

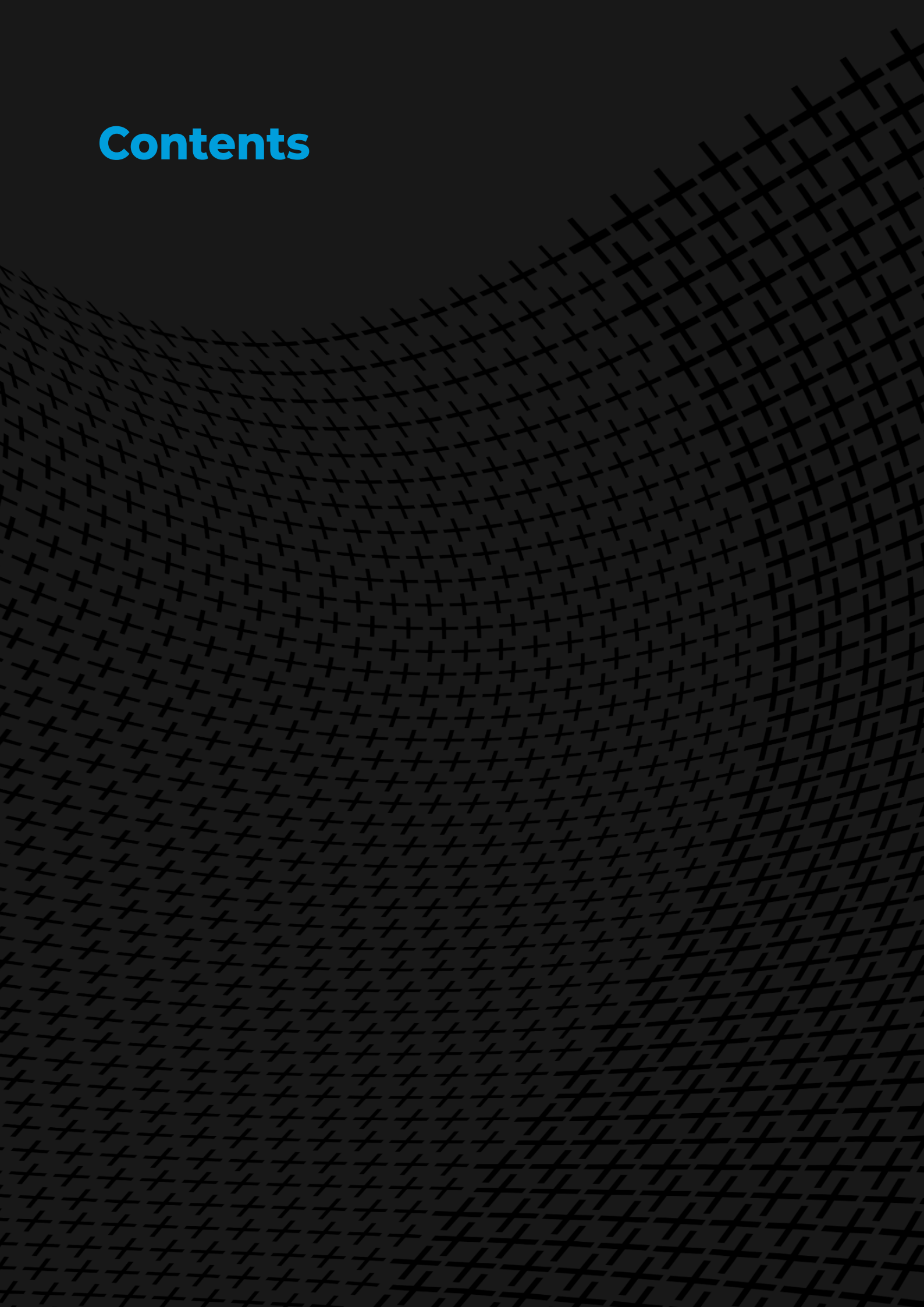


ASSET PLUS+
AUGUSTA

INTERIM REPORT 2020
FOR THE SIX MONTHS ENDED
SEPTEMBER 2020

This Interim Financial Report for Asset Plus Limited (including Subsidiaries)
covers the trading period from 1st April to 30th September 2020.

Contents



Interim Condensed Consolidated Statement of Comprehensive Income

For the Six Months Ended 30 September 2020

	Note	Unaudited 30 Sep 2020 \$'000	Unaudited 30 Sep 2019 \$'000
Gross Rental Revenue	4	6,635	6,927
Direct Property Operating Expenses		(1,967)	(1,894)
Net Rental Revenue		4,668	5,033
Administration Expenses	5	(686)	(778)
Net Finance Costs	5	(656)	(696)
Total Operating Expenses		(1,342)	(1,474)
Total Operating Income		3,326	3,559
Gain on Sale of Investment Property		-	23
Net Fair Value Gain on Investment Properties	9	8,868	-
Transaction Costs	6	(12)	(827)
Net Profit Before Taxation		12,182	2,755
Income Tax	7	(647)	(748)
Net Profit After Taxation		11,535	2,007
Other Comprehensive Income		-	-
Total Comprehensive Income For the Period		11,535	2,007
Basic and Diluted Earnings Per Share (cents)	12	6.80	1.24

The above interim condensed consolidated statement should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Changes In Equity

For the Six Months Ended 30 September 2020

	Note	Share Capital \$'000	Accumulated Losses \$'000	Total \$'000
Opening Balance at 1 April 2020 (audited)		134,089	(42,294)	91,795
Net Profit After Taxation		-	11,535	11,535
Total Comprehensive Income For the Period		-	11,535	11,535
Shares Issued	11	28,671	-	28,671
Issue Costs		(897)	-	(897)
Dividends	13	-	(740)	(740)
Closing Balance at 30 September 2020 (unaudited)		161,863	(31,499)	130,364

For the Six Months Ended 30 September 2019

	Note	Share Capital \$'000	Accumulated Losses \$'000	Total \$'000
Opening Balance at 01 April 2019 (audited)		134,089	(21,775)	112,314
Net Profit After Taxation		-	2,007	2,007
Total Comprehensive Income For the Period			2,007	2,007
Dividends	13		(2,915)	(2,915)
Closing Balance at 30 September 2019 (unaudited)		134,089	(22,683)	111,406

The above interim condensed consolidated statement should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Financial Position

As at 30 September 2020

	Note	Unaudited As at 30 Sep 2020 \$'000	Audited As at 31 Mar 2020 \$'000
Current Assets			
Cash and Cash Equivalents		732	98
Trade Receivables, Other Receivables and Prepayments		1,773	1,420
Total Current Assets		2,505	1,518
Non-Current Assets			
Investment Properties	9	158,537	143,559
Total Non-Current Assets		158,537	143,559
Total Assets		161,042	145,077
Current Liabilities			
Trade Payables, Accruals and Provisions		2,033	1,804
Taxation Payable		352	707
Other Current Liabilities		208	175
Total Current Liabilities		2,593	2,686
Non-Current Liabilities			
Borrowings	10	26,600	49,250
Deferred Taxation	7	1,485	1,346
Total Non-Current Liabilities		28,085	50,596
Total Liabilities		30,678	53,282
Net Assets		130,364	91,795
Contributed Capital		161,863	134,089
Accumulated Losses		(31,499)	(42,294)
Shareholders Equity		130,364	91,795

The Board of Asset Plus Limited approved the interim condensed consolidated financial statements for issue on 25 November 2020.



Bruce Cotterill
Chairman



Carol Campbell
Chair Audit and Risk Committee

The above interim condensed consolidated statement should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Cash Flows

For the Six Months Ended 30 September 2020

	Note	Unaudited 30 Sep 2020 \$'000	Unaudited 30 Sep 2019 \$'000
Cash Flows from Operating Activities			
Cash was provided from/(applied to):			
Gross Rental Revenue		6,407	7,486
Operating Expenses		(2,841)	(3,233)
Interest Income		-	4
Interest Expense		(675)	(754)
Taxation Paid		(863)	(448)
Net Cash Inflow from Operating Activities		2,028	3,055
Cash Flows from Investing Activities			
Cash was provided from/(applied to):			
Acquisition of Investment Property		(2,262)	(58,580)
Deposit received from Property Held for Sale		-	250
Capital Expenditure on Investment Properties		(3,337)	(516)
Transaction Costs		(12)	(827)
Net Cash Outflow from Investing Activities		(5,611)	(59,673)
Cash Flows from Financing Activities			
Cash was provided from/(applied to):			
Repayment of Borrowings		(28,000)	(10,500)
Proceeds from Borrowings		5,350	69,700
Distributions Made to Shareholders	13	(740)	(2,915)
Net Proceeds from Capital Raise		27,607	-
Net Cash Inflow from Financing Activities		4,217	56,285
Net Increase/(Decrease) in Cash and Cash Equivalents		634	(333)
Cash and Cash Equivalents at the Beginning of the Period		98	781
Cash and Cash Equivalents at the End of the Period		732	448

The above interim condensed consolidated statement should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Cash Flows (Continued)

For the Six Months Ended 30 September 2020

Reconciliation of Net Profit to Net Cash Flow from Operating Activities

	Note	Unaudited 30 Sep 2020 \$'000	Unaudited 30 Sep 2019 \$'000
Net Profit after Taxation		11,535	2,007
Items Classified as Investing or Financing Activities:			
Transaction Costs	6	12	827
Finance Costs		-	(52)
Movements in Working Capital Items:			
Trade Receivables, Other Receivables and Prepayments		(226)	646
Trade Payables, Accruals and Provisions		(234)	(650)
Taxation Payable		(355)	339
Non-Cash Items:			
Doubtful Debts		25	-
Net Fair Value Gain on Investment Properties	9	(8,868)	-
Movement in Deferred Taxation		139	(39)
Gain on Sale of Investment Property		-	(23)
Net Cash Inflow from Operating Activities		2,028	3,055

The above interim condensed consolidated statement should be read in conjunction with the accompanying notes.

Notes to the Interim Condensed Consolidated Financial Statements

For the Six Months Ended 30 September 2020

1. Corporate Information

The interim condensed consolidated financial statements comprise of Asset Plus Limited (the "Company") and its subsidiary (collectively the "Group").

The Company is a limited liability company incorporated and domiciled in New Zealand whose shares are listed on the New Zealand Stock Exchange. The Company is an FMC Reporting Entity under the Financial Markets Conduct Act 2013. The registered office is located at Level 2, Bayleys House, 30 Gaunt Street, Wynyard Quarter, Auckland.

The nature of the operations and principal activities of the Group are investing in industrial, retail and commercial property in New Zealand.

2. Statement of Compliance and Basis of Preparation

The interim condensed consolidated financial statements for the six months ended 30 September 2020 have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"), the requirements of the Financial Markets Conduct Act 2013 and the Main Board listing rules of the New Zealand Stock Exchange. They also comply with the New Zealand Equivalent to International Accounting Standard NZ IAS 34 "Interim Financial Reporting".

The interim condensed consolidated financial statements have been prepared under the assumption that the Group operates on a going concern basis and are presented in New Zealand dollars with all values rounded to the nearest thousand dollars (\$'000), except where otherwise indicated.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 March 2020.

(a) Basis of Preparation

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for investment properties which have been measured at fair value.

Changes in accounting policies

The accounting policies adopted are consistent with those of the most recent annual financial statements for the year ended 31 March 2020. There have been no new accounting standards adopted in the current reporting period. Certain comparative information has been reclassified to conform with the current reporting period's presentation.

(b) Basis of Consolidation

The interim condensed consolidated financial statements incorporate the assets, liabilities, equity, income, expenses and cash flows of the entities controlled by the Company at the end of the reporting period. A controlled entity is any entity over which Asset Plus Limited has the power to direct relevant activities, exposure or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of investor return.

In preparing these interim condensed consolidated financial statements, subsidiaries are consolidated from the date the Group gains control until the date on which control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the interim condensed consolidated financial statements, all intercompany balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends have been eliminated in full.

The table below represents the Company's investment in its subsidiary as at each reporting date:

	Percentage Held	
	30 September 2020	31 March 2020
Asset Plus Investments Limited	100%	100%

(c) Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the item as applicable.

All items in the interim condensed consolidated statement of financial position are stated net of GST, with the exception of receivables and payables, which include GST invoiced. Cash flows are included in the interim condensed consolidated statement of cash flows on a net basis and the GST component of cash flows arising from investing and financing activities is classified as part of operating activities.

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2020

3. Significant Accounting Estimates and Judgements

The preparation of these interim condensed consolidated financial statements requires the use of certain critical accounting estimates.

It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although the Group has internal control systems in place to ensure that estimates can be reliably measured, actual amounts may differ from those estimates. The areas involving a higher degree of judgement or areas where assumptions are significant to the Group include the following:

- Determination of Deferred Taxes (Note 7)
- Determination of Fair Value of Investment Properties (Note 9)

Impact of COVID-19

The outbreak of the Coronavirus (COVID-19) was declared by the World Health Organisation as a 'Global Pandemic' on 11 March 2020. Since that time there has been increased adverse impact on global financial markets. The 'global pandemic' has caused heightened uncertainty over the economy and financial markets.

Since March 2020, New Zealand has gone from a Government-directed 'Alert Level 4' full-lockdown to an 'Alert Level 1' status which has allowed most people to return to places of work, shops and restaurants with only minimal restrictions. People in New Zealand now have back some of the pre-COVID-19 normality

although there is the ever present risk if the number of COVID-19 cases increases locally, the Government may have to increase the Alert Level restrictions again.

Key impacts to key estimates and judgements used in these unaudited interim financial statements:

- The current response to COVID-19 means that valuers are faced with an unprecedented set of circumstances on which to base a judgement. Valuations are therefore reported on the basis of 'material valuation uncertainty' existing at the time they issued their report. Consequently, less certainty (and a higher degree of caution) should be attached to the valuations than would normally be the case. The investment properties were re-valued as at 31 August 2020. All valuations, except for the 35 Graham St and Kamo properties, were also concluded on the basis of 'material valuation uncertainty'. The 35 Graham St and Kamo properties were concluded on the basis of 'uncertainty'.
- A large number of the Company's tenants were impacted by the uncertainty and disruptions since March 2020. The Company has worked on a tenant-by-tenant basis and provided appropriate support during this period. This support was primarily in the form of rental abatements and relief (Note 4 - Gross Rental Revenue).
- The re-introduction of depreciation allowances for commercial building structures will impact tax expense estimates for future periods. (Note 7 - Income Tax).

4. Gross Rental Revenue

	Unaudited 6 months 30 Sep 2020	Unaudited 6 months 30 Sep 2019
	\$'000	\$'000
<i>Gross rental revenue comprises amounts received and receivable by the Group for:</i>		
Gross rental receipts	6,499	7,104
Capitalised lease incentive adjustments	(49)	(177)
Rental income deferred and abated due to COVID-19	185	-
Total Gross Rental Revenue	6,635	6,927

During the six month period ending 30 September 2020, rental abatements and relief to the value of \$0.54 million (Sep 19: \$Nil) was granted to some of the tenants and is recognised as part of gross rental receipts. In addition, some of the abatements and relief are classified as lease modifications. In the case of a lease modification, relief granted is added and recognised as 'rental income deferred and abated due to COVID-19'. This is amortised straight line over the remaining lease period.

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2020

5. Administration Expenses and Net Finance Costs

	Unaudited 6 months 30 Sep 2020 \$'000	Unaudited 6 months 30 Sep 2019 \$'000
Management Fees	(371)	(396)
Directors' Fees	(150)	(150)
Auditor's Remuneration ⁽¹⁾	(19)	(21)
Professional Fees	(55)	(127)
Other Administration Costs	(91)	(84)
Total Administration Expenses	(686)	(778)
Net Finance Costs		
Interest and Finance Charges	(656)	(701)
Interest Income	-	5
Net Finance Costs	(656)	(696)

⁽¹⁾ Other assurance fees paid to auditors of \$20,350 for the six month period ended 30 September 2020 in respect of the Equity Raise has been recognised as 'Issue Costs' in the Interim Condensed Consolidated Statement of Changes in Equity.

6. Transaction Costs

During the six month period ended 30 September 2020 \$0.012 million of transaction costs were recognised. In the prior comparative period (six month period ended 30 September 2019) investigative work was undertaken to acquire two separate businesses. This cost included substantive due diligence, financial investigative and legal costs for the Company collectively known as transaction costs. During that period, \$0.827 million of transaction costs were incurred.

7. Income Tax

Major components of income tax expense are:

	Unaudited 6 months 30 Sep 2020 \$'000	Unaudited 6 months 30 Sep 2019 \$'000
Statement of Profit and Loss		
<i>Current Tax</i>		
Continuing Operations - Current Income Tax Charge	(508)	(787)
Current Tax	(508)	(787)
<i>Net Deferred Income Tax</i>		
Investment Property Building Depreciation	(184)	-
Other	45	39
Net Deferred Income Tax	(139)	39
Income Tax Reported in the Interim Condensed Consolidated Statement of Comprehensive Income	(647)	(748)

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2020

Deferred Income Tax

Net deferred income tax liability relates to the following:

	Unaudited As at 30 Sep 2020 \$'000	Audited As at 31 Mar 2020 \$'000
<i>Deferred Income Tax Liabilities:</i>		
Investment Properties Recoverable Depreciation	(1,532)	(1,347)
Other	47	1
Deferred Taxation	(1,485)	(1,346)

8. Segment Reporting

The principal business activity of the Group is to invest in New Zealand properties. Investment properties have similar economic characteristics, methods of management and are under leases of various terms. Segment reporting is presented in a consistent manner with internal reporting provided to the chief operating decision maker, the Board. The Board receives internal financial information on a property by property basis, assesses property performance and decides on the resource allocation. The Group operates only in New Zealand. On this basis all of the Group's properties have been aggregated into a single reporting segment to most appropriately reflect the nature and financial effects of the business activities. The Group has no unallocated revenue, expenses, assets or liabilities and this approach has been applied to comparative periods.

9. Investment Properties

The tables below outline the movements in the carrying values for all directly owned investment properties:

Unaudited as at 30 September 2020	Opening fair value balance	Acquisitions	Capex	Lease amortisation & other	Net fair value gain/ (loss) on investment properties	Fair value at balance date	WIP ⁽¹⁾	Closing balance
Eastgate Shopping Centre	46,950	-	52	(13)	411	47,400	-	47,400
Stoddard Road	37,500	-	-	181	819	38,500	-	38,500
Graham Street	50,100	-	-	-	7,400	57,500	1,506	59,006
Munroe Lane	7,500	-	-	-	-	7,500	3,631	11,131
Kamo*	-	2,262	-	-	238	2,500	-	2,500
Total Investment Properties	142,050	2,262	52	168	8,868	153,400	5,137	158,537

* The acquisition of 34 Springs Flat Road, Kamo, Whangarei was settled on 29 July 2020.

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2020

Audited as at 30 March 2020	Opening fair value balance	Acquisitions	Capex	Lease amortisation & other	Net fair value gain/ (loss) on investment properties	Fair value at balance date	WIP ⁽¹⁾	Closing balance
Eastgate Shopping Centre	54,577	-	1,234	(39)	(8,822)	46,950	-	46,950
Stoddard Road	39,500	-	-	(10)	(1,990)	37,500	-	37,500
Graham Street*	-	58,580	-	-	(8,480)	50,100	396	50,496
Munroe Lane**	-	7,323	-	-	177	7,500	1,113	8,613
Total Investment Properties	94,077	65,903	1,234	(49)	(19,115)	142,050	1,509	143,559

* The acquisition of 35 Graham Street, Auckland was approved by shareholders at a special meeting held on 17 June 2019. The purchase of this property settled on 28 June 2019.

** The acquisition of 6 - 8 Munroe Lane, Albany, Auckland settled on 2 December 2019.

⁽¹⁾ WIP (work in progress) relates to costs incurred in relation to future development work at 35 Graham St and Munroe Lane which were not included in the inputs to the valuation calculation by the independent valuers. These costs include design, consents and other direct costs capitalised as development costs.

All investment properties were valued by an independent valuer (JLL) as at 31 August 2020. The Directors have determined that there have been no material changes which would effect the fair value of investment properties as at reporting date therefore no updated independent valuations have been commissioned for 30 September 2020.

10. Borrowings

Facility	Bank	Loan maturity	Unaudited As at 30 Sep 2020 \$'000	Audited As at 31 Mar 2020 \$'000
Investment Property Facility	BNZ	28 June 2022	26,600	49,250
Total			26,600	49,250

Financing facilities available

At reporting date, the following financial facilities had been negotiated and were available:

	Unaudited As at 30 Sep 2020 \$'000	Audited As at 31 Mar 2020 \$'000
Facility used at reporting date - secured bank loan (BNZ)	26,600	49,250
Facility unused at reporting date - secured bank loan (BNZ)	48,400	25,750
Total	75,000	75,000

On 2 October 2020, the remaining \$26.6 million debt balance was repaid. Refer to Note 16 Subsequent Events for more information on the existing bank facilities.

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2020

11. Equity

Issued capital and reserves

	Unaudited As at 30 Sep 2020 \$'000	Audited As at 31 Mar 2020 \$'000
<i>Ordinary Shares</i>		
Number of issued and fully paid shares	257,489	161,920

Ordinary shares have no par value. Fully paid and ordinary shares carry one vote per share, and share equally in dividends and any surplus on winding up.

On 10 September 2020, the Company announced an equity raising of approximately \$60.2 million (200.8 million shares) via a \$12.1 million underwritten placement (40.5 million shares) and a \$48.1 million entitlement offer (160.3 million shares).

As at 30 September 2020, \$28.7 million of cash had been received (95.5 million shares issued).

Refer to Note 16 Subsequent Events for more information on the completion of the remaining retail component of the entitlement offer.

12. Earnings Per Share

	Unaudited 6 months 30 Sep 2020	Unaudited 6 months 30 Sep 2019
Total Comprehensive Income for the Period (\$'000)	11,535	2,007
Weighted Average Number of Ordinary Shares ('000)	169,754	161,920
Earnings Per Share (Cents) - Basic and Fully Diluted	6.80	1.24

13. Dividends Paid To Shareholders

Dividends paid during the period comprised:

	For the six months ended 30 September 2020			For the six months ended 30 September 2019		
	CPS	\$'000	Date Paid	CPS	\$'000	Date Paid
Q4 Prior Year Net Dividend	0.000	-	n/a	0.900	1,457	20/06/19
Q1 Net Dividend	0.450	740	12/08/20	0.900	1,458	4/09/19
Total Paid During the Period	0.450	740		1.800	2,915	

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2020

14. Related Parties

Augusta Funds Management Limited owns the management contract rights of the Group. The Parent of Augusta Funds Management Limited, Augusta Capital Limited, owns 19.96% of Asset Plus Limited (Sep 2019: 18.85%). Subsequent to 30 September 2020, on completion of the equity raise, Augusta Capital owned 19.99% of Asset Plus Limited. Refer to Note 16 Subsequent Events for more information. Transactions with Augusta Funds Management Limited are deemed to be related parties because the Company is managed by Augusta Funds Management under the terms of the signed management contract.

The below table sets out the transactions between the Augusta Group and the Company:

Fees paid and owing to the manager (values in \$'000)	Unaudited 6 months 30 Sep 2020	Unaudited As at 30 Sep 2020	Unaudited 6 months 30 Sep 2019	Unaudited As at 30 Sep 2019
	Fees charged	Fees owed	Fees charged	Fees owed
Management Fees	381	189	396	228
Lease Renewal Fees	4	-	191	191
Property Management Fees	84	41	93	53
Acquisition Fee	21	-	580	-
Development Management Fee	37	29	-	-
Total	527	259	1,260	472

Interim Condensed Consolidated Statement of Changes in Equity	Unaudited 6 months 30 Sep 2020	Unaudited 6 months 30 Sep 2019
	\$'000	\$'000
Dividend Paid to Augusta Capital Limited	137	550

15. Commitments and Contingencies

Capital commitments

At 30 September 2020 the Group had \$4.05 million of capital commitments relating to the Munroe Lane development (March 2020: nil).

Guarantees

BNZ has provided a bond to the New Zealand Stock Exchange for the sum of \$75,000, being the amount required to be paid by all Issuers listed on the New Zealand Stock Exchange, and the Company has provided a General Security Agreement over its assets in favour of BNZ as security for this bond (31 March 2020: \$75,000).

Contingent liabilities

At the reporting date the Group had no material contingent liabilities (March 2020: nil).

16. Subsequent Events

On 2 October 2020 the remaining 105.2 million shares were issued in relation to the equity raise and the balance of \$31.5 million outstanding was received. A further \$0.736 million of issue costs were incurred. The total shares on issue as at 2 October 2020 was 362.7 million.

On 2 October 2020, \$26.6 million of debt was repaid.

On 30 October 2020, the Company entered into an amended bank facility agreement with BNZ. This amended facility has 3 tranches and replaces the existing \$75 million investment facility.

Tranche	Bank	Loan maturity	Facility limit \$'000
Working Capital Facility	BNZ	September 2023	12,600
Investment Facility	BNZ	September 2023	51,200
Development Facility	BNZ	September 2023	66,200
Total			130,000

On 30 October 2020, the Company satisfied the funding condition in the Agreement to Develop and Lease with Auckland Council at 6-8 Munroe Lane and that agreement is now unconditional.

Independent Review Report

To the Shareholders of Asset Plus Limited

Report on the Interim Condensed Consolidated Financial Statements

We reviewed the accompanying interim condensed consolidated financial statements of Asset Plus Limited ('the Group') on pages 1 to 12 which comprise the interim condensed consolidated statement of financial position as at 30 September 2020, and the interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the period then ended, and notes to the interim condensed consolidated financial statements, including a summary of significant accounting policies.

Director's Responsibility for the Interim Condensed Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with NZ IAS 34 *Interim Financial Reporting* issued in New Zealand by the New Zealand Accounting Standards Board, and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the interim condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a conclusion on the interim condensed consolidated financial statements. We conducted our review in accordance NZ SRE 2410, *Review of Historical Financial Statements Performed by the Independent Auditor of the Entity*. NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim condensed consolidated financial statements, taken as a whole, are not prepared in all material respects in accordance with NZ IAS 34 *Interim Financial Reporting* issued in New Zealand by the New Zealand Accounting Standards Board. As the auditor of Asset Plus Limited NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual consolidated financial statements.

A review of interim condensed consolidated financial statements in accordance with NZ SRE 2410 is a limited assurance engagement. The auditor performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these interim condensed consolidated financial statements.

Other than in our capacity as auditor including the provision of other assurance services we have no relationship with, or interests in, the Entity.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these interim condensed consolidated financial statements on pages 1 to 12 do not present fairly, in all material respects, the financial position of Asset Plus Limited as at 30 September 2020, and its financial performance and cash flows for the period ended on 30 September 2020, in accordance with NZ IAS 34 *Interim Financial Reporting* issued in New Zealand by the New Zealand Accounting Standards Board.

Emphasis of Matter – Material valuation uncertainty related to valuation of property

We draw your attention to note 3 to the interim condensed consolidated financial statements, where the Group discloses that the independent registered valuers have included a 'material valuation uncertainty' clause in their 31 August 2020 valuation reports, as a result of the COVID-19 pandemic. Therefore, the valuer asserts less certainty and a higher degree of caution should be attached to the property values than would normally be the case. Our opinion is not modified in respect of this matter.

Restriction on use of our report

This report on the interim condensed consolidated financial statements is made solely to the Company's shareholders, as a body. Our limited assurance work has been undertaken so that we might state to the Company's shareholders, as a body those matters which we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Company's shareholders, as a body, for our work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited



Kerry Price
Partner
Auckland, New Zealand

25 November 2020

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