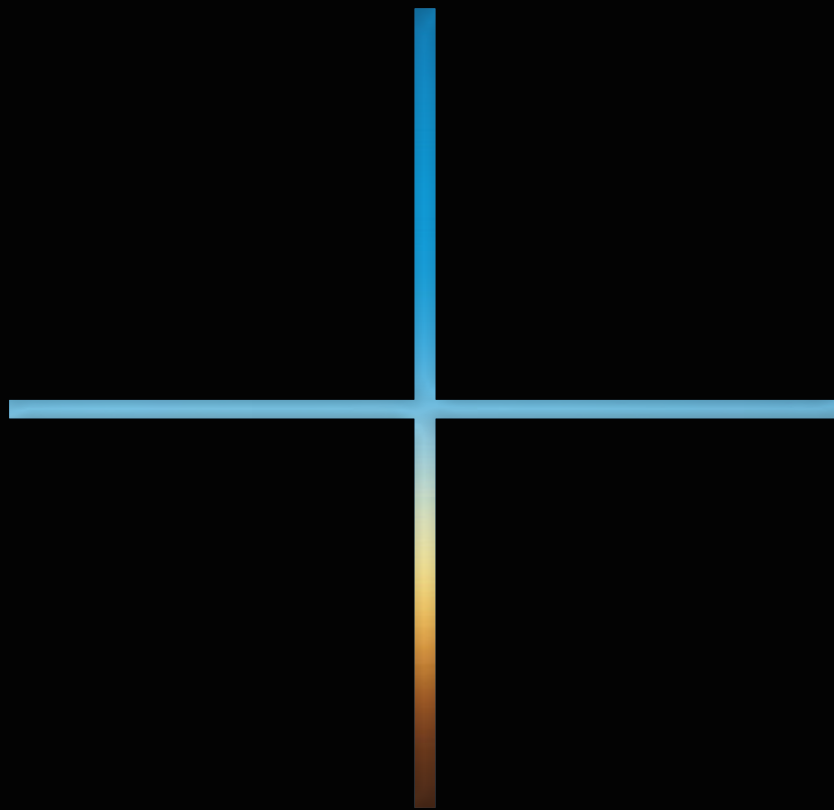


This Interim Financial Report for Asset Plus Limited (including Subsidiaries)
covers the trading period from 1st April to 30th September 2019.



ASSET PLUS +
AUGUSTA

INTERIM REPORT 2019
FOR THE SIX MONTHS ENDED SEPTEMBER 2019



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Interim Condensed Consolidated Statement of Comprehensive Income

For the Six Months Ended 30 September 2019

	Note	Unaudited 30 Sep 2019 \$'000	Unaudited 30 Sep 2018 \$'000
Gross Rental Revenue		6,840	7,189
Direct Property Operating Expenses		(1,807)	(2,364)
Net Rental Revenue		5,033	4,825
Administration Expenses	4	(778)	(877)
Net Finance Costs	4	(696)	(798)
Total Operating Expenses		(1,474)	(1,675)
Total Operating Income		3,559	3,150
Gain/(Loss) on Sale of Investment Property		23	(405)
Realised Interest Rate Swap Gain		-	132
Transaction Costs	5	(827)	-
Net Profit Before Taxation		2,755	2,877
Income Tax	6	(748)	325
Net Profit After Taxation		2,007	3,202
Other Comprehensive Income		-	-
Total Comprehensive Income For the Period		2,007	3,202
Basic and Diluted Earnings Per Share	12	1.24	1.98

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 2019

	Note	Share Capital \$'000	Accumulated Loss \$'000	Total \$'000
Opening Balance at 1 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

For the Six Months Ended 30 September 2018

	Note	Share Capital \$'000	Accumulated Loss \$'000	Total \$'000
Opening Balance at 1 April 2018 (audited)		134,089	(19,750)	114,339
Net Profit After Taxation		-	3,202	3,202
Total Comprehensive Income For the Period		-	3,202	3,202
Dividends	13	-	(2,916)	(2,916)
Closing Balance at 30 September 2018 (unaudited)		134,089	(19,464)	114,625

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 2019

	Note	Unaudited As at 30 Sep 2019 \$'000	Audited As at 31 Mar 2019 \$'000
Current Assets			
Cash at Bank		448	781
Trade Receivables, Prepayments and Other Receivables		1,820	1,839
Taxation Receivable		74	413
Properties Held for Sale	9	29,083	28,890
Total Current Assets		31,425	31,923
Non-Current Assets			
Investment Properties	8	153,229	94,077
Property, Plant and Equipment		-	66
Total Non-Current Assets		153,229	94,143
Total Assets		184,654	126,066
Current Liabilities			
Trade Payables, Provisions and Accruals		1,245	1,384
Other Current Liabilities		474	-
Total Current Liabilities		1,719	1,384
Non-Current Liabilities			
Borrowings	10	69,700	10,500
Deferred Taxation	6	1,829	1,868
Total Non-Current Liabilities		71,529	12,368
Total Liabilities		73,248	13,752
Net Assets		111,406	112,314
Contributed Capital		134,089	134,089
Accumulated Loss		(22,683)	(21,775)
Shareholders' Equity		111,406	112,314

The Board of Asset Plus Limited approved the interim condensed consolidated financial statements for issue on 29 November 2019.



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 2019

	Note	Unaudited 30 Sep 2019 \$'000	Unaudited 30 Sep 2018 \$'000
Cash Flows from Operating Activities			
Cash was provided from/(applied to):			
Gross Rental Revenue		7,486	7,624
Operating Expenses		(3,233)	(4,207)
Interest Income		4	15
Interest Expense		(754)	(1,085)
Taxation Paid		(448)	(1,143)
Net Cash Inflow from Operating Activities		3,055	1,204
Cash Flows from Investing Activities			
Cash was provided from/(applied to):			
Sale of Investment Property		-	38,076
Acquisition of Investment Property	8	(58,580)	-
Deposit received from Property Held for Sale		250	-
Capital Expenditure on Investment Properties		(516)	(273)
Transaction Costs		(827)	(505)
Net Cash Inflow/(Outflow) from Investing Activities		(59,673)	37,298
Cash Flows from Financing Activities			
Cash was provided from/(applied to):			
(Repayment)/Drawdown of Borrowings		59,200	(34,500)
Distributions Made to Shareholders	13	(2,915)	(2,916)
Payment to Cancel Interest Rate Swaps		-	(707)
Net Cash Inflow/(Outflow) from Financing Activities		56,285	(38,123)
Net Increase/(Decrease) in Cash and Cash Equivalents		(333)	379
Cash and Cash Equivalents at the Beginning of the Period		781	472
Cash and Cash Equivalents at the End of the Period		448	851

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 2019

Reconciliation of Net Profit to Net Cash Flow from Operating Activities

Note	Unaudited 30 Sep 2019 \$'000	Unaudited 30 Sep 2018 \$'000
Net Profit after Taxation	2,007	3,202
Items Classified as Investing or Financing Activities:		
Transaction Costs	827	506
(Gain)/Loss on Sale of Investment Property	(23)	405
Realised Loss in Fair Value of Interest Rate Swaps	-	(42)
Finance Costs	(52)	(80)
Movement in Deferred Taxation	(39)	(763)
Movements in Working Capital Items:		
Trade Receivables, Prepayments and Other Receivables	646	442
Trade Payables, Provisions and Accruals	(650)	(1,761)
Taxation Payable	339	(705)
Net Cash Inflow from Operating Activities	3,055	1,204

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 2019

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, Bayley's 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 2019 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 2019.

(a) Basis of Measurement

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 2019, except where accounting standards which have been issued and are effective for the current reporting period, or which are issued but not yet effective and may be early adopted, have been adopted for the first time. Certain comparative information has been reclassified to conform with the current reporting period's presentation.

The Group has adopted the accounting standards which are issued and effective for reporting periods beginning on or after 1 January 2019. These amendments and interpretations apply for the reporting period beginning 1 April 2019 as follows:

NZ IFRS 16 Leases

NZ IFRS 16 introduces new or amended requirements for lease accounting. Significant changes to lessee accounting have been introduced by removing the distinction between operating and finance leases and now requires a lessee to recognise a lease liability reflecting future lease payments and a 'right-of-use' asset for all lease contracts. Lessors reporting requirements are similar to the previous standard NZ IAS 17 Leases.

The Directors have assessed all lease contracts and note that there are no leases entered into by the Group in the role of a lessee. Substantially all property owned by the Group is leased to third party tenants. These leases continue to be classified as operating leases as the Group retains all significant risks and rewards of ownership. Therefore, the adoption of this standard has no material effect on the Group's interim condensed consolidated financial statements.

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the interim condensed consolidated financial statements of the Group.

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 6)
- Determination of Fair Value of Investment Property (Note 8)

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2019

4. Administration Expenses and Net Finance Costs

	Unaudited 6 months 30 Sep 2019 \$'000	Unaudited 6 months 30 Sep 2018 \$'000
Management Fees	(396)	(382)
Directors Fees	(150)	(150)
Auditor's Remuneration	(21)	(72)
Professional Fees	(127)	(129)
Other Administration Costs	(84)	(144)
Total Administration Expenses	(778)	(877)
Net Finance Costs		
Interest and Finance Charges	(701)	(813)
Interest Income	5	15
Net Finance Costs	(696)	(798)

5. Transaction Costs

During the 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 the period, \$0.827 million of transaction costs were incurred (for the six month period ended 30 September 2018: nil).

6. Income Tax

Major components of income tax expense are:

	Unaudited 6 months 30 Sep 2019 \$'000	Unaudited 6 months 30 Sep 2018 \$'000
Statement of Profit and Loss		
<i>Current Tax</i>		
Continuing Operations - Current Income Tax Charge	(787)	(658)
Interest Rate Swap Contribution	-	220
Current Tax	(787)	(438)
<i>Net Deferred Income Tax</i>		
Realised Interest Rate Swap Loss	-	(235)
Investment Property Building Depreciation	-	1,081
Other	39	(83)
Net Deferred Income Tax	39	763
Income Tax Reported in the Interim Condensed Consolidated Statement of Comprehensive Income	(748)	325

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2019

6. Income Tax (Continued)

Deferred income tax

Net deferred income tax liability relates to the following:

	Unaudited As at 30 Sep 2019 \$'000	Audited As at 31 Mar 2019 \$'000
<i>Deferred Income Tax Liabilities:</i>		
Investment Properties Recoverable Depreciation	(1,786)	(1,786)
Other	(43)	(82)
Deferred Taxation	(1,829)	(1,868)

7. 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.

8. Investment Properties

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

	Unaudited 6 months 30 Sep 2019 \$'000	Audited 12 months 31 Mar 2019 \$'000
Opening balance	94,077	124,556
Acquisition ⁽¹⁾	58,580	-
Capex	516	268
Loss On Revaluation	-	(1,767)
Transfer to Assets Held For Sale	-	(29,110)
Lease Amortisation and Other	56	130
Closing Balance	153,229	94,077

⁽¹⁾ 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.

All investment properties were valued by independent valuers as at 31 March 2019. 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. The table below outlines the carrying values for all directly owned investment properties:

	Unaudited As at 30 Sep 2019 \$'000	Audited As at 31 Mar 2019 \$'000
Eastgate Shopping Centre	54,971	54,577
Roskill Centre	39,494	39,500
35 Graham Street	58,764	-
Closing Balance	153,229	94,077

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2019

9. Properties Held For Sale

The table below outlines the movements in the carrying values for all properties held for sale during the reporting period:

	Unaudited 6 months 30 Sep 2019 \$'000	Audited 12 months 31 Mar 2019 \$'000
Opening Balance	28,890	43,814
Disposal	-	(42,899)
Transfer From Investment Properties	-	29,110
Loss on Sale	-	(915)
Cost of Sale Of Transaction and Other Movements	193	(220)
Closing Balance	29,083	28,890

An unconditional binding sale and purchase agreement has been signed for the Heinz Wattie's Warehouse in Hastings. The purchaser will syndicate the property and the Company has agreed to underwrite the \$16.25 million of equity that will be raised for a fee of \$0.49 million. Settlement of the sale will take place on 17 December 2019.

10. Borrowings

Facility	Bank	Loan maturity	Unaudited As at 30 Sep 2019 \$'000	Audited As at 31 Mar 2019 \$'000
Investment Property Facility	BNZ	28/06/22	69,700	10,500
Total			69,700	10,500

Financing facility available

At reporting date, the following financial facility had been negotiated and was available:

	Unaudited As at 30 Sep 2019 \$'000	Audited As at 31 Mar 2019 \$'000
Facility Used at Reporting Date - Secured Bank Loan (BNZ)	69,700	10,500
Facility Unused at Reporting Date - Secured Bank Loan (BNZ)	5,300	9,500
Total Facility Limit	75,000	20,000

11. Equity

Issued capital and reserves

	Unaudited As at 30 Sep 2019 \$'000	Audited As at 31 Mar 2019 \$'000
<i>Ordinary Shares</i>		
Number of Issued and Fully Paid Shares	161,920	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.

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2019

12. Earnings Per Share

	Unaudited 6 months 30 Sep 2019 \$'000	Unaudited 6 months 30 Sep 2018 \$'000
Total Comprehensive Income for The Period	2,007	3,202
Weighted Average Number of Ordinary Shares	161,920	161,920
Earnings Per Share (Cents) - Basic and Fully Diluted	1.24	1.98

13. Dividends Paid To Shareholders

Dividends paid during the period comprised:

	For the six months ended 30 September 2019			For the six months ended 30 September 2018		
	CPS	\$'000	Date Paid	CPS	\$'000	Date Paid
Q4 Prior Year Net Dividend	0.900	1,457	20/06/19	0.900	1,458	20/06/18
Q1 Net Dividend	0.900	1,458	4/09/19	0.900	1,458	7/09/18
Total Paid During The Period	1.800	2,915		1.800	2,916	

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 18.85% of Asset Plus Limited (Sep 2018: 18.85%). 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.

Fees paid and owing to the manager (values in \$'000)	Unaudited 6 months 30 Sep 2019 Fees charged	Unaudited As at 30 Sep 2019 Fees owed	Unaudited 6 months 30 Sep 2018 Fees charged	Unaudited As at 30 Sep 2018 Fees owed
	Management Fees	396	228	384
Lease Renewal Fees	191	191	-	-
Property Management Fees	93	53	94	40
Acquisition Fee	580	-	-	-
Total	1,260	472	478	248

	Unaudited 6 months 30 Sep 2019 \$'000	Unaudited 6 months 30 Sep 2018 \$'000
Interim condensed consolidated statement of changes in equity		
Dividend Paid to Augusta Capital Limited	550	550

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

For the Six Months Ended 30 September 2019

15. Commitments and Contingencies

Capital commitments

As part of the unconditional binding sale and purchase agreement to sell the Heinz Wattie's Warehouse (refer to Note 9), the purchaser Erskine and Owen will syndicate the property and the Company has agreed to underwrite \$16.25 million of equity that will be raised for the syndicate. Settlement of the sale will take place on 17 December 2019 and the actual commitment for the underwrite will be known at this date.

As at reporting date, there are no other capital commitments (March 2019: 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 2019: \$75,000).

Contingent liabilities

At the reporting date the Group had no material contingent liabilities (March 2019: nil).

16. Subsequent Events

On 15 October 2019, the Company declared the purchase of bare land at 6-8 Munroe Lane in Albany unconditional. The purchase price is \$7.25 million with settlement set for 2 December 2019.

There have been no other subsequent events since 30 September 2019.

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 on pages 3 to 13 which comprise the interim condensed consolidated statement of financial position as at 30 September 2019, 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 New Zealand equivalents to International Financial Reporting Standards 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 New Zealand equivalents to International Financial Reporting Standards 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 3 to 13 do not present fairly, in all material respects, the interim condensed consolidated financial position of Asset Plus Limited as at 30 September 2019, and its 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, in accordance with New Zealand equivalents to International Financial Reporting Standards issued in New Zealand by the New Zealand Accounting Standards Board.

Restriction on use of our report

This report on the interim condensed consolidated financial statements is made solely to the shareholders, as a body. Our limited assurance work has been undertaken so that we might state to the 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 Asset Plus Limited and the shareholders, as a body, for our work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Partnership

Kerry Price
Partner
Auckland, New Zealand

29 November 2019

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