

RESULTS ANNOUNCEMENT

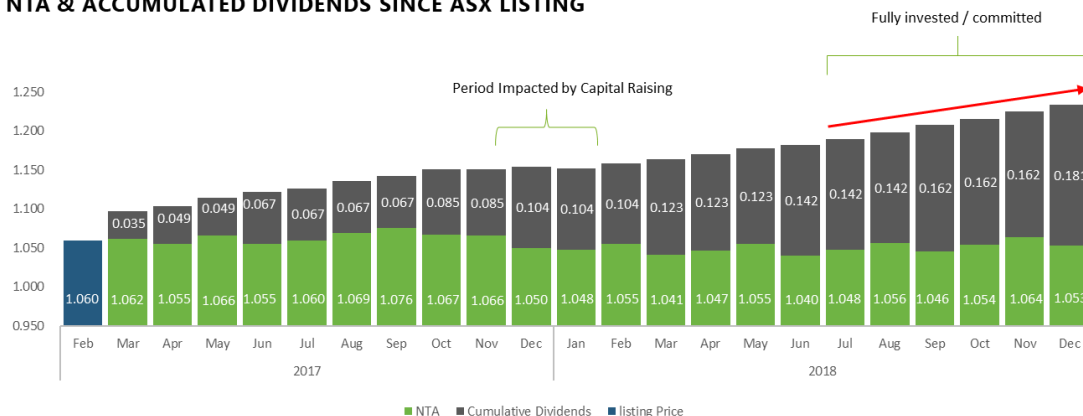
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

INTRODUCTION

Eildon Capital Limited (ASX: EDC) is pleased to report a half year net profit after tax of \$2.3 million (31 December 2017: \$1.3 million) with net tangible assets at 31 December 2018 totalling \$48.5 million, representing \$1.053 per share. During the period, fully franked dividends of 3.85 cents per share were paid to shareholders. The current fully franked dividend yield is 7.8% (equivalent to a yield of 11.1% after grossing up the impact of franking credits).

Since listing on the ASX in February 2017 total dividends have been 18.1 cents per share.

NTA & ACCUMULATED DIVIDENDS SINCE ASX LISTING



Earnings per share in the half year period to 31 December 2018 was 5.1 cents per share compared to 4.3 cents per share at 31 December 2017, representing earnings growth of 19.8%.

Eildon Capital is currently substantially fully invested with an investment portfolio value of \$47.2 million as at 31 December 2018 and \$3 million in cash to fund dividends to shareholders.

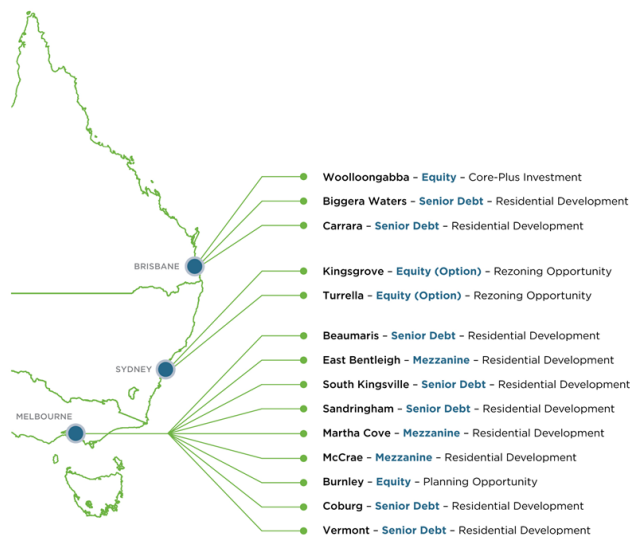
INVESTMENT PORTFOLIO

At 31 December 2018 Eildon Capital Limited held an investment portfolio valued at \$47.2 million which during the period generated income of \$4.0 million, delivered largely from interest earned on loan facilities.

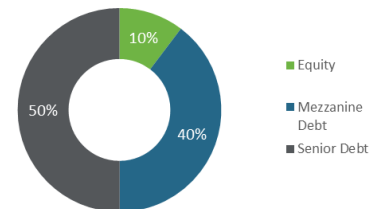
The investment portfolio as at 31 December 2018, includes 11 debt related loan investments, generating interest returns, representing approximately 90% of the portfolio value, which provides a level of capital protection should property markets weaken and values stagnate or decrease.

The balance of the portfolio, comprising 4 investments, represent strategic equity investments in property projects that have the potential to experience meaningful capital growth via either asset repositioning, market re-rating or planning outcomes.

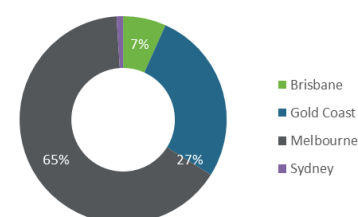
The portfolio has geographic diversity with investments in Queensland, Victoria and New South Wales.



EDC Portfolio by Type - Current Exposure



EDC Portfolio By Geography - Peak Exposure



OUTLOOK AND STRATEGIC REVIEW

During the half year, the property market has experienced a degree of volatility, with a tightening of credit markets as well as falls in values across different segments. The tightening credit markets has seen a number of new entrants into the Australian market, making it a challenging market in which to provide loans at the current targeted rate of return. In addition, the current property market is expected to experience further falls over the short term.

The Board is cognisant of the protracted discount of the Company's share price to NTA, which will impact its ability to raise further capital in the short to medium term. Accordingly, the Board is undertaking a review of possible options to optimise shareholder return.

CAPITAL MANAGEMENT

Eildon Capital is considered to be fully invested but continues to review prospective opportunities to redeploy cash returned from investments.

A fully franked dividend of 1.925 cents per share for the December quarter was paid on 24 January 2019. It is expected that Eildon Capital will continue to pay fully franked quarterly dividends at this level. The anticipated dividend payment calendar for the next 12 months is as follows:

Quarter	Anticipated Payment Date
March, 2019	24 April, 2019
June, 2019	24 July, 2019
September, 2019	24 October, 2019
December, 2019	24 January, 2020

Mark Avery
Managing Director
25 February 2019

Appendix 4D

Half-Yearly Report Results for announcement to the market

Eildon Capital Limited		
ABN	Half-Year ended (‘Reporting Period’)	Previous Half-Year ended (‘Corresponding period’)
11 059 092 198	31 December 2018	31 December 2017

Results

Income from ordinary activities	up	68.8%	to	3,966,034
Profit before tax	up	76.8%	to	3,345,704
Profit after tax attributable to members	up	76.8%	to	2,341,993
Net profit attributable to members	up	76.8%	to	2,341,993

The preliminary half-yearly report is based on accounts which have been reviewed.

Dividends (distributions)

	Amount per security	Franked amount per security
September 2018 dividend	1.925 cents	1.925 cents
June 2018 dividend	1.925 cents	1.925 cents
March 2018 dividend	1.925 cents	1.925 cents
December 2017 dividend	1.925 cents	1.925 cents
September 2017 dividend	1.7875 cents	1.7875 cents
June 2017 dividend	1.7875 cents	1.7875 cents

Information on dividends:

A fully franked dividend in respect of the quarter ended 31 December 2018 of 1.925 cents per share was paid on 24 January 2019. The Dividend Reinvestment Plan was in operation and the December quarterly dividend qualified. The dividend reinvestment price was calculated as 96.11 cents per share which was based on the volume weighted average price over the five trading days between 4 January 2019 and 10 January 2019.

Ex-Dividend date for the purpose of receiving the dividend	28 December 2018
Record date for determining entitlements to the dividend	31 December 2018
Last date for receipt of election to participate in DRP	2 January 2019
Payment Date	24 January 2019

Commentary

Brief explanation of any of the figures reported above:

Please refer to the attached commentary for a detailed review.



Half Year Financial Report

Eildon Capital Limited
ACN 059 092 198

For the half-year ended 31 December 2018

Company Particulars

REGISTERED OFFICE:

Level 25
360 Collins Street,
MELBOURNE VIC 3000
Tel: (03) 9691 5480

DIRECTORS:

Alexander D H Beard
James R Davies
Mark A Avery
Michelle E Phillips

SECRETARY:

John A Hunter

BANKERS:

Westpac Banking Corporation
Bank of Western Australia Ltd (Bankwest)

AUDITORS:

HLB Mann Judd
Chartered Accountants
Level 19
207 Kent Street
Sydney NSW 2000

SHARE REGISTRY:

Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street
Sydney NSW 2000

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Directors' Report

The Directors present their report together with the financial report for Eildon Capital Limited ("the Company") for the half year ended 31 December 2018 and the independent review report thereon.

Directors

The Directors in office throughout the period and to the date of this report are:

Mark Avery (Managing Director)
Alexander Beard
James Davies
Michelle Phillips

Principal activities

The Company is an active property investment company which participates in retail, industrial, residential and commercial opportunities.

Review and results of operations

For the half-year ended 31 December 2018 the Company recorded a profit after tax of \$2,341,993 (2017:\$1,324,291). During the half year the Company generated \$3.7 million of interest income from property loans.

Dividends

A fully franked dividend of 1.925 cents per share amounting to \$885,887 was declared on 26 June 2018 and paid 24 July 2018 of which \$20,656 was reinvested in accordance with the Dividend Reinvestment Plan.

A fully franked dividend of 1.925 cents per share amounting to \$886,290 was declared on 27 September 2018 and paid 24 October 2018 of which \$20,907 was reinvested in accordance with the Dividend Reinvestment Plan.

Events subsequent to balance date

A fully franked dividend of 1.925 cents per share amounting to \$886,693 was declared on 21 December 2018 and paid 24 January 2019 of which \$20,638 was reinvested in accordance with the Dividend Reinvestment Plan.

Other than as set out above, there are no matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in financial periods subsequent to 31 December 2018.

Auditors' independence declaration

A copy of the independence declaration given to the Directors by the auditor for the review undertaken by HLB Mann Judd is included on page 12.

Dated at Sydney this 25th day of February 2019.

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

Mark Avery
Director

Alexander Beard
Director

Eildon Capital Limited

Condensed Statement of Comprehensive Income For the Half Year Ended 31 December 2018

	Notes	31 Dec 2018 \$	31 Dec 2017 \$
INCOME			
Interest received		3,718,403	2,268,837
Fee income		128,912	42,712
Distribution received		129,411	-
Other income		2,858	-
Total income		3,979,584	2,311,549
Share of net (loss)/profit of associate accounted for using the equity method		(13,550)	38,140
EXPENSES			
Audit, legal and accountancy		63,987	59,518
Directors fees		45,662	30,331
GST paid		22,403	37,400
Insurance		41,459	36,515
Management and consultancy		404,122	260,640
Other expenses		42,697	33,440
Profit before income tax		3,345,704	1,891,845
Income tax expense		1,003,711	567,554
Profit after income tax		2,341,993	1,324,291
Earnings per share			
Basic and diluted earnings per share (cents)	5	5.09	4.25
Other comprehensive income		-	-
Total comprehensive income for the period		2,341,993	1,324,291

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

Eildon Capital Limited

Condensed Statement of Financial Position

As at 31 December 2018

	Notes	31 Dec 2018 \$	30 June 2018 \$
CURRENT ASSETS			
Cash and cash equivalents		2,742,264	10,209,431
Trade and other receivables		393,923	60,430
Loans and receivables	7	30,245,641	29,279,007
Financial assets – “at fair value through profit or loss”	7	7,712,500	-
Total current assets		41,094,328	39,548,868
NON CURRENT ASSETS			
Loans and receivables	7	4,538,447	5,987,361
Financial assets – “at fair value through profit or loss”	7	1,759,131	469,668
Investments accounted for using the equity method		2,924,807	3,027,607
Deferred tax assets		348,859	391,041
Total non current assets		9,571,244	9,875,677
TOTAL ASSETS		50,665,572	49,424,545
CURRENT LIABILITIES			
Trade and other payables		1,076,845	1,013,388
Current tax liabilities		1,105,800	538,803
Total current liabilities		2,182,645	1,552,191
TOTAL LIABILITIES		2,182,645	1,552,191
NET ASSETS		48,482,927	47,872,354
EQUITY			
Contributed equity	4	44,385,574	44,344,011
Retained earnings		(5,483,508)	(5,483,508)
Profit distribution reserve		9,580,861	9,011,851
TOTAL EQUITY		48,482,927	47,872,354

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

Eildon Capital Limited

Condensed Statement of Changes in Equity For the Half Year Ended 31 December 2018

	Contributed equity	Retained earnings	Profit distribution reserve	Total
	\$	\$	\$	\$
At 1 July 2018	44,344,011	(5,483,508)	9,011,851	47,872,354
Profit for the period	-	2,341,993	-	2,341,993
Total comprehensive income for the period	-	2,341,993	-	2,341,993
<i>Transactions with shareholders:</i>				
Dividend provided or paid	-	(1,772,983)	-	(1,772,983)
Share issued	41,563	-	-	41,563
Transfer (to)/from reserve	-	(569,010)	569,010	-
At 31 December 2018	44,385,574	(5,483,508)	9,580,861	48,482,927
 At 1 July 2017	 28,107,339	 (5,483,508)	 9,203,107	 31,826,938
Profit for the period	-	1,324,291	-	1,324,291
Total comprehensive income for the period	-	1,324,291	-	1,324,291
<i>Transactions with shareholders:</i>				
Shares issued	5,850,264	-	-	5,850,264
Transaction cost	(274,926)	-	-	(274,926)
Tax on transaction cost	82,478	-	-	82,478
Dividend provided or paid	-	(1,228,845)	-	(1,228,845)
Transfer (to)/from reserve	-	(95,446)	95,446	-
 At 31 December 2017	 33,765,155	 (5,483,508)	 9,298,553	 37,580,200

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

Eildon Capital Limited

Condensed Statement of Cash Flows For the Half Year Ended 31 December 2018

	31 Dec 2018 \$	31 Dec 2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash payments in the course of operations	(532,439)	(375,426)
Cash receipts in the course of operations	131,770	42,602
Interest received	1,714,491	1,796,223
Dividends and distribution received	70,688	108,850
Income tax paid	(394,532)	(558,053)
Proceeds from loan repaid	10,966,534	7,974,074
Payments for loan provided	(16,492,852)	(11,257,223)
Net cash used in operating activities	<u>(4,536,340)</u>	<u>(2,268,953)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for equity investments	(1,289,463)	(140,248)
Proceeds from equity investments	89,250	-
Net cash used in investing activities	<u>(1,200,213)</u>	<u>(140,248)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(1,730,614)	(1,080,051)
Proceeds from issue of shares	-	5,850,264
Payment for share issue transaction cost	-	(244,926)
Net cash (used in)/provided by financing activities	<u>(1,730,614)</u>	<u>4,525,287</u>
Net (decrease)/increase in cash and cash equivalents	(7,467,167)	2,116,086
Cash at the beginning of the half-year	10,209,431	6,150,747
CASH AT THE END OF THE HALF-YEAR	<u>2,742,264</u>	<u>8,266,833</u>

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

Eildon Capital Limited

Notes to the Financial Statements For the Half Year Ended 31 December 2018

Note 1: Basis of preparation

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the adoption of AASB 15 *Revenue from Contracts with Customers* and AASB 9 *Financial Instruments* as set out in Note 8.

Note 2: Segment information

The company operates in one business segment being an investment company and in one geographical location being Australia for the reporting periods ended 31 December 2018 and 31 December 2017. All revenue is recognised at a point in time when the performance obligation is satisfied. Refer Note 8.

Note 3: Subsequent events

A fully franked dividend of 1.925 cents per share amounting to \$886,693 was declared on 21 December 2018 and paid 24 January 2019 of which \$20,638 was reinvested in accordance with the Dividend Reinvestment Plan.

Other than as set out above, there are no matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in financial periods subsequent to 31 December 2018.

Note 4: Contributed equity

	31 Dec 2018		31 Dec 2017	
	Number	\$	Number	\$
<i>Fully paid ordinary shares</i>				
Balance at the beginning of the half-year	46,020,079	44,344,011	30,211,208	28,107,339
Issue of shares	41,915	41,563	5,571,620	5,850,264
Share issue transaction costs	-	-	-	(274,926)
Income tax on share transaction costs	-	-	-	82,478
Balance at the end of the half-year	46,061,994	44,385,574	35,782,828	33,765,155

Eildon Capital Limited

Notes to the Financial Statements For the Half Year Ended 31 December 2018

Note 5: Earnings per share

	31 Dec 2018 Cents	31 Dec 2017 Cents
Basic and diluted earnings per share	5.09	4.25
	\$	\$
Net profit attributable to shareholders used in calculation of basic and diluted earnings per share	<u>2,341,993</u>	<u>1,324,291</u>
	Number	Number
Weighted average number of shares – Basic and Diluted	<u>46,046,042</u>	<u>31,195,944</u>

Note 6: Dividend

A fully franked dividend of 1.925 cents per share amounting to \$885,887 was declared on 26 June 2018 and paid 24 July 2018 of which \$20,656 was reinvested in accordance with the Dividend Reinvestment Plan.

A fully franked dividend of 1.925 cents per share amounting to \$886,290 was declared on 27 September 2018 and paid 24 October 2018 of which \$20,907 was reinvested in accordance with the Dividend Reinvestment Plan.

A fully franked dividend of 1.925 cents per share amounting to \$886,693 was declared on 21 December 2018 and paid 24 January 2019 of which \$20,638 was reinvested in accordance with the Dividend Reinvestment Plan.

Note 7: Fair Value Measurement

The fair values of the financial assets and liabilities of the Company are approximately equal to their carrying values.

Judgements and estimates were made in determining the fair values of the financial instruments and non-financial assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments and non-financial assets into three levels prescribed under the accounting standards.

Level 1 – the fair value is calculated using quoted prices in active markets.

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset, either directly (as prices) or indirectly (derived from prices).

Level 3 – the fair value is estimated using inputs for the asset that are not based on observable market data.

Eildon Capital Limited

Notes to the Financial Statements For the Half Year Ended 31 December 2018

Note 7: Fair Value Measurement (Cont.)

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below.

	Valuation technique – non market observable inputs (Level 3) \$	Total \$
At 31 December 2018		
Financial assets – “at fair value through profit or loss”		
Unlisted investments	9,471,631	9,471,631
Loans and receivables		
Secured loans	34,784,088	34,784,088
Total financial assets	44,255,719	44,255,719
At 30 June 2018		
Financial assets – “at fair value through profit or loss”		
Unlisted investments	469,668	469,668
Loans and receivables		
Secured loans	35,266,368	35,266,368
Total financial assets	35,736,036	35,736,036
Reconciliation of Level 3 fair value movements:		
	Dec 2018 \$	Dec 2017 \$
Opening balance at the beginning of the period	35,736,036	23,900,647
Loans repaid	(12,943,986)	(9,713,095)
Loans provided	8,780,351	11,257,223
Interest income	3,681,355	2,211,633
Purchases	9,001,963	140,348
Closing balance at the end of the period	44,255,719	27,796,756

There is no quantitative information for level 3 financial instruments. The fair value for loans and receivables has been determined based on the terms of the loan agreement. The fair value of financial assets at fair value through profit or loss has been determined based on the underlying value of the property investments held by the entities in which the investment has been made.

Note 8: Changes in Accounting Policies

This note explains the impact of the adoption of AASB 9 *Financial Instruments* and AASB 15 *Revenue from Contracts with Customers* on the Company's financial statements.

8.1 AASB 9 Financial Instruments

AASB 9 *Financial Instruments* replaces the provisions of AASB 139 *Financial Instruments: Recognition and Measurement* that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The changes in accounting policies and impact of adoption are set out below.

Eildon Capital Limited

Notes to the Financial Statements

For the Half Year Ended 31 December 2018

Note 8: Changes in Accounting Policies (Cont.)

8.1 AASB 9 Financial Instruments (Cont.)

Accounting Policies

(a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI), or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in financial performance or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets at amortised cost

Financial assets at amortised cost are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in financial performance and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of financial performance.

Financial asset at fair value through other comprehensive income (FVOCI)

- Debt instruments: Assets held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in financial performance. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to financial performance and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of financial performance.
- Equity instruments: Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to financial performance following the derecognition of the investment. Dividends from such investments continue to be recognised in financial performance as income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Eildon Capital Limited

Notes to the Financial Statements

For the Half Year Ended 31 December 2018

Note 8: Changes in Accounting Policies (Cont.)

8.1 AASB 9 Financial Instruments (Cont.) **Accounting Policies (Cont.)**

(b) Measurement (Cont.)

Financial asset at fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of financial performance as applicable.

Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Impact of adoption

(a) Classification and measurement

The adoption of the accounting policies does not result in any reclassification of financial instrument or adjustments to the amounts recognised in the financial statements.

(b) Impairment of financial assets

All of the Company's financial assets recorded at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. The instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The Company's financial assets at amortised cost include trade receivables, loans and other receivables. Applying the expected credit risk model didn't result in recognition of any loss allowance.

8.2 AASB 15 Revenue from contracts with customers

The Company has adopted AASB 15 *Revenue from contracts with customers* from 1 July 2018 which replaces AASB 118 *Revenue*, AASB 111 *Construction Contracts* and several revenue related Interpretations. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to reflect the time frame over which services are performed to customers. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, and is subject to recognition over the term of the service provided. Where costs are incurred in relation to the services provided these costs, subject to certain criteria, are capitalised as an asset and amortised over the contract period. The Company has adopted the new rules retrospectively.

The Company's revenue includes interest revenue and distribution income which are specifically excluded from the scope of AASB 15. The accounting policies are consistent with those of the previous financial year and corresponding interim reporting period. The adoption of AASB 15 has not had a material impact on the financial performance or position of the Company. No adjustment was required to be recognised to the opening balance of retained earnings at 1 July 2018 as a result of the adoption of AASB 15 and consequently no further disclosures have been included in this interim financial report.

Eildon Capital Limited

Directors' Declaration

In the Directors' opinion:

- a) the financial statements and notes, set out on pages 2 to 10, are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the financial position of the Company as at 31 December 2018 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the half-year ended on that date; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Dated at Sydney this 25th day of February 2019.



Mark Avery
Director



Alexander Beard
Director

EILDON CAPITAL LIMITED
ACN 059 092 198

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Eildon Capital Limited for the half-year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

Sydney, NSW
25 February 2019


N J Guest
Partner

EILDON CAPITAL LIMITED
ACN 059 092 198

INDEPENDENT AUDITOR'S REVIEW REPORT

Independent auditor's review report to the members of Eildon Capital Limited

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Eildon Capital Limited ("the company"), which comprises the condensed statement of financial position as at 31 December 2018, the condensed statement of comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Eildon Capital Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Half-Year 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

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, 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 company's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

**EILDON CAPITAL LIMITED
ACN 059 092 198**

INDEPENDENT AUDITOR'S REVIEW REPORT (CONTINUED)

Auditor's Responsibility (Continued)

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

**HLB Mann Judd
Chartered Accountants**

**Sydney, NSW
25 February 2019**



**N J Guest
Partner**