the installation of services. Minor fit out works, including concrete kickers, doorways, Armco barriers and bollard installation are expected to be completed shortly.
- Flood mitigation works are being progressed. New access stairs and a platform (9.5 m AHD) which will house the main building board at Building I will be installed by March. Works are underway to manufacture new flood monitoring systems which will be located to the south of Building E1 and north of Building F1.
- All critical spares for dock levellers and the LPG Facility have been delivered to site and are stored in containers above peak flood levels at CP1. 90% of critical electrical spares for tenancy and main distribution boards have been received by Crisp Power and Control, with 70% already on site for checking and packaging before being stored in containers at CP1. BML is currently awaiting budget costs for the design for raising the street and bridge access to Brisbane Markets at Curzon Street.
- The Consolidated Entity lodged a Bidders Statement with ASIC on 1 November 2022, offering to acquire 65% of shares on issue in Perth Markets Group Limited, that are not owned by the Consolidated Entity, for $3.30 per share, and subsequently increased the offer price to $3.40 on 2 December 2022. The offer for purchase of shares was extended until 31 January 2023, and was still open for acceptance by shareholders at 31 December 2022.
- The Consolidated Entity has established a Protected Cell Captive due to ongoing challenges in securing full insurance coverage at an affordable price in the Australian market. Over time, the Protected Cell Captive arrangement will facilitate the partial self insurance of certain insurable risks. An initial subscription of $3 million has been made to Mangrove Insurance Guernsey PCC Limited.
- Consistent with prior years, the Brisbane Markets site continues to maintain an exceptional occupancy rate of 98.48% at 31 December 2022, with the weighted average lease expiry by income at 5.58 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 Consolidated Entity lodged a proportional takeover bid to acquire shares in Perth Markets Group Limited, as mentioned above. Acceptances have been received for 1,532,974 shares for a cash consideration of $3.40 per share, or a total amount of $5,212,111.60. The bid closed on 31 January 2023 and the share transfers are complete.

Directors' report
31 December 2022

Other than the above, 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.

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 2022. 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.

P Tighe
Director

A Young
Director

22 March 2023

Auditors' independence declaration

Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

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 2022, 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, 22 March 2023

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 2022

	Note	Consolidated 31 Dec 2022 $'000	Consolidated 31 Dec 2021 $'000
Revenue			
Rent revenue		14,333	14,079
Revenue from contracts with customers			
Service revenue		4,757	5,245
Recoveries revenue		3,150	2,837
Entry fees and parking		1,139	1,196
Marketing revenue		232	190
Other		151	202
		9,429	9,670
Other Income			
Fair Value Increase in Investment property	4(a)	-	28,129
Share of net profits of associates	5	913	1,293
Insurance Recovery		11	-
Financial Asset at fair value through profit and loss		25	15
Other		94	65
		1,043	29,502
Total revenue and other income		**24,805**	**53,251**
Expenses			
Fair Value reduction in Investment property	4(a)	14,126	-
Finance costs		3,879	2,862
Direct costs of services provided		2,995	3,656
Employee benefits expenses		3,514	3,242
Site operating costs		3,591	3,376
Other expenses		1,369	841
Repairs and maintenance		672	563
Depreciation and amortisation expense		327	371
Defined contribution superannuation expense		313	270
Marketing and promotion - general		313	240
Marketing and promotion - Retail Market		54	97
Total expenses		**31,153**	**15,518**
Profit before income tax expense		**(6,348)**	**37,733**
Income tax benefit / (expense)		2,182	(11,062)
Profit after income tax for the half-year		**(4,166)**	**26,671**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedge reserve (movement in interest rate swaps)		1,030	3,136
Income tax relating to cash flow hedge reserve		(311)	(942)
	9	719	2,194
Share of other comprehensive income of associates (net of tax)	9	36	293
Other comprehensive income for the half-year, net of tax		**755**	**2,487**
Total comprehensive income for the half-year		**(3,411)**	**29,158**
Profit attributable to:			
Owners of Brisbane Markets Limited		**(4,166)**	**26,671**
Total comprehensive income attributable to:			
Owners of Brisbane Markets Limited		**(3,411)**	**29,158**

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

Statement of financial position
As at 31 December 2022

	Note	Consolidated 31 Dec 2022 $'000	Consolidated 30 Jun 2022 $'000
Assets			
Current assets			
Cash and cash equivalents	2	4,715	5,591
Other current assets	3	12,880	12,513
Trade and other receivables		1,936	1,557
Short Term Finance Receivables		73	71
Inventories		495	79
Total current assets		**20,099**	**19,811**
Non-current assets			
Investment properties	4	430,000	425,000
Investment accounted using the equity method	5	56,597	56,492
Property, plant and equipment		1,730	1,929
Financial Asset at Fair Value through profit or loss	6	2,585	2,561
Intangible assets		500	500
Right of use asset		21	25
Other Long Term Receivables		618	656
Total non-current assets		**492,051**	**487,163**
Total assets		**512,150**	**506,974**
Liabilities			
Current liabilities			
Trade and other payables		14,015	8,732
Current tax liabilities		289	137
Employee entitlements		353	294
Lease Liabilities		10	10
Total current liabilities		**14,667**	**9,173**
Non-current liabilities			
Borrowings		165,693	154,693
Deferred tax liabilities		70,342	72,860
Derivatives		1,001	2,031
Trade and other payables		971	960
Employee entitlements		109	114
Lease Liabilities		12	17
Total non-current liabilities		**238,128**	**230,675**
Total liabilities		**252,795**	**239,848**
Net assets		**259,355**	**267,126**
Equity			
Contributed equity	7	90,092	90,092
Reserves	9	(1,124)	(1,879)
Retained profits		170,387	178,913
Total equity		**259,355**	**267,126**

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 2022

		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 2021	**90,092**	**(8,454)**	**(1,375)**	**125,785**	**206,048**
Profit after income tax for the half-year	-	-	-	26,671	26,671
Other comprehensive income for the half-year, net of tax:					
Change in fair value of cash flow hedge	-	2,194	-	-	2,194
Net change in fair value of cash flow hedge in associate	-	-	293	-	293
Total comprehensive income for the half-year	**-**	**2,194**	**293**	**26,671**	**29,158**
	-	-	-	-	-
Dividends paid	-	-	**-**	(4,496)	(4,496)
Balance at 31 Dec 2021	**90,092**	**(6,260)**	**(1,082)**	**147,960**	**230,710**
Balance at 1 July 2022	**90,092**	**(1,422)**	**(457)**	**178,913**	**267,126**
Profit after income tax for the half-year	-	-	-	(4,166)	(4,166)
Other comprehensive income for the half-year, net of tax:					
Change in fair value of cash flow hedge 9	-	719	-	-	719
Net change in fair value of cash flow hedge in associate 9	-	-	36	-	36
Total comprehensive income for the half-year	**-**	**719**	**36**	**(4,166)**	**(3,411)**
Dividends paid 8	-	-	-	(4,360)	(4,360)
Balance at 31 Dec 2022	**90,092**	**(703)**	**(421)**	**170,387**	**259,355**

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 2022

	Note	Consolidated 31 Dec 2022 $'000	Consolidated 31 Dec 2021 $'000
Cash flows from operating activities			
Cash receipts from customers		28,259	21,481
Cash paid to suppliers and employees		(18,503)	(10,584)
		9,756	10,897
Interest received		37	-
Insurance Recovery		10,011	-
Finance costs		(3,128)	(2,798)
Income taxes paid		(666)	(868)
Net cash provided by operating activities		**16,010**	**7,231**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		4	57
Payments relating to investment properties		(17,551)	(3,642)
Purchase of plant and equipment		(123)	(455)
Payment for future investment	3	(6,800)	-
Distributions from associate	5	859	854
Other dividends		34	30
Net cash used in investing activities		**(23,577)**	**(3,156)**
Cash flows from financing activities			
Dividends paid	8	(4,360)	(4,496)
Proceeds from/(repayment of) borrowings		11,000	(3,000)
Repayment of Lease Liabilities		(6)	(6)
Hire purchase instalments received		57	57
Net cash provided by/(used in) financing activities		**6,691**	**(7,445)**
Net increase/(decrease) in cash and cash equivalents		**(876)**	**(3,370)**
Cash and cash equivalents at beginning of half-year		5,591	5,794
Cash and cash equivalents at end of the half-year		**4,715**	**2,424**

Cash and cash equivalents at the end of the year are represented by:

Cash and Cash Equivalents	1,715	2,424
Restricted Cash Held	3,000	-
	4,715	2,424

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 2022 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 2022 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 2022 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 $430 million (30 June 2022: $425 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 a Valuation Report prepared by Charter Keck Cramer at 31 December 2022. In assessing the value of investment property, the Directors relied on information provided by the Valuer in their report. Refer to Note 3 for further details.

Notes to the financial statements

ASSETS AND LIABILITIES

2. Cash and Cash Equivalents

	Consolidated	
	31 Dec 2022	30 Jun 2022
	$'000	$'000
Cash at Bank	1,715	5,591
Restricted Cash held	3,000	-
	4,715	**5,591**

Mangrove Insurance Guernsey PCC Limited (BML Cell) is included in the consolidated financial report, and any cash held by this entity is restricted to purposes permitted by the Business Plan for that entity, being provision of insurance services. The restricted cash held at balance date is $3 million.

3. Other Current Assets

	Consolidated	
	31 Dec 2022	30 Jun 2022
	$'000	$'000
Sundry Debtors	203	16
Deposit – Future Investment	6,800	-
Prepayments	5,877	2,497
Insurance Recovery Receivable	-	10,000
	12,880	**12,513**

(a) Deposit – Future Investment

The Consolidated Entity lodged a proportional takeover bid to acquire shares in Perth Markets Group Limited. Based on the acceptances received at balance date, a payment was required to be made to Link Market Services who managed the settlement of the acceptances on behalf of the Consolidated Entity. The settlement of share transfers was completed after balance date and the balance of the deposit was refunded.

4. 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 2022	30 Jun 2022
	$'000	$'000
Freehold land, buildings and improvements		
Carrying amount at beginning of financial year	425,000	372,000
Revaluation increment/(decrement)	(14,126)	42,849
Additions	19,271	10,066
Disposals	-	(22)
Lease Costs and incentives	6	388
Amortisation of lease costs and incentives	(151)	(276)
Disposal of lease costs and incentives	-	(5)
Carrying amount at end of period	**430,000**	**425,000**

Notes to the financial statements

Summary		
Freehold land, buildings and improvements – 250 Sherwood Road, 385 Sherwood Road, and 91 Curzon Street, Rocklea.	430,000	425,000
Total investment properties at fair value	**430,000**	**425,000**

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

	Consolidated	
	31 Dec 2022	**31 Dec 2021**
	$'000	**$'000**
Rental from investment property	14,333	14,079
Direct operating expense from property that generated rental income	(4,630)	(4,276)
	9,703	**9,803**

(c) A Valuation Report at 31 December 2022 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 Property, consistent with the valuation methodology applied in prior periods, the independent valuer has considered discounted cash flows, capitalisation of net market income and direct comparison methods. The valuation included a softening in the discount rate and capitalisation rate applied, which has contributed to the write down in Investment Property value to the valuation amount.

5. Investment in associates

	Consolidated	
	31 Dec 2022	**30 Jun 2022**
	$'000	**$'000**
Investment in Perth Markets Group Limited:		
Carrying amount at beginning of financial year	56,492	37,628
Share of profit/(loss) after tax	913	19,241
Net share of other comprehensive income/(loss) after tax	51	1,313
Share of distributions received/receivable from associate	(859)	(1,690)
Carrying amount at end of period	**56,597**	**56,492**

6. Financial assets

	Consolidated	
	31 Dec 2022	**30 Jun 2022**
Investment in South Australian Produce Market Limited:		
Share investment, fair value through profit or loss	2,585	2,561

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

Notes to the financial statements

CAPITAL, FINANCING AND RISK MANAGEMENT

7. Contributed equity

			Consolidated	
Issued and paid up capital	**31 Dec 2022**	**30 Jun 2022**	**31 Dec 2022**	**30 Jun 2022**
	Number	**Number**	**$**	**$**
Fully Paid Ordinary shares	54,500,000	54,500,000	90,092,405	90,092,405
Industry shares	4	4	30	30

8. Dividends

	Consolidated	
	31 Dec 2022	**31 Dec 2021**
	$'000	**$'000**
Dividends provided for or paid during the half-year:		
Final fully franked ordinary dividends (fully paid shares)	4,360	4,496
	4,360	**4,496**
Dividend per share paid for fully paid shares during the financial half-year	8.0 cents	8.25 cents

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

9. Reserves

	Consolidated	
	31 Dec 2022	**30 Jun 2022**
	$'000	**$'000**
Cash flow hedge reserve - interest rate swap	703	1,422
Share of changes in equity in associate – net of tax	421	457
	1,124	**1,879**
Movement in reserves		
Opening balance at 1 July	1,879	9,829
(Increase)/decrease in fair value of cash flow hedge (net of tax)	(719)	(7,032)
(Increase)/decrease in fair value of cash flow hedge and transaction costs of associate (net of tax)	(36)	(918)
Closing balance	**1,124**	**1,879**

Notes to the financial statements

GROUP STRUCTURE

10. Interest in Subsidiaries

Name	Principal place of business/ country of incorporation	Ownership interest 2022 %	Ownership interest 2021 %
Brisbane MarketPlace Pty Ltd	Australia	100%	100%
Mangrove Insurance Guernsey PCC Limited (BML Cell)	Guernsey	100%	0%

During the six month period ended 31 December 2022, the consolidated entity made a $3 million subscription for shares in Mangrove Insurance Guernsey PCC Limited (BML Cell).

Mangrove Insurance Guernsey PCC Limited (BML Cell) will write certain insurance agreements and reinsurance agreements which contribute to the insurance program of the consolidated entity.

Under the terms of the legal arrangement with this entity, the consolidated entity has control of the assets of the entity and participates in the profits and losses of the entity. Mangrove Insurance Guernsey PCC Limited (BML Cell) is included in the consolidated financial report, and any cash held by this entity is restricted to purposes permitted by the Business Plan for that entity, being provision of insurance services.

COMMITMENTS AND CONTINGENCIES

11. Commitments

At 31 December 2022, 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 2022	30 Jun 2022
	$'000	$'000
- payable not later than one year	1,597	2,701
- payable later than one year but not later than five years	178	1,794
- payable later than five years	-	10
Capital project commitments		
- payable not later than one year	6,805	19,044

12. Contingent assets and contingent liabilities

As at 31 December 2022, the consolidated entity had no significant contingent assets or contingent liabilities.

13. Events after the reporting period

The Consolidated Entity lodged a proportional takeover bid to acquire shares in Perth Markets Group Limited, as mentioned above. Acceptances have been received for 1,532,974 shares for a cash consideration of $3.40 per share, or a total amount of $5,212,111.60. The bid closed on 31 January 2023 and the share transfers are complete.

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 2022 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

P Tighe
Director

A Young
Director

22 March 2023 at Brisbane

Independent auditor's review report

Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

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 31December 2022, 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 significant accounting policies and other explanatoryinformation, 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 2022 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.

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.

Independent 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.

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 2022and 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, 22 March 2023

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