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# **Blue Sky Alternative Investments**

## **1H FY19 Results and Business Update**

28 February 2019

# Disclaimer

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## **Non-IFRS information:**

This presentation contains certain non-IFRS financial information. The directors of Blue Sky believe the presentation of certain non-IFRS financial information is useful for users of this presentation as they reflect the underlying financial performance of the business. The non-IFRS financial information includes Blue Sky's half year results including underlying Statement of Financial Position, Statement of Comprehensive Income and Statement of Cash Flow (collectively, the 'underlying results'). These underlying results are presented with all equity held by Blue Sky in funds and fund related entities that it manages being accounted for at fair value using the same approach as AASB 13 'Fair Value Measurement'. This differs from Blue Sky's statutory results where a range of Blue Sky's equity holdings in the funds and fund related entities that it manages are either consolidated or equity accounted in accordance with AASB 10 'Consolidated Financial Statements' and AASB 128 'Investments in Associates and Joint Ventures'.

**The non-IFRS financial information presented in the 2019 half year report has been reviewed by Blue Sky's auditor (Ernst & Young).**

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# Executive Summary

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- 1H FY19 net underlying EBITDA ex-abnormals of -\$4.4m and -\$5.9m net loss after tax.
- Net underlying after tax loss of \$25.7m for 1H FY19; reflecting the ongoing restructuring of the business and associated abnormal and one-off costs.
- Underlying net tangible assets ('NTA') of \$101.3m (\$1.30 per share) at 31 December 2018:
  - Including c.\$25.1m negative adjustment resulting from the Company's adoption of AASB 15 from 1 July 2018, principally in respect of reversal of accrued performance fees to-date.
  - Based on fund performance as at 31 December 2018, c.\$29.0m (\$0.38 per share) in future performance fees would otherwise be recognised as accruing to BLA had AASB 15 not been adopted.
- Cash position of \$54.8m at 31 December 2018 post draw-down of the \$50.0m convertible note (net proceeds \$47.7m) facility secured from Oaktree Capital Management in September 2018.
- Fee-earning assets under management ('FEAUM') of \$3.0bn at 31 December 2018.
- Company reset continues with focus on new private market investments and fund capital raising resuming from December 2018.

# Progress on Company reset

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The corporate restructure defined by the Board in May 2018 continued in 1H FY19:

- Company's corporate governance, risk and compliance structure comprehensively reviewed and strengthened.
- Five new directors were appointed to the Company's board by December, four non-executive and an executive chair, bringing a wealth of experience to the Company. John Kain has stepped down from the board having successfully facilitated the transition to the new board. The board now has a majority of independent directors.
- A highly experienced CFO and CRO were appointed. The search for a new CEO is well progressed.
- Strategic capital partnership established with Oaktree Capital Management via a \$50.0m, 7 year senior secured convertible loan facility (\$47.7m net). The funds are being applied for co-investment and working capital requirements.
- Investment disciplines and consistency have been strengthened by implementation of a Group Investment Committee ('GIC'), particularly with regard to any use of the Company's balance sheet or its investments.
- Significant operating expense reductions achieved towards the goal of aligning annual cost base with recurring management fee revenues and reducing a historical reliance on deal and performance fees.
- On-going rationalisation of several investment business units resulting in the:
  - exit of the retirement living portfolio in October to an international institutional property development firm;
  - closure of the hedge fund business at 31 December 2018 via a management buy-out; and
  - on-going exit of the residential and management rights portfolios as market conditions allow through CY19.
- Re-engagement with sophisticated investor base; one venture capital raise completed (Akulaku); Water Fund re-opened to existing investors from mid-December 2018.

# Oaktree Facility Update

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- The Company established a strategic capital partnership with Oaktree Capital Management via a \$50.0m 7 year senior secured loan facility in September 2018. The facility was drawn in November 2018 (net proceeds \$47.7m).
- The funds are being applied for co-investment and working capital requirements.
- The relationship has allowed the Company to access expertise from one of the world's leading managers of private market investments.
- Oaktree resources have assisted Blue Sky to apply additional experience and rigour within its business; attract new high calibre Directors and executives to join the Company; and provide reassurance to institutional clients following its own due diligence process.
- The right for Oaktree to convert the facility to a shareholding at a price of \$1.87 and a maximum 30% of issued capital was approved at the Company's AGM in November 2018.
- At 31 December 2018, the Company was within all relevant lending covenant tests under the Oaktree facility, including those calculated quarterly.
- The Directors anticipate that the covenants may not be met at 31 March 2019 as the restructuring of the Company continues through FY19.
- The Company is currently in discussions with Oaktree with a view to negotiating a variation and/or restructure of the covenants to Oaktree's satisfaction.

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# Underlying Financial Performance - Summary

- 1H FY19 net underlying ex-abnormals EBITDA of -\$4.4m and -\$5.9m net loss after tax. The result reflects the ongoing restructuring of the business and associated abnormal and one-off costs.
- Operating revenue and expenses were negatively impacted by:
  - a non cash impact of (\$7.3m) of adjustments to carrying values of the Company's balance sheet investments in funds and associated asset operating entities (e.g. Atira);
  - a non cash impact of (\$7.8m) of impairments to working capital loans provided by the Company to certain private equity and real estate funds;
  - a cash impact of (\$4.1m) due to the reimbursement of certain investment trusts where legitimate third-party expenses were incorrectly recouped;
  - a cash impact of (\$7.5m) due to restructuring costs, including the engagement of unbudgeted external service providers (legal, corporate advisory, valuation, corporate communications); staff redundancies; terminations; and key-person incentives;
  - a non-cash impact of \$2.5m due to the reversal of employee share option expenses incurred in prior periods;
  - a non-cash impact of \$4.1m due to the reversal of previously accrued performance fee bonuses payable to investment staff in future periods; and,
  - a major reduction in transaction fees from pcg. resulting from only one new fund offering in the period.

In AUD \$m	1H FY19	1H FY18
Operating revenue <sup>1</sup>	\$16.6m	\$38.3m
Operating expenses	-\$35.3m	-\$29.1m
Investment income	-\$5.5m	\$13.1m
<b>EBITDA</b>	<b>-\$24.2m</b>	<b>\$22.3m</b>
Net profit / (loss) after tax	-\$25.7m	\$16.1m
<b>Net operating cash flow</b>	<b>-\$13.6m</b>	<b>\$10.3m</b>

	31 Dec 2018	30 Jun 2018 <i>Adjusted<sup>1</sup></i>	30 Jun 2018
<b>NTA</b>	<b>\$101.3m</b>	<b>\$127.4m</b>	<b>\$152.4m</b>
<b>NTA per share (\$)<sup>2</sup></b>	<b>\$1.30</b>	<b>\$1.64</b>	<b>\$1.97</b>
<b>Cash position</b>	<b>\$54.8m</b>	<b>\$40.0m</b>	<b>\$40.0m</b>

## Notes:

1. AASB 15 adopted in 1H FY19 such that performance fees are no longer recognised until highly probable. Prior year revenue included performance fees revenue recognised in accordance with AASB 118.
2. Based on 77.7m shares on issue at 31 December 2018 and 77.5m shares on issue at 30 June 2018.



# Underlying Income Statement – excluding abnormal items

In AUD \$m	1H FY19 Underlying PnL	Non-cash valuation Reviews	Provisions and impairments	Restructure costs	Other <sup>1</sup>	Total abnormal items	1H FY19 Underlying PnL (adjusted for abnormal items)	1H FY18 Underlying PnL
Management fees	\$14.1m	-	-	-	-	-	\$14.1m	\$14.0m
Transaction fees <sup>4</sup>	\$0.2m	-	-	-	-	-	\$0.2m	\$11.9m
Responsible Entity fees	\$0.6m	-	-	-	-	-	\$0.6m	\$0.5m
Performance fees <sup>3</sup>	\$0.3m	-	-	-	-	-	\$0.3m	\$10.2m
Other income	\$1.4m	-	-	-	-	-	\$1.4m	\$1.7m
<b>Operating revenue</b>	<b>\$16.6m</b>	-	-	-	-	-	<b>\$16.6m</b>	<b>\$38.3m</b>
Investment income	-\$7.3m	\$7.1m	-	-	-	\$7.1m	-\$0.2m	\$10.2m
Share of profit of associates	\$0.7m	-	-	-	-\$1.6m	-\$1.6m	-\$0.9m	\$1.3m
Other income	\$1.1m	-	-	-	-	-	\$1.1m	\$1.6m
<b>Total income</b>	<b>\$11.1m</b>	<b>\$7.1m</b>	-	-	<b>-\$1.6m</b>	<b>\$5.5m</b>	<b>\$16.6m</b>	<b>\$51.4m</b>
Employee benefits expense	-\$7.5m	-	-	\$2.5m	-\$5.0m	-\$2.5m	-\$10.0m	-\$15.6m
Occupancy	-\$1.3m	-	-	-	-	-	-\$1.3m	-\$1.1m
Consultancy <sup>2</sup>	-\$5.0m	-	-	\$4.5m	-	\$4.5m	-\$0.5m	-\$0.6m
External service providers	-\$3.6m	-	-	\$0.4m	-	\$0.4m	-\$3.2m	-\$2.5m
External capital raising expenses	-\$0.6m	-	-	-	-	-	-\$0.6m	-\$1.8m
Fee rebates to BAF	-\$1.6m	-	-	-	-	-	-\$1.6m	-\$3.0m
Other operating costs	-\$7.9m	-	-	\$0.1m	\$4.1m	\$4.2m	-\$3.8m	-\$3.4m
Provisions and impairments	-\$7.8m	-	\$7.8m	-	-	\$7.8m	-	-\$1.1m
<b>Total operating expenses</b>	<b>-\$35.3m</b>	-	<b>\$7.8m</b>	<b>\$7.5m</b>	<b>-\$0.9m</b>	<b>\$14.4m</b>	<b>-\$21m</b>	<b>-\$29.1m</b>
<b>EBITDA</b>	<b>-\$24.2m</b>	<b>\$7.1m</b>	<b>\$7.8m</b>	<b>\$7.5m</b>	<b>-\$2.5m</b>	<b>\$19.9m</b>	<b>-\$4.4m</b>	<b>\$22.3m</b>
Depreciation and amortization	-\$0.3m	-	-	-	-	-	-\$0.3m	-\$0.2m
Finance costs	-\$1.2m	-	-	-	-	-	-\$1.2m	-\$0.5m
<b>Net profit / (loss) before tax</b>	<b>-\$25.7m</b>	<b>\$7.1m</b>	<b>\$7.8m</b>	<b>\$7.5m</b>	<b>-\$2.5m</b>	<b>\$19.9m</b>	<b>-\$5.9m</b>	<b>\$21.6m</b>
Tax	-	-	-	-	-	-	-	-\$5.5m
<b>Net profit / (loss) after tax</b>	<b>-\$25.7m</b>	<b>\$7.1m</b>	<b>\$7.8m</b>	<b>\$7.5m</b>	<b>-\$2.5m</b>	<b>\$19.9m</b>	<b>-\$5.9m</b>	<b>\$16.1m</b>

## Notes:

- Includes reversal of employee share option expense write-back, reversal of previously accrued staff incentives on performance fees and reimbursement of investment trusts where third-party expenses were incorrectly charged.
- The Company completed only one new transaction in 1H FY19 (1H FY18: fourteen).
- AASB 15 adopted in 1H FY19 such that performance fees are no longer recognised until highly probable. Prior year revenue included performance fee revenue recognised in accordance with AASB 118.
- Relate to external consultants and advisors costs incurred in relation to the Company's restructure.

# Underlying Income Statement – Income Breakdown

1	<b>Management fees</b>	<b>1H FY19</b>	<b>1H FY18</b>
	Gross	\$14.6m	\$14.5m
	Fees refunded	-\$0.5m	-\$0.5m
	Net	\$14.1m	\$14.0m
2	<b>Transaction fees</b>	<b>1H FY19</b>	<b>1H FY18</b>
	Gross	\$0.8m	\$12.5m
	Fees refunded	-\$0.6m	-\$0.6m
	Net	\$0.2m	\$11.9m
3	<b>Performance fees<sup>1</sup></b>	<b>1H FY19</b>	<b>1H FY18</b>
	Cash	\$0.3m	\$2.6m
	Non-cash: accrued	-	\$8.3m
	Non-cash: written back	-	-\$0.7m
	Net	\$0.3m	\$10.2m
4	<b>Investment income / (loss)</b>	<b>1H FY19</b>	<b>1H FY18</b>
	Platform	-\$5.4m	\$7.7m
	Funds	-\$1.9m	\$2.5m
	Net	-\$7.3m	\$10.2m
5	<b>Share of profit of associates</b>	<b>1H FY19</b>	<b>1H FY18</b>
	Cove Property Group	\$1.0m	\$1.3m
	Student Quarters	-\$0.3m	-
	Net	\$0.7m	\$1.3m

	<b>In AUD \$m</b>	<b>1H FY19</b>	<b>1H FY18</b>
1	Management fees	\$14.1m	\$14.0m
2	Transaction fees	\$0.2m	\$11.9m
	Responsible Entity fees	\$0.6m	\$0.5m
3	Performance fees	\$0.3m	\$10.2m
	Other income	\$1.4m	\$1.7m
	<b>Operating revenue</b>	<b>\$16.6m</b>	<b>\$38.3m</b>
4	Investment income / (loss)	-\$7.3m	\$10.2m
5	Share of profit of associates	\$0.7m	\$1.3m
	Interest income	\$1.1m	\$1.6m
	<b>Total income</b>	<b>\$11.1m</b>	<b>\$51.4m</b>

## Notes:

1. AASB 15 adopted in 1H FY19 such that performance fees are no longer recognised until highly probable. Prior year revenue included performance fee revenue recognised in accordance with AASB 118.

# Underlying Income Statement – Operating Expenses Breakdown

1	Employee benefits expense	1H FY19	1H FY18
	Salaries & superannuation	\$8.5m	\$10.3m
	Share based compensation	-\$2.5m	\$1.1m
	Incentives	-\$1.0m	\$4.2m
	Staff restructuring costs	\$2.5m	-
		<u>\$7.5m</u>	<u>\$15.6m</u>

2	Consultancy
	1H FY19 includes \$4.5m of abnormal items due to restructuring, legal, corporate advisory, corporate communications and advisory (1H FY18 - \$0.0m).

3	External service providers
	1H FY19 includes \$0.4m of abnormal items due to restructuring (1H FY18 - \$0.0m).

4	Other operating costs
	1H FY19 includes \$4.1m of reimbursements to investment trusts where legitimate third-party expenses incorrectly recouped (as announced on 28 September 2018) (1H FY18 - \$0.0m).

5	Provisions and impairments	1H FY19	1H FY18
	Loan provisions	\$6.5m	-
	Loans written off	\$0.4m	\$1.1m
	Other impairments	\$0.9m	-
		<u>\$7.8m</u>	<u>\$1.1m</u>

	In AUD \$m	1H FY19	1H FY18
1	Employee benefits expense	-\$7.5m	-\$15.6m
	Occupancy	-\$1.3m	-\$1.1m
2	Consultancy	-\$5.0m	-\$0.6m
3	External service providers	-\$3.6m	-\$2.5m
	External capital raising expenses	-\$0.6m	-\$1.8m
	Fee rebates to BAF	-\$1.6m	-\$3.0m
4	Other operating costs	-\$7.9m	-\$3.4m
5	Provisions and impairments	-\$7.8m	-\$1.1m
	<b>Total operating expenses</b>	<b>-\$35.3m</b>	<b>-\$29.1m</b>
	Depreciation and amortisation	-\$0.3m	-\$0.2m
	Finance costs	-\$1.2m	-\$0.5m
	<b>Total expenses</b>	<b>-\$36.8m</b>	<b>-\$29.8m</b>

# Underlying Statement of Financial Position - Summary

NTA position reduced by \$26m from 30 June 2018 adjusted NTA position<sup>1</sup>:

- Borrowings of \$50 million (\$47.7m net of transaction fees) via Oaktree Management facility
- Deterioration of NTA through abnormal items including:
  - Reduction of \$7.5m from additional restructuring costs;
  - Reduction of \$7.3m of net revaluations of fund co-investments and operating platforms;
  - Reduction of \$4.1m due to the reimbursement of certain investment trusts where legitimate third-party expenses were incorrectly recouped;
  - Reduction of \$7.8m due to the impairment and provisioning of trade receivables and working capital/bridging loans provided to underlying fund investments;
  - Increase of \$2.5m due to the reversal of employee share option expenses incurred in prior periods; and
  - Increase of \$4.1m due to the reversal of previously accrued performance fee bonuses payable to investment staff in future periods.

In AUD \$m	31 Dec 2018	30 Jun 2018 Adjusted <sup>1</sup>	30 Jun 2018
Cash	\$54.8m	\$40.0m	\$40.0m
Trade and other receivables	\$37.5m	\$42.3m	\$46.4m
Contract assets	\$1.2m	\$2.1m	-
Other current assets	\$3.2m	\$7.2m	\$7.0m
<b>Total current assets</b>	<b>\$96.7m</b>	<b>\$91.6m</b>	<b>\$93.4m</b>
Investments in associates and joint ventures	\$12.8m	\$12.4m	\$19.7m
Financial assets at fair value through profit and loss	\$52.7m	\$41.1m	\$41.1m
Trade and other receivables	\$18.4m	\$22.3m	\$41.7m
Contract assets	\$0.6m	-	-
Property, plant and equipment	\$2.5m	\$3.0m	\$3.0m
Intangible assets	\$4.8m	\$4.9m	\$4.9m
<b>Total non-current assets</b>	<b>\$91.8m</b>	<b>\$83.7m</b>	<b>\$110.4m</b>
<b>Total assets</b>	<b>\$188.5m</b>	<b>\$175.3m</b>	<b>\$203.8m</b>
Trade and other payables	\$13.7m	\$15.0m	\$17.7m
Borrowings	\$1.3m	\$0.7m	\$0.7m
Other current liabilities	\$16.6m	\$13.9m	\$13.3m
<b>Total current liabilities</b>	<b>\$31.6m</b>	<b>\$29.6m</b>	<b>\$31.7m</b>
Borrowings	\$44.5m	-	-
Financial liabilities held at fair value through profit and loss	\$3.5m	-	-
Other non-current liabilities	\$2.8m	\$13.4m	\$14.8m
<b>Total non-current liabilities</b>	<b>\$50.8m</b>	<b>\$13.4m</b>	<b>\$14.8m</b>
<b>Total liabilities</b>	<b>\$82.4m</b>	<b>\$43.0m</b>	<b>\$46.5m</b>
Net assets	\$106.1m	\$132.3m	\$157.3m
<b>Net tangible assets</b>	<b>\$101.3m</b>	<b>\$127.4m</b>	<b>\$152.4m</b>

## Notes:

1. 30 June 2018 numbers adjusted to reflect the adoption of AASB 15.

# Underlying Statement of Financial Position – Assets Breakdown

1	Current trade and other receivables	31 Dec 2018	30 Jun 18 Adjusted <sup>1</sup>
	Performance fees receivable <sup>2</sup>	\$1.4m	\$4.2m
	Trade receivables	\$1.2m	\$1.1m
	Bridging finance & working capital loans	\$27.3m	\$28.5m
	Accrued, invoiced and unpaid fees	\$1.1m	\$7.5m
	Other receivables	\$6.5m	\$1.0m
		<u>\$37.5m</u>	<u>\$42.3m</u>

2	Investments in associates and joint ventures	31 Dec 2018	30 Jun 18 Adjusted <sup>1</sup>
	Cove	\$1.6m	\$0.3m
	Student Quarters	\$11.2m	\$12.1m
		<u>\$12.8m</u>	<u>\$12.4m</u>

3	Financial assets at fair value through profit and loss	31 Dec 2018	30 Jun 18 Adjusted <sup>1</sup>
	Private Equity	\$22.3m	\$7.9m
	Private Real Estate	\$17.7m	\$23.5m
	Real Assets	\$12.7m	\$9.7m
		<u>\$52.7m</u>	<u>\$41.1m</u>

4	Non-current trade and other receivables	31 Dec 2018	30 Jun 18 Adjusted <sup>1</sup>
	Performance fees receivable <sup>1</sup>	\$3.6m	\$5.6m
	Staff loans	\$2.3m	\$2.9m
	Working capital loans	\$9.1m	\$12.1m
	Accrued, invoiced and unpaid fees	\$3.4m	\$1.7m
		<u>\$18.4m</u>	<u>\$22.3m</u>

	In AUD \$m	31 Dec 2018	30 Jun 18 Adjusted <sup>1</sup>	30 Jun 2018
	Cash	\$54.8m	\$40.0m	\$40.0m
1	Current Trade and other receivables	\$37.5m	\$42.3m	\$46.4m
	Contract assets	\$1.2m	\$2.1m	-
	Other current assets	\$3.2m	\$7.2m	\$7.0m
	<b>Total current assets</b>	<b>\$96.7m</b>	<b>\$91.6m</b>	<b>\$93.4m</b>
2	Investments in associates and joint ventures	\$12.8m	\$12.4m	\$19.7m
3	Financial assets at fair value through profit and loss	\$52.7m	\$41.1m	\$41.1m
4	Non-current Trade and other receivables	\$18.4m	\$22.3m	\$41.7m
	Contact assets	\$0.6m	-	-
	Property, plant and equipment	\$2.5m	\$3.0m	\$3.0m
	Intangible assets	\$4.8m	\$4.9m	\$5.0m
	<b>Total non-current assets</b>	<b>\$91.8m</b>	<b>\$83.7m</b>	<b>\$110.4m</b>
	<b>Total assets</b>	<b>\$188.5m</b>	<b>\$175.3m</b>	<b>\$203.8m</b>

## Notes:

- 30 June 2018 numbers adjusted to reflect the adoption of AASB 15.
- AASB 15 adopted in 1H FY19. Prior year revenue included performance fees revenue recognised in accordance with AASB 118.

# Underlying Statement of Financial Position – Liabilities Breakdown

1	Trade and other payables	31 Dec 2018	30 Jun 18 <i>Adjusted<sup>1</sup></i>
	Trade payables	\$1.6m	\$0.9m
	Accrued expenses	\$2.6m	\$2.1m
	Lease incentive liability	\$0.4m	\$0.4m
	Related party payables	\$4.2m	\$2.9m
	Fee rebates, reimbursements & refunds	\$2.8m	\$6.0m
	Uncalled capital on balance sheet investments	\$2.1m	\$2.7m
		<b>\$13.7m</b>	<b>\$15.0m</b>

2	Other current liabilities	31 Dec 2018	30 Jun 18 <i>Adjusted<sup>1</sup></i>
	Deferred revenue	\$7.2m	\$6.9m
	Provision for franking deficit tax	\$4.1m	-
	Employee benefits	\$5.3m	\$7.0m
		<b>\$16.6m</b>	<b>\$13.9m</b>

3	Other non-current liabilities	31 Dec 2018	30 Jun 18 <i>Adjusted<sup>1</sup></i>
	Deferred revenue	\$1.0m	\$0.9m
	Employee benefits & provisions	\$0.3m	\$4.2m
	Provision for franking deficit tax	-	\$4.1m
	Deferred tax liabilities	-	-
	Other non-current liabilities	\$1.5m	\$4.2m
		<b>\$2.8m</b>	<b>\$13.4m</b>

	In AUD \$m	31 Dec 2018	30 Jun 18 <i>Adjusted<sup>1</sup></i>	30 Jun 2018
1	Trade and other payables	\$13.7m	\$15.0m	\$17.7m
	Borrowings	\$1.3m	\$0.7m	\$0.7m
2	Other current liabilities	\$16.6m	\$13.9m	\$13.3m
	<b>Total current liabilities</b>	<b>\$31.6m</b>	<b>\$29.6m</b>	<b>\$31.7m</b>
	Borrowings	\$44.5m	-	-
	Financial liabilities held at fair value through profit or loss	\$3.5m	-	-
3	Other non-current liabilities	\$2.8m	\$13.4m	\$14.8m
	<b>Total non-current liabilities</b>	<b>\$50.8m</b>	<b>\$13.4m</b>	<b>\$14.8m</b>
	<b>Total liabilities</b>	<b>\$82.4m</b>	<b>\$43.0m</b>	<b>\$46.5m</b>

## Notes:

1. 30 June 2018 numbers adjusted to reflect the adoption of AASB 15.

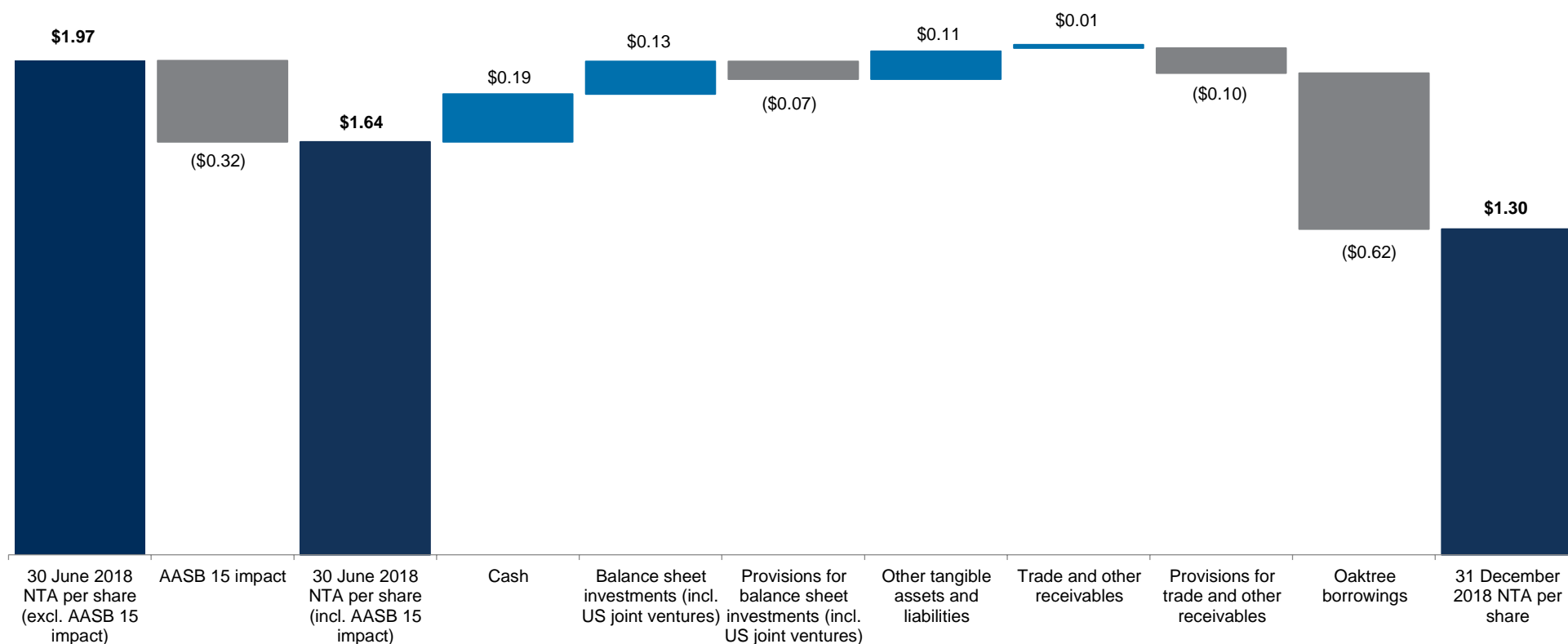
# NTA per share<sup>1</sup> as at 31 December 2018



## Notes:

1. Based on 77.7m shares on issue at 31 December 2018.

# NTA per share<sup>1</sup> movement from 30 June – 31 December 2018



## Notes:

1. Based on 77.7m shares on issue at 31 December 2018 and 77.5m shares on issue at 30 June 2018.



# Underlying Cash Flow Statement - Summary

Underlying cash flow impacted by:

- Customer receipts significantly reduced in 1H FY19 due to less transaction fees and upfront management fees collected driven by less deals completed in 1H FY19;
- Payments to suppliers increased due to:
  - (\$4.1m) due to the reimbursement of certain investment trusts where legitimate third-party expenses were incorrectly recouped;
  - (\$8.7m) due to restructuring costs, including the necessary engagement of unbudgeted external service providers (legal, corporate advisory, valuation, corporate communications); staff redundancies; terminations; and key-employee retention incentives.
- Balance sheet loans provided to select number of closed-end private equity, private real estate and agricultural investment trusts to bridge until investor capital is raised via rights issues, new investment funds or mezzanine financing of underlying investments.
- Net \$47.7m proceeds received from drawdown of Oaktree convertible note facility.

In AUD \$m	1H FY19	1H FY18
Receipts from customers	\$19.2m	\$42.6m
Payments to suppliers and employees	-\$37.0m	-\$30.6m
Interest received	\$0.1m	\$1.0m
Interest and other finance costs paid	-\$0.2m	-\$0.5m
Income taxes paid	\$4.1m	-\$2.2m
<b>Net cash used in / from operating activities</b>	<b>-\$13.8m</b>	<b>\$10.3m</b>
Payments for equity investments	-\$8.9m	-\$11.3m
Proceeds from disposal of equity investments	\$0.4m	\$4.7m
Payments for property, plant and equipment	-	-\$0.3m
Payments for intangible assets	-	-\$0.1m
Bridging finance and loans to funds (net)	-\$13.8m	-\$7.3m
Discontinued operations <sup>1</sup>	\$3.0m	-
<b>Net cash used in investing activities</b>	<b>-\$19.3m</b>	<b>-\$14.3m</b>
Proceeds from issue of shares	-	\$1.7m
Share issue transaction costs	-	-\$0.1m
Proceeds from borrowings	\$47.7m	\$16.6m
Repayment of borrowings	-	-\$18.1m
Dividends paid	-	-\$15.7m
<b>Net cash from / used in financing activities</b>	<b>\$47.7m</b>	<b>-\$15.6m</b>
Effect of exchange rate changes	\$0.1m	-
Starting cash balance	\$40.0m	\$70.6m
<b>Ending cash balance</b>	<b>\$54.8m</b>	<b>\$51.0m</b>

## Notes:

1. Relates to proceeds received from the disposal of Company's retirement living platform Aura

# Underlying Cash Flow Statement – Operating Activities Breakdown

1	Receipts from customers	1H FY19	1H FY18
	Management fees	\$11.0m	\$18.6m
	Transaction fees	\$1.1m	\$5.9m
	Performance fees	\$7.5m	\$16.0m
	Other fees	-\$0.4m	\$2.1m
		<u>\$19.2m</u>	<u>\$42.6m</u>

2	Payments to suppliers and employees	1H FY19	1H FY18
	Employee benefits	-\$16.6m	-\$12.8m
	Occupancy	-\$1.6m	-\$1.3m
	Fee rebates to BAF	-\$1.2m	-\$2.4m
	Other operating costs	-\$17.6m	-\$14.1m
		<u>-\$37.0m</u>	<u>-\$30.6m</u>

In AUD \$m	1H FY19	1H FY18
1 Receipts from customers	\$19.2m	\$42.6m
2 Payments to suppliers and employees	-\$37.0m	-\$30.6m
Interest received	\$0.1m	\$1.0m
Interest and other finance costs paid	-\$0.2m	-\$0.5m
Income taxes paid	\$4.1m	-\$2.2m
<b>Net cash used in / from operating activities</b>	<b>-\$13.8m</b>	<b>\$10.3m</b>

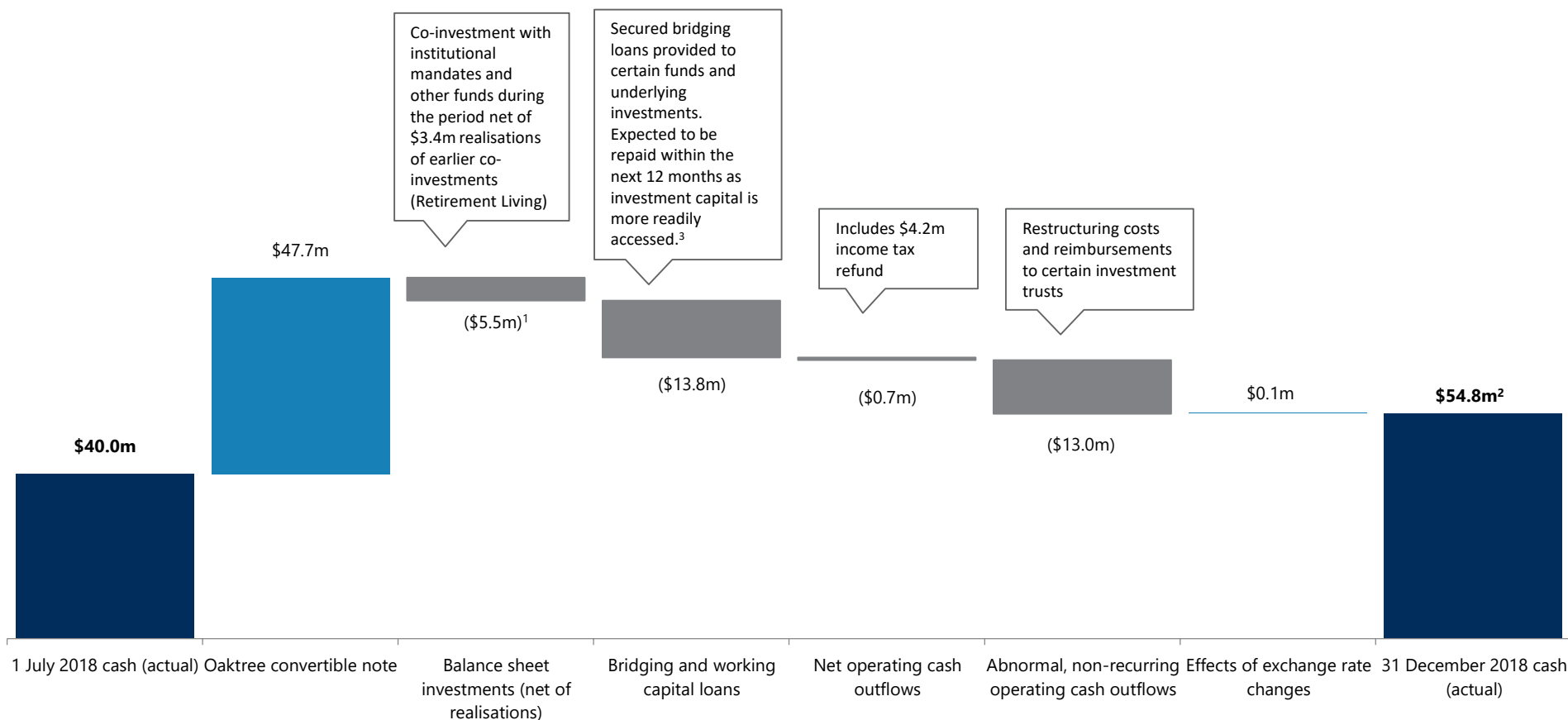
# Underlying Cash Flow Statement – Investing and Financing Activities Breakdown

## Underlying investing and financing activity:

- \$8.9m was invested across three asset classes, broken-down into:
  - \$5.5m of Private Real Estate investments;
  - \$2.8m of Real Asset investments; and
  - \$0.6m of Private Equity investments.
- \$0.4m of proceeds received from the disposal of the Company's investment in a Private Equity Fund.
- \$13.8m was provided as bridging finance and working capital loans across the following asset classes:
  - \$12.5m to Private Equity;
  - \$0.7m to Private Real Estate; and
  - \$0.6m to Real Assets.
- Net \$47.7m proceeds received from drawn debt of Oaktree Management facility.

In AUD \$m	1H FY19	1H FY18
Payments for equity investments	-\$8.9m	-\$11.3m
Proceeds from disposal of equity investments	\$0.4m	\$4.7m
Payments for property, plant and equipment	-	-\$0.3m
Payments for intangible assets	-	-\$0.1m
Bridging finance and loans to funds (net)	-\$13.8m	-\$7.3m
Discontinued operations	\$3.0m	-
<b>Net cash used in investing activities</b>	<b>-\$19.3m</b>	<b>-\$14.3m</b>
Proceeds from issue of shares	-	\$1.7m
Share issue transaction costs	-	-\$0.1m
Proceeds from borrowings	\$47.7m	\$16.6m
Repayment of borrowings	-	-\$18.1m
Dividends paid	-	-\$15.7m
<b>Net cash from / used in financing activities</b>	<b>\$47.7m</b>	<b>-\$15.6m</b>

# 1H FY19 Cashflow Bridge



- Notes:**
1. Breakdown: investments of \$8.9m less realisations of \$3.4m. Investments include alignment capital deployed alongside institutional investors and US joint ventures.
  2. The company maintains a minimum level of liquidity, currently set at \$30 million.
  3. Breakdown: bridging loans of \$12.6m, working capital loans of \$7.6m less loan repayments of \$6.4m

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# Divisional Focus and Performance

- The Company comprehensively reviewed its business structure and underlying funds throughout 1H FY19.
- Focus has returned to those business units which are considered institutional grade, scalable, profitable and operate in an underserved asset class where the Company can offer stakeholders a competitive advantage.
- The Company remains focused on the following private market investment management business units:

Business Unit	Asset Classes	FEAUM (31 Dec 2018)	Realised Returns Last Five Years <sup>1,2</sup>
Real Assets	Water, farmland, operating agricultural assets, regional infrastructure	\$1,167m	21.9%
Private Equity	Growth capital for small to mid cap private equity and venture capital opportunities in Australia, Asia and the United States	\$502m	19.9%
Private Real Estate	Student accommodation and commercial property development in Australia and the United States	\$728m Australia \$549m USA <sup>3</sup>	17.9%

## Notes:

1. Realised returns are equity weighted, pre-tax and net of fees and include returns on open-ended funds (i.e. where investors have redemption rights). Returns realised over the last 5 years include funds that have been fully or partially exited during the 5 years preceding 31 December 2018.
2. Past performance is not a reliable indicator of future performance.
3. Represents Blue Sky's pro-rata asset holding given respective shareholding in JVs.

# FEAUM and FUM – 1H FY19 Movement

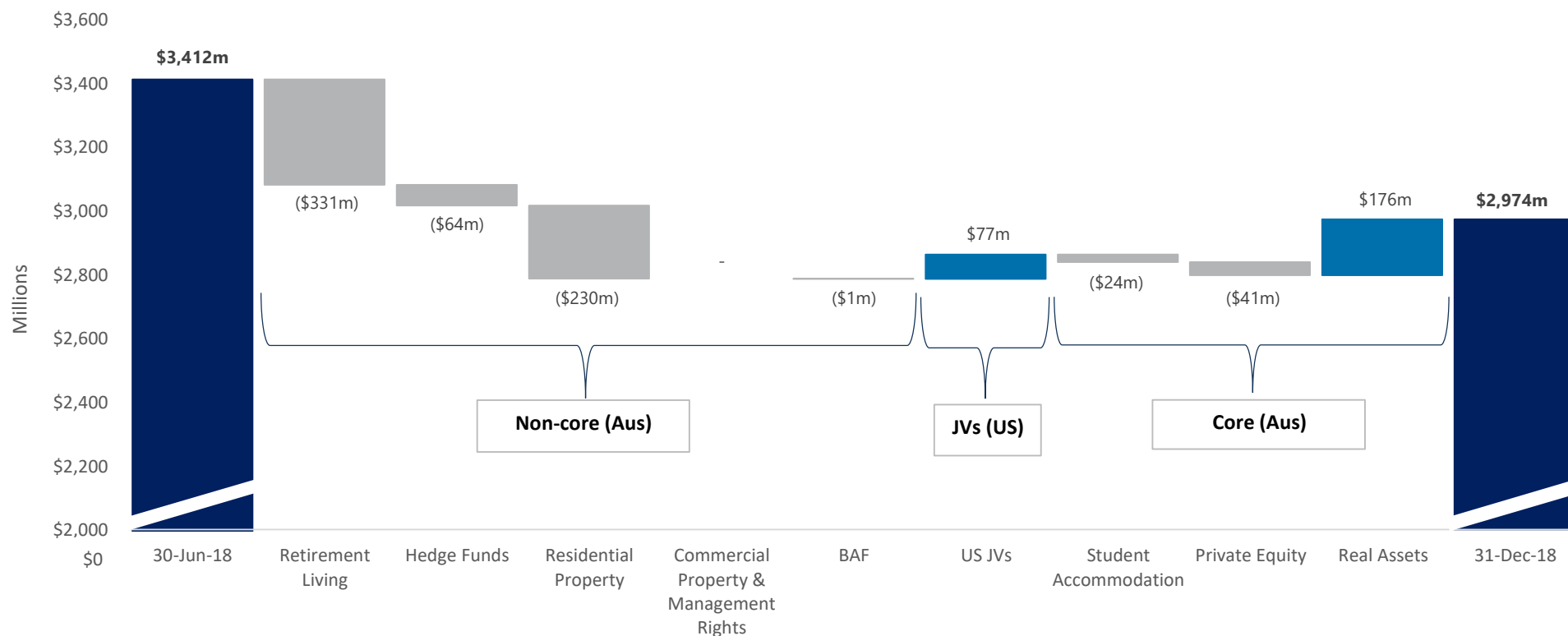
FEAUM <sup>1</sup>	31-Dec-18	30-Jun-18	Variance
Growth Capital	\$297.7m	\$318.1m	-6%
Venture Capital	\$204.3m	\$225.0m	-9%
<b>Total Private Equity</b>	<b>\$502.0m</b>	<b>\$543.1m</b>	<b>-8%</b>
Water Fund	\$220.9m	\$195.1m	13%
Other Agriculture - wholesale	\$43.2m	\$53.5m	-19%
Institutional mandates	\$902.6m	\$742.3m	22%
<b>Total Real Assets</b>	<b>\$1,166.7m</b>	<b>\$990.9m</b>	<b>18%</b>
Student Accommodation	\$605.5m	\$629.2m	-4%
Retirement Living	-	\$331.2m	
Residential Development	\$86.2m	\$315.8m	-73%
Commercial property and MLR	\$36.8m	\$36.8m	0%
<b>Total Private Real Estate</b>	<b>\$728.5m</b>	<b>\$1,313.0m</b>	<b>-45%</b>
Cove <sup>2</sup>	\$471.1m	\$397.7m	18%
Student Quarters <sup>2</sup>	\$77.8m	\$74.3m	5%
<b>Total US Joint Venture Platforms</b>	<b>\$548.9m</b>	<b>\$472.0m</b>	<b>16%</b>
Hedge Funds	-	\$64.4m	-100%
BAF (uncommitted)	\$27.7m	\$28.7m	-4%
<b>Total</b>	<b>\$2,973.7m</b>	<b>\$3,412.1m</b>	<b>-13%</b>

FUM <sup>1</sup>	31-Dec-18	30-Jun-18	Variance
Growth Capital	\$295.9m	\$318.1m	-7%
Venture Capital	\$204.3m	\$225.0m	-9%
<b>Total Private Equity</b>	<b>\$500.2m</b>	<b>\$543.1m</b>	<b>-8%</b>
Water Fund	\$220.9m	\$195.1m	13%
Other Agriculture - wholesale	\$40.0m	\$53.5m	-25%
Institutional mandates	\$902.6m	\$742.3m	22%
<b>Total Real Assets</b>	<b>\$1,163.5m</b>	<b>\$990.9m</b>	<b>17%</b>
Student Accommodation	\$521.4m	\$486.0m	7%
Retirement Living	-	\$75.8m	
Residential Development	\$14.4m	\$94.5m	-85%
Commercial property and MLR	\$36.8m	\$36.8m	0%
<b>Total Private Real Estate</b>	<b>\$572.6m</b>	<b>\$693.1m</b>	<b>-17%</b>
Cove <sup>2</sup>	\$471.1m	\$397.7m	18%
Student Quarters <sup>2</sup>	\$77.8m	\$74.3m	5%
<b>Total US Joint Venture Platforms</b>	<b>\$548.9m</b>	<b>\$472.0m</b>	<b>16%</b>
Hedge Funds	-	\$64.4m	-100%
BAF (uncommitted)	\$27.7m	\$28.7m	-4%
<b>Total</b>	<b>\$2,812.9m</b>	<b>\$2,792.2m</b>	<b>1%</b>

## Notes:

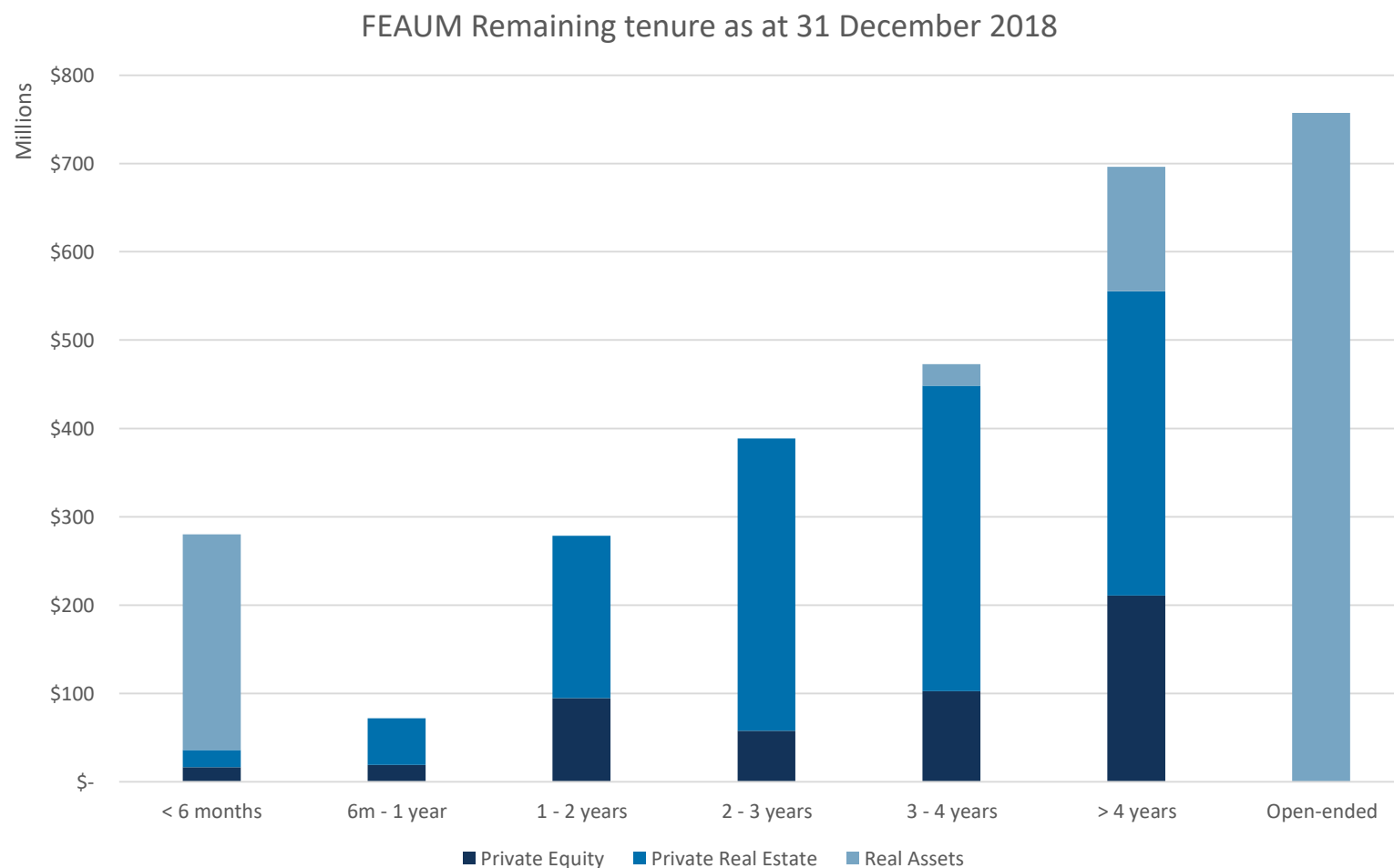
- FEAUM definitions are consistent with those disclosed in the BLA Supplementary Prospectus at IPO, and reiterated in May 2018. Funds under Management ('FUM') is based on the same principles that have been applied for FEAUM for all asset classes with the exception of Private Real Estate which is based on equity plus drawn debt.
- Reflects Blue Sky's 38% share in Cove Property Group and its 60% share in Student Quarters.

# 1H FY19 FEAUM Movements by Asset Class





# FEAUM duration at 31 December 2018

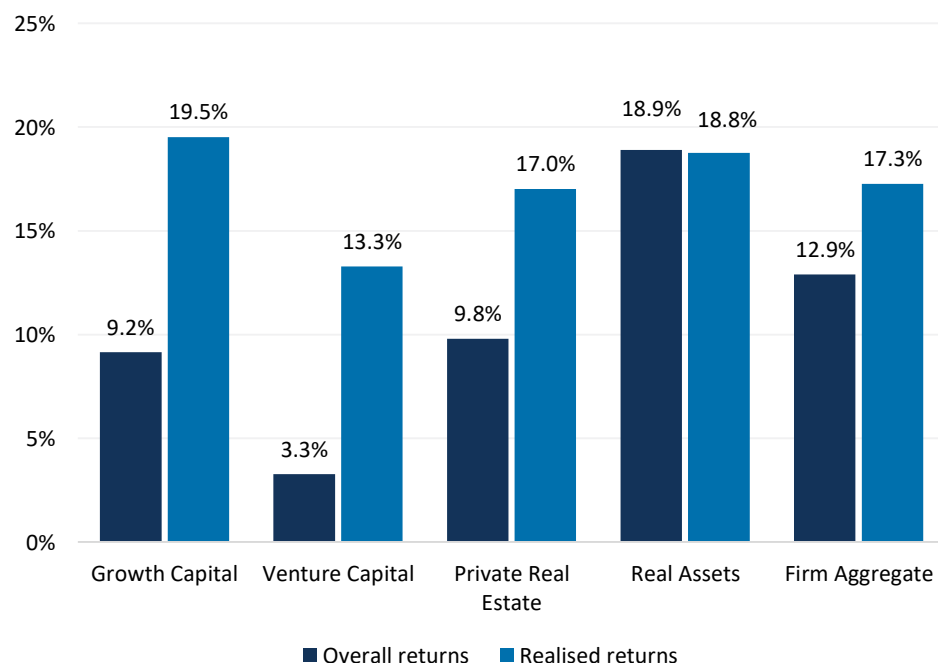


## Notes:

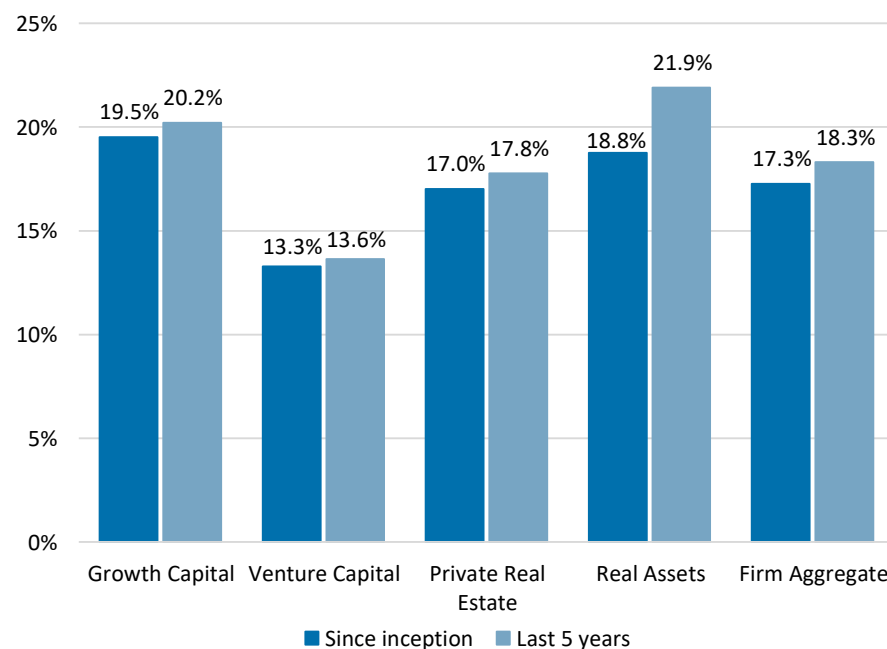
1. Based on expected exit dates per fund investment memorandums
2. <6 months includes exit of PSP mandate as announced 13<sup>th</sup> February 2019

# Blue Sky Investment Returns

## Since inception returns<sup>1,2,3,4</sup>



## Realised returns to 31 December 2018<sup>1,3,4</sup>

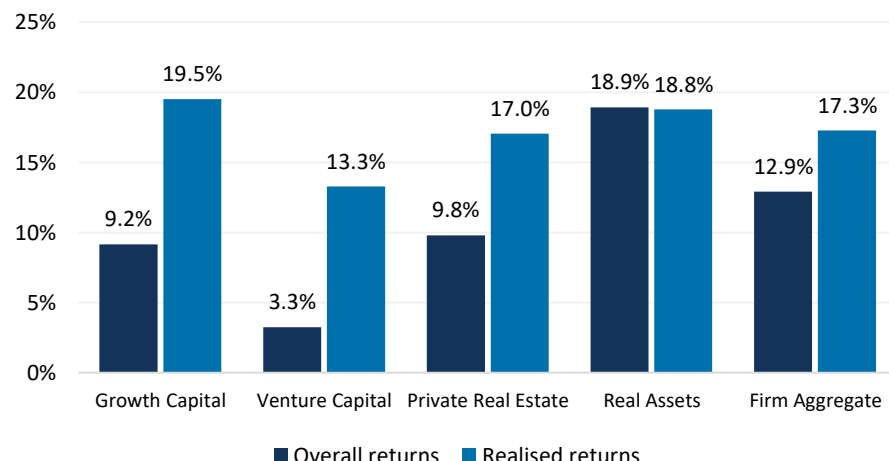


### Notes:

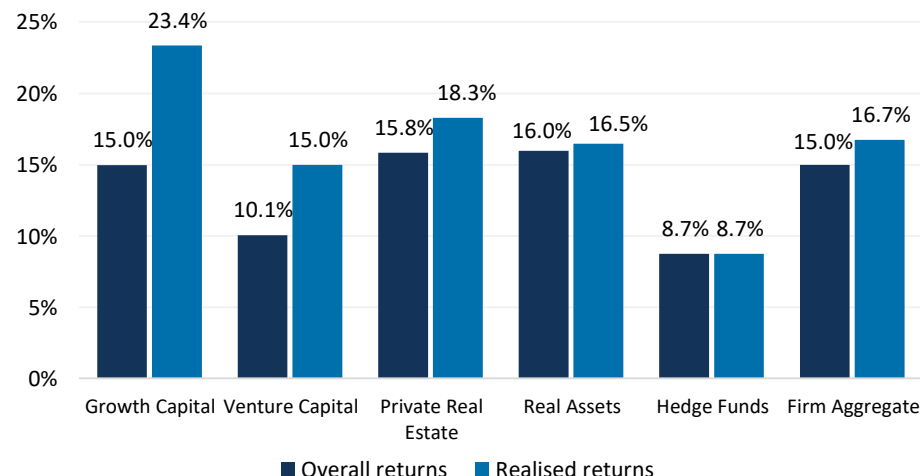
1. Returns are equity weighted, pre-tax and net of fees as at 31 December 2018.
2. Overall returns since inception include both realised and unrealised investments.
3. Realised returns include returns on open-ended funds (i.e. where investors have redemption rights). Returns realised over the last 5 years include funds that have been fully or partially exited during the 5 years preceding 31 December 2018.
4. Past performance is not a reliable indicator of future performance.

# Blue Sky Investment Returns – year on year comparison

**Returns to fund investors (net of fees)**  
(since inception through to 31 December 2018)<sup>1</sup>



**Returns to fund investors (net of fees)**  
(since inception through to 31 December 2017)<sup>1</sup>



- The charts above illustrate aggregate investment returns for each division at a point in time.
- The two charts are not necessarily comparable due to progressive exits and realisations in each division over the period from 1H FY18 to 1H FY19.
- Blue Sky manages closed end funds which typically invest patient growth capital in private companies to assist them to develop over time; the development of private real estate projects; or the development of agricultural assets and enterprises. Such investments often experience a “j-curve” of underlying earnings, and necessarily require a period of time to develop to their potential prior to a realisation event or exit.
- Aggregate overall returns net of fees have reduced from 15% as at 1H FY18 to 12.9% as at 1H FY19 reflecting changing market conditions and comprehensive valuation reviews of each underlying investment.
- In the last five years, 24 of 35 exits were at or above carrying value.

## Notes:

1. Returns are equity-weighted since inception through to 31 December 2017. Realised returns in the graph above include returns on open-ended funds (i.e. where investors have redemption rights)
2. Past performance is not a reliable indicator of future performance.

# Business Unit Updates

## Real Assets

	30-Jun-17	31-Dec-17	30-Jun-18	31-Dec-18
FEAUM	\$569m	\$697m	\$991m	\$1,167m

Real Assets has continued to deliver growth in Funds Under Management and compelling investor returns from Australia's irrigated agricultural sector.

- Realised returns since inception of 18.8% p.a.<sup>1,3</sup>
- 67% growth in FEAUM during CY18 to \$1,167m at 31 December 2018.
- Blue Sky Water Fund returned 34.4% during CY18 (net of fees, gross of tax)<sup>2,3</sup> and 15.85% in 1H FY19. The fund has generated a return of 18.99% p.a. since inception (net of fees, gross of tax).<sup>2,3</sup>
- The Water Fund and other water entitlement mandates managed by Blue Sky have out-performed to date resulting in accruals of performance fees for FY19 in those portfolios. The Company currently anticipates significant revenues (circa \$8-10M) will result from the crystallisation of performance fees as at 30 June 2019, and payable from 1H FY20.

- After fulfilling the interim-CEO role since April 2018, Kim Morison has returned to head the Real Assets team, a role he has held since 2010. Several personnel changes have taken place in recent months reducing divisional cost base. The depth of the team and its foundations built since 2008 ensures its strategic focus, core competency and key capabilities are well able to effectively manage existing water entitlement portfolios and agricultural assets, deliver on targeted investment objectives, and grow FUM over time.
- Achieved final close on the Blue Sky Strategic Australian Agriculture Fund. Deployment is well progressed across a portfolio of water entitlements, private equity farmland developments and agricultural supply chain infrastructure.
- Achieved 10.2% IRR<sup>4</sup> for investors exiting Blue Sky's first Agriculture Fund, which was invested in the development of an irrigation farm 'Gundaline' since June 2014.
- Post 31 December 2018, PSP Investments sought an internalisation of the management of investments sourced by Real Assets since December 2017 consistent with its broader Australian agricultural deployment strategy.

### Notes:

- Overall returns on realised funds include returns on open-ended funds (where investors have redemption rights).
- Accumulated returns for the initial and lead unit series of the Blue Sky Water Fund Master Trust from inception through to 31 December 2018. All returns are net of fees, gross of tax. Inception date is 1 August 2012.
- Past performance is not a reliable indicator of future performance.
- Subject to minor adjustment pending any final farm property warranties to Dec 2019

# Business Unit Updates (cont.)

## Private Equity

	30-Jun-17	31-Dec-17	30-Jun-18	31-Dec-18
FEAUM	\$428m	\$562m	\$543m	\$502m

- Overall realised returns (net of fees) since inception of 18.4%<sup>1,2,3</sup> p.a.
- Last five year realised returns of 19.9% p.a.<sup>1,2,3,4</sup>
- Three investment exits (totalling \$10.5 million capital invested) were completed during 1H FY19.
- Exit processes commenced for a further four investments, totalling c. \$30 million capital invested.
- Significant capital deployment over the last 18 months is not yet contributing to returns.
- Reduction in FEAUM due to realised investments and net adjustments to fund investment size.

## Growth Capital

- Track record: 25 investments, 9 realisations with realised returns (net of fees) of 19.5% p.a.<sup>1,2</sup> with 16 current funds (four of which are held below investment value<sup>5</sup>).
- Focus on building portfolio value and the exit of all pre-2013 investments.

## Venture Capital

- Track record: 20 investments, four realisations achieving returns (net of fees) of 13.3% p.a.<sup>1,2</sup>
- 16 current investments (four of which are held below investment value<sup>5</sup>). Four portfolio companies achieved follow-on investment from leading strategic and financial investors, validating Blue Sky's earlier stage investments.

## North America

- Track record: Three investments made with no realised returns due to early stage of the portfolio (first invested February 2016).
- Energy storage growth capital investment (EsVolta) continues to perform ahead of its investment case.

### Notes:

- Returns are net of fees and are equity-weighted since inception through to 31 December 2018
- Past performance is not a reliable indicator of future performance
- Since inception returns are the aggregate of the venture capital and growth capital divisions
- Overall returns are pre-tax, net of fees and include both realised and unrealised investments. All investment strategies originated and managed by Blue Sky since inception are included. Closed-ended funds that are less than 24 months old where there has been no material change in value of the underlying investment(s) are excluded.
- Defined as value of underlying investment being held below cost

# Business Unit Updates (cont.)

## Private Real Estate

	30-Jun-17	31-Dec-17	30-Jun-18	31-Dec-18
FEAUM	\$1,834m	\$1,994m	\$1,313m	\$1,167m

Last five years realised returns of 17.8% p.a.<sup>1,2</sup>

## Student Accommodation

- Portfolio of over 3,500 beds across six operational sites across Brisbane, Melbourne, and Adelaide with two Melbourne assets now operational for semester 1, 2019.
- Occupancy at the four operational sites continued to ramp up in 1H FY19 averaging 80%. However competitive market conditions in the Brisbane region have led to a reduction in room rates. Management projections were updated accordingly resulting in a significant downward impact on the carrying values of Brisbane-based investments.
- A new development site settled in Kensington, Sydney in December 2018. Development application lodged for this 276 bed asset.

## Retirement Living

- In October 2018, the Company successfully exited the six retirement living funds through a sale to an offshore institutional investor.
- The final IRR performance of the funds ranged between 6% p.a. to 40% p.a. depending on each specific fund and its time invested<sup>1,2</sup>.

## Industrial

- Continued distributions from the two existing industrial sites in Brisbane and Sydney. A sale is currently being explored for the Brisbane asset.

## Residential and management rights

- Two Brisbane residential development assets have been sold with deferred settlements due to occur late-2019.
- Construction has commenced on the 82 apartment residential development at Milton. Two other proposed townhouse development sites in Brisbane metro are not considered viable in the current market. The sites will be exited.
- Progressively exiting the management rights portfolio with one asset settled in December 2018 and two more currently under contract.
- Continued efforts are being made to exit regional real estate development projects in Townsville, however market conditions remain challenging.

### Notes:

1. Returns are equity-weighted for the five years through to 31 December 2018.
2. Past performance is not a reliable indicator of future performance.

# Business Unit Updates (cont.)

## US Joint Venture Platform

**FEAUM - \$549m as at 31 December 2018**

### Cove

- Valuation of underlying projects significantly increased over 1H FY19 due to construction progress over its existing commercial New York real estate projects, namely 441 Ninth Avenue and 101 Greenwich (formerly 2 Rector Street).
- In January 2019, Blue Sky reached an agreement to sell its 38% interest in Cove Property Group to the existing principals.
- Blue Sky will not participate in any future Cove projects however retains its rights to share in Cove's expected profits.

### Student Quarters (Blue Sky owns 60% of Student Quarters)

- Portfolio represents 26 assets, consisting of over 6,000 beds at 14 campuses across eight states.<sup>1</sup>
- Now one of the 25 largest owners of student accommodation in the United States.<sup>2</sup>

## Blue Sky Alternatives Access Fund Limited (ASX:BAF)

**BAF's uncommitted cash position - \$27.7m as at 31 December 2018**

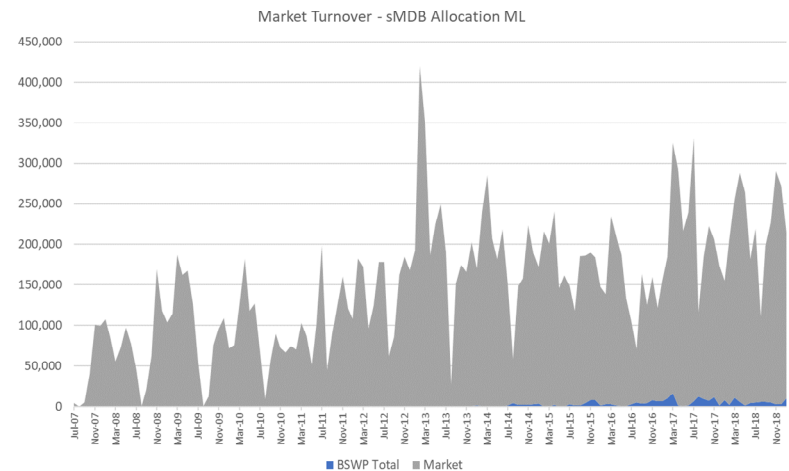
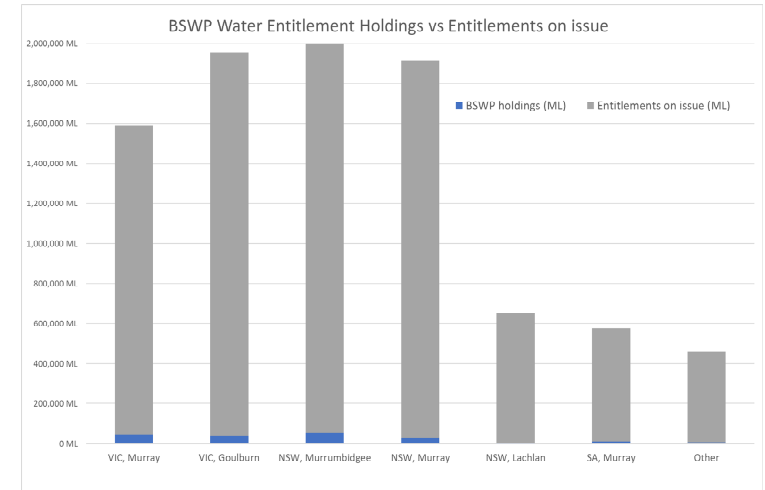
- BAF maintains a well-diversified portfolio, holding positions in 44 private market funds managed by Blue Sky.
- BAF committed a further \$10 million to the Strategic Australian Agriculture Fund prior to its final close at 31 December 2018.
- BAF received exit proceeds from seven closed-end fund investments exited by Blue Sky in 1H FY19, contributing positively to BAF's realised weighted average internal rate of return of 16.2% per annum since inception.<sup>3</sup>
- Annualised 8.1% pre-tax fund performance since inception in May 2014.<sup>3</sup>
- 12-month pre-tax fund performance (including movement in NTA plus franked dividends paid) of 2.9%, including 1.7% for 1H FY19.<sup>3</sup>
- The company and BAF's Independent Board are presently examining a possible change to a third party fund manager. If a transition were to occur, the existing private market investments by BAF in Blue Sky managed closed-end funds will remain in place until exited by Blue Sky in the normal course.

#### Notes:

1. As at 31 December 2018
2. Student Housing Business, December 2017.
3. The returns are equity weighted composite IRRs from fully realised investments and redemptions, inclusive of franking credits, and before management and performance fees on the Company's portfolio as a whole. Past performance is not an indicator of future performance.

# Investments in Water Markets

- Blue Sky Real Asset's cornerstone strategy is to invest in the long term ownership and annual management of Australian water entitlements which represent perpetual titles to receive an annual share of water allocated from a particular water resource.
- Blue Sky's activities in the water markets provide a vital source of liquidity and multiple risk management products for irrigation farmers including spot and forward sales of annual water allocations, long term water entitlement leases, and water allocation carryover facilities to enable farmers to manage their water requirements across different annual periods.
- During CY18, Murray Darling Basin ('MDB') water entitlements continued to appreciate based on long term demand arising from increased expansion of high value crops (almonds, winegrapes, citrus and other horticulture), and further supported near-term by extended drought conditions.
- Blue Sky's activities in the water markets are consistent with the National Water Initiative developed by Commonwealth and state governments in 2004. Australia's water policies support the sustainability of each water resource, and actively encourage the development of markets such that consumptive water is appropriately valued and able to be bid to its highest economic use. This bi-partisan policy framework is recognised globally as world's best practice.
- Blue Sky anticipates regular on-going reviews as to the implementation of the MDB Plan and other water resource sharing plans. Incremental measures which might increase the volumes of water directed to environmental purposes are likely to result in greater scarcity of water allocated to entitlements for consumptive purposes, in turn creating upward pressure on entitlement values.
- The Blue Sky Water Fund and its other managed water entitlement mandates out performed in FY18 and FY19 to date. This is not inconsistent with the returns and profits achieved by a range of ASX-listed agribusinesses and irrigated horticulture enterprises (e.g. WBA, TWE, SHV, RFF, CGC) over the period.





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Appendices

# Corporate restructuring – progress on key objectives

Business Objective	Progress
Strengthen governance, risk and compliance	<ul style="list-style-type: none"> <li>▪ Risk and governance framework comprehensively reviewed and strengthened.</li> <li>▪ Instituted a majority non-executive board with the appointment of Andrew Day (Executive Chair), Byron Beath (NED), Cheryl Edwardes (NED), John McDonald (NED) and Robert Kaye (NED). John Kain was re-elected at the Company's 2018 AGM , but has now stepped down from the board having successfully facilitated the transition to the new board. The board now has a majority of independent directors.</li> <li>▪ Andrew Day currently operating as Executive Chair pending appointment of CEO. Since December Kim Morison resumed his role as head of Real Assets. He no longer remains interim-Managing Director.</li> <li>▪ The hiring of a highly experienced executive team progressed with the appointment of Elizabeth Walker as CFO and Andrew Werro as CRO.</li> <li>▪ A Group Investment Committee implemented to ensure consistency of investment discipline and process across each investment management business unit.</li> <li>▪ Each business unit retains its autonomy with regard to investment decisions, subject to certain limits regarding any use of Blue Sky balance sheet for alignment through co-investment capital or arms' length secured commercial loans to funds.</li> <li>▪ Valuation policy was enhanced and applied following risk management review conducted by PwC.</li> </ul>
Exit non-scalable, non-profitable business units.	<ul style="list-style-type: none"> <li>▪ Exit of hedge fund business via management buy-out completed in December.</li> <li>▪ Sale of retirement living portfolio completed in October.</li> <li>▪ Sale process progressing for the Management Rights business on an asset by asset basis.</li> <li>▪ Plans progressing to exit seven of the ten remaining residential projects in Brisbane and Townsville in CY19. Two Brisbane residential development sites contracted for sale.</li> </ul>

# Corporate restructuring – progress on key objectives

Business Objective	Progress
Cost management	<ul style="list-style-type: none"> <li>▪ Meaningful progress has been made towards the goals of having the fixed cost base covered by recurring management fee revenue and reducing reliance on deal and performance fees.</li> <li>▪ Staff numbers reduced 32% from 124 as at 31 Dec 2017 to 84 by 31 Dec 2018.</li> <li>▪ Key investment management capability maintained.</li> </ul>
Compliance	<ul style="list-style-type: none"> <li>▪ As at 27 February 2019, Blue Sky had not been notified of any class action against the firm.</li> <li>▪ The company provided full co-operation with ASIC's request for information (s33 notice) by the beginning of September 2018. We await feedback from that request for information.</li> <li>▪ Blue Sky rectified and self-reported four AFSL breaches as required. ASIC has determined not to take any further action on three, and we await the outcome of the last reported breach after meeting with ASIC representatives in early February.</li> </ul>
BAF Update	<ul style="list-style-type: none"> <li>▪ As part of the strategic review the BLA Board and BAF Board reached a consensus to consider transferring the management rights of the Blue Sky Alternatives Access Fund Limited to another party which would be in a position to broaden the range of alternative investment options for BAF (e.g. infrastructure, credit, hedge funds not offered by BLA).</li> <li>▪ The parties subsequently entered into agreements to transfer the management rights to a subsidiary of Pinnacle Investment Management Group Limited (ASX: PNI) by 31 December 2018 subject to a BAF shareholder vote.</li> <li>▪ Shortly after the announcement of the above proposal, BAF received a proposal from Wilson Asset Management ('WAM') to be appointed as the new manager. BLA and BAF confirmed to WAM that they were not able to consider any other proposal until the existing agreements were no longer effective. Subsequently, each of the BAF directors who stood for re-election at the BAF AGM on 29 November 2018 did not receive sufficient votes supporting their re-election. Pinnacle withdrew its proposal on 29 November 2018 and the existing agreements lapsed on 31 December 2018.</li> <li>▪ Discussions between the BLA board, the BAF board and WAM remain underway.</li> </ul>

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1. Executive Summary
  2. 1H FY19 Results
  3. Business Update
  4. Corporate Initiatives

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## **5. Outlook**

Appendices

# Outlook

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In 2H FY19 the Company anticipates:

- The appointment of a new CEO;
- It will continue to address the Company's cost base to align with recurring management fee revenues;
- A rebranding of the business to reflect its new discipline, focus and approach;
- Continuing deployment in Real Assets, Private Equity and selected Private Real Estate projects;
- Launching an institutional agriculture fund leveraging the Company's track record in water entitlements and irrigated agricultural investments; and,
- Re-engaging with the High Net Worth and Family Office ('sophisticated') investor base across Australia.

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**Notes:**

1. Based on current performance fees accrued within Water Fund (19.9% performance in FY19 YTD 31 January 2019), other certain water entitlement investment mandates and projected valuation of the underlying assets to 30 June 2019 without assuming any addition capital gains in underlying water entitlements.

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1. Executive Summary
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  5. Outlook

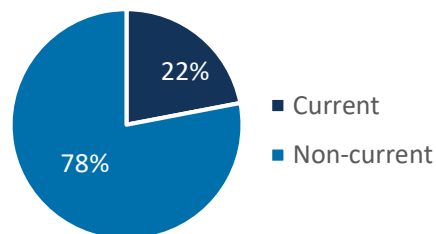
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## **Appendices**

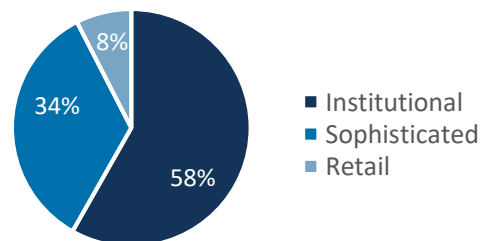
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# Blue Sky funds are mostly long-term and closed-end

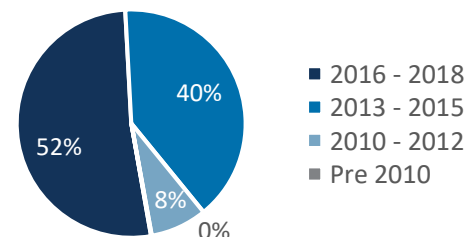
FEAUM: Current vs. non-current



FEAUM: By investor type



FEAUM: By vintage



- **'Sticky' closed-ended funds:**

- Of Blue Sky's 79 funds, 74 are closed-ended, private market funds

- **78% of FEAUM (\$2.3b) is 'non-current':**

- Long term investment timeframes means ~5 year fund duration is typical; often substantially longer for institutional mandates
- 'Non-current' FEAUM includes (i) closed-ended funds and institutional mandates not anticipated to be realised in next twelve months; and (ii) Blue Sky Alternatives Access Fund

- **Limited short-term FEAUM:**

- 22% of FEAUM (\$0.4b) is 'current' and includes (i) closed-ended funds with anticipated realisations in next twelve months and (ii) all open-ended funds (e.g. Blue Sky Water Fund (excluding institutional mandates))

- **Diverse investor base (by type and location):**

- 58% of FEAUM is from institutional investors across multiple jurisdictions (Australia, North America, Asia)
- 34% of FEAUM is from our network of sophisticated investors (high net worth investors, family offices)

- **Majority of FEAUM relates to recently raised funds**

- Over 50% of FEAUM relates to funds that were established between 2016 and 2018
- 92% of FEAUM is less than 6 years old

**Notes:**

1. All data is as at 31 December 2018

# Understanding Blue Sky's financials

## What is the difference between Blue Sky's statutory and underlying results?

- Blue Sky invests into a range of funds that it manages, typically as alignment capital alongside institutional investors
- Blue Sky has also made several investments into joint ventures (e.g. Cove, Student Quarters) and operational businesses that are related to funds that we manage (e.g. Atira (the operator of our Australian student accommodation assets))
- **Statutory results:** *AASB 10 'Consolidated Financial Statements'* requires that, for funds in which Blue Sky has invested, these are accounted for either on a consolidated basis or using equity accounting (depending on the level of control). This accounting treatment has a range of impacts, including:
  - Management and other fees that are earned by Blue Sky from funds in which it has invested and is deemed to have control are eliminated upon consolidation and therefore do not appear in our statutory results;
  - The assets and liabilities of funds that are consolidated are included in the Consolidated Group's Statement of Financial Position, but the fair value of the units held by Blue Sky in those funds is eliminated upon consolidation; and
  - For funds that are accounted for using the equity accounting method, a share of the period's profit or loss – rather than the fair value of the units held by Blue Sky in those funds – appears in the consolidated results of the Group
- **Underlying results:** Blue Sky's underlying results are prepared on exactly the same basis as its statutory results, with the only difference being that Blue Sky's fund investments are accounted for using the same approach as *AASB 13 'Fair Value Measurement'*. This means that:
  - All management or other fees earned by Blue Sky are included in our underlying results. Performance fees are included when realised.
  - All investments in our funds are included in our underlying results at fair value
  - No consolidation of profit and loss, balance sheet and cash flow items from funds that we manage
  - Balance sheet investments into joint ventures (e.g. Cove, Student Quarters) are accounted for in the same way under our statutory and underlying results

## Does Blue Sky's audit include its underlying results?

Ernst & Young audits our annual statutory results, reviews our half year results and reviews our underlying results.

## Do other alternative asset managers present underlying results?

Yes. This accounting standard has the same impact described above on alternative asset managers globally (for those that invest in their funds) and Blue Sky's approach is based on the approach adopted by global asset managers



# Understanding Blue Sky's financials

## Statutory Results

Accounting basis:	Fair value accounting	Equity accounting	Consolidated
<b>Used when:</b>	<ul style="list-style-type: none"> <li>Balance sheet investments where Blue Sky is deemed not to have any control or influence over its investment</li> </ul>	<ul style="list-style-type: none"> <li>Balance sheet investments where Blue Sky is deemed to have significant influence but not control</li> </ul>	<ul style="list-style-type: none"> <li>Balance sheet investments where Blue Sky is deemed to have control</li> </ul>
<b>Number of investments:</b>	<ul style="list-style-type: none"> <li>Nil (Blue Sky, in its role as investment manager, is deemed to have control or influence over all of its investments)</li> </ul>	<ul style="list-style-type: none"> <li>Twenty-one</li> </ul>	<ul style="list-style-type: none"> <li>Six</li> </ul>
<b>Examples:</b>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>	<ul style="list-style-type: none"> <li>Student accommodation funds</li> <li>Atira (an operator of student accommodation in Australia. Blue Sky owns 50% of Atira)</li> </ul>	<ul style="list-style-type: none"> <li>Riverside Gardens Trust</li> <li>Sunday Ridge Dairies</li> </ul>

## Underlying Results

Accounting basis:	Fair value accounting	Equity accounting	Consolidated
<b>Used when:</b>	<ul style="list-style-type: none"> <li>All balance sheet investments in Blue Sky funds, and fund related entities that are intended to be realised in the future</li> </ul>	<ul style="list-style-type: none"> <li>Balance sheet investments that will be held indefinitely where Blue Sky is deemed to have significant influence, but not control</li> </ul>	<ul style="list-style-type: none"> <li>Balance sheet investments that will be held indefinitely where Blue Sky is deemed to have control</li> </ul>
<b>Number of investments:</b>	<ul style="list-style-type: none"> <li>Twenty-five</li> </ul>	<ul style="list-style-type: none"> <li>Two</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>
<b>Examples:</b>	<ul style="list-style-type: none"> <li>Student accommodation funds</li> <li>Atira (an operator of student accommodation in Australia. Blue Sky owns 50% of Atira)</li> </ul>	<ul style="list-style-type: none"> <li>Joint venture with Cove Property Group (Blue Sky owns 38% of Cove Property Group)</li> <li>Joint venture with Student Quarters (Blue Sky owns 60% of Student Quarters)</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>

# Detailed underlying and statutory results:

## Income statement

In AUD \$m	Underlying Results		Statutory Results	
	1H FY19	1H FY18	1H FY19	1H FY18
Management fees	\$14.1m	\$14.0m	\$14.1m	\$11.8m
Transaction fees	\$0.2m	\$11.9m	\$0.2m	\$11.9m
Performance fees	\$0.3m	\$10.2m	\$0.3m	\$10.2m
Investment income	-\$7.3m	\$10.2m	-\$4.7m	-
Share of profit of associates	\$0.7m	\$1.3m	\$1.1m	\$3.2m
Other income	\$3.1m	\$3.8m	\$4.9m	\$5.2m
<b>Total income</b>	<b>\$11.1m</b>	<b>\$51.4m</b>	<b>\$15.9m</b>	<b>\$42.3m</b>
Employee benefits expense	-\$7.5m	-\$15.6m	-\$8.0m	-\$15.8m
Occupancy	-\$1.3m	-\$1.1m	-\$1.4m	-\$1.1m
External service providers	-\$3.6m	-\$2.5m	-\$3.7m	-\$2.5m
External capital raising expenses	-\$0.6m	-\$1.8m	-\$0.6m	-\$1.8m
Fee rebates to BAF	-\$1.6m	-\$3.0m	-\$1.6m	-\$3.0m
Other operating costs	-\$12.9m	-\$4.0m	-\$14.7m	-\$5.1m
Provisions and impairments	-\$7.8m	-\$1.1m	-\$10.5m	-\$1.1m
<b>Total expenses</b>	<b>-\$35.3m</b>	<b>-\$29.1m</b>	<b>-\$40.5m</b>	<b>-\$30.4m</b>
Depreciation and amortization	-\$0.3m	-\$0.2m	-\$0.3m	-\$0.2m
Finance costs	-\$1.2m	-\$0.5m	-\$1.3m	-\$0.5m
<b>Net loss before tax</b>	<b>-\$25.7m</b>	<b>\$21.6m</b>	<b>-\$26.2m</b>	<b>\$11.2m</b>
<b>Net loss after tax to owners of BSAIL</b>	<b>-\$25.7m</b>	<b>\$16.1m</b>	<b>-\$26.2m</b>	<b>\$8.8m</b>
Non-controlling interests	-	-	-\$1.2m	-\$1.3m

### Commentary on statutory results:

- Statutory results exclude the management fees, performance fees and other fees that have been earned by Blue Sky from consolidated funds (as these are eliminated upon consolidation in accordance with AASB 10)
- Statutory results include all of the revenue and expenses attributable to funds that have been consolidated, as well as a share of the profit/(loss) of funds that have been equity accounted in accordance with AASB 10
  - The revenue and expenses from the funds that are consolidated are attributable to the fund's unitholders (of which Blue Sky is one), but are not wholly attributable to Blue Sky
- Notwithstanding the above, AASB 10 requires that these funds be consolidated where Blue Sky is deemed to have control, and equity accounted where Blue Sky is deemed to have significant influence

### Commentary on underlying results:

- Underlying results exclude all of the revenue and expenses attributable to funds that have been consolidated in the statutory results, as well as the share of profit/(loss) of funds that have been equity accounted in accordance with AASB 10
- Underlying results include the management, performance and other fees earned by Blue Sky from these funds
- The underlying results are therefore more reflective of the economic reality (refer to page 7-10 for further details)

Note that the statutory results include the impact of a range of Blue Sky managed funds that have been consolidated or equity accounted following the adoption of AASB 10. The underlying results columns are non-IFRS financial information and are based on all equity held by Blue Sky in funds and fund related entities that it manages being accounted for at fair value using the same approach as outlined in AASB 13. A reconciliation between the Underlying Results and the Statutory Results is provided in the Interim Financial Report which may be downloaded from the ASX's website. The non-IFRS financial information has been reviewed by Blue Sky's auditor (Ernst & Young)

# Detailed underlying and statutory results:

## Statement of financial position

In AUD \$m	Underlying Results		Statutory Results	
	31 Dec 18	30 Jun 18	31 Dec 18	30 Jun 18
Cash	\$54.8m	\$40.0m	\$55.1m	\$40.9m
Trade and other receivables	\$37.5m	\$46.4m	\$32.6m	\$43.4m
Other current assets	\$4.4m	\$7.0m	\$9.7m	\$8.7m
<b>Total current assets</b>	<b>\$96.7m</b>	<b>\$93.4m</b>	<b>\$97.4m</b>	<b>\$93.0m</b>
Investments in associates and joint ventures	\$12.8m	\$19.7m	\$47.1m	\$46.3m
Financial assets at fair value through profit and loss	\$52.7m	\$41.1m	\$19.2m	\$0.2m
Trade and other receivables	\$18.4m	\$41.7m	\$18.5m	\$49.7m
Property, plant and equipment	\$2.5m	\$3.0m	\$9.6m	\$9.8m
Intangible assets	\$4.8m	\$4.9m	\$6.7m	\$9.6m
Investment property – retirement villages	-	-	-	\$112.2m
Other non-current assets	\$0.6m	-	\$1.4m	\$3.8m
<b>Total non-current assets</b>	<b>\$91.8m</b>	<b>\$110.4m</b>	<b>\$102.5m</b>	<b>\$231.6m</b>
<b>Total assets</b>	<b>\$188.5m</b>	<b>\$203.8m</b>	<b>\$199.9m</b>	<b>\$324.6m</b>
Trade and other payables	\$13.7m	\$17.7m	\$13.5m	\$18.6m
Borrowings	\$1.3m	\$0.7m	\$4.1m	\$6.2m
Resident loans – retirement villages	-	-	-	\$23.5m
Other current liabilities	\$16.6m	\$13.3m	\$16.4m	\$14.7m
<b>Total current liabilities</b>	<b>\$31.6m</b>	<b>\$31.7m</b>	<b>\$34.0m</b>	<b>\$63.0m</b>
Borrowings	\$44.5m	-	\$48.9m	\$86.1m
Financial liabilities held at fair value through profit or loss	\$3.5m	-	\$2.8m	-
Other non-current liabilities	\$2.8m	\$14.8m	\$3.5m	\$14.8m
<b>Total non-current liabilities</b>	<b>\$50.8m</b>	<b>\$14.8m</b>	<b>\$55.2m</b>	<b>\$100.9m</b>
<b>Total liabilities</b>	<b>\$82.4m</b>	<b>\$46.5m</b>	<b>\$89.2m</b>	<b>\$163.9m</b>
Net assets	\$106.1m	\$157.3m	\$110.7m	\$160.7m
<b>Net tangible assets</b>	<b>\$101.3m</b>	<b>\$152.4m</b>	<b>\$104.0m</b>	<b>\$151.1m</b>

### Commentary on statutory results:

- Statutory results exclude units that are owned by Blue Sky in funds that are consolidated (as these are eliminated upon consolidation in accordance with AASB 10)
- Statutory results include all of the assets and liabilities of funds and entities that have been consolidated in accordance with AASB 10
  - The assets and liabilities of those funds are attributable to each fund's unitholders (of which Blue Sky is one), but not wholly attributable to Blue Sky (e.g. investment property)
- Notwithstanding the above, AASB 10 requires that these funds and entities be consolidated where Blue Sky is deemed to have control, and equity accounted where Blue Sky is deemed to have significant influence

### Commentary on underlying results:

- Underlying results exclude the assets and liabilities of funds that are consolidated in the statutory results
- Underlying results include all investments made by Blue Sky in funds that it manages at fair value (using the same approach as in AASB 13)
- The underlying results are therefore more reflective of the economic reality (refer to page 11-13 for further details)

Note that the statutory results include the impact of a range of Blue Sky managed funds that have been consolidated or equity accounted following the adoption of AASB 10. The underlying results columns are non-IFRS financial information and are based on all equity held by Blue Sky in funds and fund related entities that it manages being accounted for at fair value using the same approach as outlined in AASB 13. A reconciliation between the Underlying Results and the Statutory Results is provided in the Interim Financial Report which may be downloaded from the ASX's website. The non-IFRS financial information has been reviewed by Blue Sky's auditor (Ernst & Young)

# Detailed underlying and statutory results:

## Statement of cash flows

In AUD \$m	Underlying Results		Statutory Results	
	1H FY19	1H FY18	1H FY19	1H FY18
Receipts from customers	\$19.2m	\$42.6m	\$26.8m	\$43.8m
Payments to suppliers and employees	-\$37.0m	-\$30.6m	-\$41.0m	-\$33.4m
Interest received	\$0.1m	\$1.0m	\$0.1m	\$1.0m
Interest and other finance costs paid	-\$0.2m	-\$0.5m	-\$0.3m	-\$0.6m
Income taxes paid	\$4.1m	-\$2.2m	\$4.1m	-\$2.2m
<b>Net cash from operating activities</b>	<b>-\$13.8m</b>	<b>\$10.3m</b>	<b>-\$10.3m</b>	<b>\$8.6m</b>
Payments for equity investments	-\$8.9m	-\$11.3m	-\$7.5m	-\$10.8m
Proceeds from disposal of equity investments	\$0.4m	\$4.7m	\$0.4m	\$4.6m
Payments for property, plant and equipment	-	-\$0.3m	-\$1.5m	-\$0.3m
Payments for investment property	-	-	-\$2.2m	-\$8.3m
Payments for acquisition, net of cash acquired	-	-	-\$1.4m	-
Proceeds from sale of discontinued operations, net of cash disposed	\$3.0m	-	\$2.8m	-
Payments for intangible assets	-	-\$0.1m	-	-\$0.1m
Bridging finance and loans to funds (net)	-\$13.8m	-\$7.3m	-\$13.4m	-\$7.2m
<b>Net cash used in investing activities</b>	<b>-\$19.3m</b>	<b>-\$14.3m</b>	<b>-\$22.8m</b>	<b>-\$22.1m</b>
Proceeds from issue of shares	-	\$1.7m	\$0.1m	\$1.7m
Share issue transaction costs	-	-\$0.1m	-	-\$0.1m
Proceeds from borrowings	\$47.7m	\$16.6m	\$49.7m	\$30.5m
Repayment of borrowings	-	-\$18.1m	-\$2.7m	-\$23.5m
Dividends paid	-	-\$15.7m	-	-\$16.0m
<b>Net cash used in financing activities</b>	<b>\$47.7m</b>	<b>-\$15.6m</b>	<b>\$47.1m</b>	<b>-\$7.4m</b>
Effect of exchange rate changes <sup>1</sup>	\$0.2m	-	\$0.2m	-
Starting cash balance	\$40.0m	\$70.6m	\$40.9m	\$72.2m
<b>Ending cash balance</b>	<b>\$54.8m</b>	<b>\$51.0m</b>	<b>\$55.1m</b>	<b>\$51.3m</b>

### Commentary on statutory results:

- Statutory results exclude cash from management fees, performance fees and other fees that have been paid to Blue Sky from funds that are consolidated (as these are eliminated upon consolidation in accordance with AASB 10)
- Statutory results include the cash flows generated within a range of Blue Sky funds that have been consolidated in accordance with AASB 10
  - The cash flows generated within these funds are attributable to each fund's unitholders (of which Blue Sky is one), but are not wholly attributable to Blue Sky
- Notwithstanding the above, AASB10 requires that these funds and entities be consolidated where Blue Sky is deemed to have control, and equity accounted where Blue Sky is deemed to have significant influence

### Commentary on underlying results:

- Underlying results exclude the cash flows generated within these funds, but include management fees, performance fees and other fees paid to Blue Sky
- The underlying results are therefore more reflective of the economic reality (refer to page 16-18 for further details)

Note that the statutory results include the impact of a range of Blue Sky managed funds that have been consolidated or equity accounted following the adoption of AASB 10. The underlying results columns are non-IFRS financial information and are based on all equity held by Blue Sky in funds and fund related entities that it manages being accounted for at fair value using the same approach as outlined in AASB 13. A reconciliation between the Underlying Results and the Statutory Results is provided in the Interim Financial Report which may be downloaded from the ASX's website. The non-IFRS financial information has been reviewed by Blue Sky's auditor (Ernst & Young)

# FEAUM, FUM and Fees

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**Fee-earning Assets Under Management (FEAUM)** refers to the assets of the investment funds, joint ventures, and investment management accounts ('mandates') to which Blue Sky provides investment management services and on which we earn management fees, or other investment related fees pursuant to investment management agreements or other fee agreements. It includes any fee earning capital commitments that those funds, joint ventures, and mandates have the right to call from investors.

Blue Sky's FEAUM is the sum of:

- The par value (eg. \$1 per unit) of invested capital of private equity, venture capital, real asset funds and mandates that we manage, plus the capital that those funds are entitled to call from investors pursuant to fee earning capital commitments
- The net asset value (NAV) or gross asset value (GAV) of open-ended funds which are valued to market including hedge funds, Blue Sky Water Fund, and the Alternatives Access Fund, and the NAV of certain institutional investment mandates investing in real asset investments (including water entitlements and farmland re-developments)
- The gross asset value (GAV) or gross realisable value (GRV) of the private real estate development funds and projects we manage, which includes the leverage used by such portfolio investments. The GRV is measured on an 'as complete' basis
- Blue Sky's proportionate share of the economic benefits flowing to the Company under the agreements with Joint Venture Partners

**Funds Under Management (FUM)** is based the on the same principles that have been applied for FEAUM for all asset classes with the exception of Private Real Estate which is based on equity plus drawn debt and excludes net development margins.

**Management fees** are recurring fees Blue Sky receives for the investment management services we provide to our funds. Management fees are typically calculated on the NAV or GAV of the fund, capital commitments that are subject to commitment fees, total development costs, or invested capital as defined in each investment management agreement. Management fees are typically paid to Blue Sky on an annual basis. Development management fees are typically collected upfront and recognised progressively.

# FEAUM, FUM and Fees (cont.)

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**Performance fees** are the portion of the gains of underlying investment funds and investment management mandates that Blue Sky is entitled to retain (also known as carried interest).

Performance fees are generally structured as a proportion of the gains of the fund or investment portfolio (eg 15% or 20%) over and above a specified annualised hurdle rate after allowing for management and other direct expenses.

Performance fee hurdle rates and participation percentages are clearly defined in each investment management agreement. Hurdle rates may be fixed (eg 8% per annum) or determined by reference to an observable benchmark (eg Australian CPI plus 5%), and may be subject to a 'high water mark'.

With the adoption of AASB15 in FY19, at each balance date, Blue Sky will account for performance fees only if they are sufficiently certain; ie. realised as a result of an exit of a particular investment or fund, or able to be crystallised on open-ended funds.

With the exception of the Alternatives Access Fund and certain open-ended funds (Hedge Funds, Blue Sky Water Fund) and similar mandates which may pay performance fees more frequently subject to on-going 'high water marks', performance fees are paid to Blue Sky once the fund is exited.

**Investment income** is recognised by Blue Sky when a co-investment fund generates a gain based on the fair value of the fund or investment. Blue Sky typically commits alignment capital and invests alongside its institutional investors. Investments are realised upon wind up of the fund.

# Glossary

<b>AASB</b>	Australian Accounting Standards Board
<b>AFSL</b>	Australian Financial Services Licence
<b>AGM</b>	Annual General Meeting
<b>Atira</b>	Operator of student accommodation. Blue Sky owns 50% of Atira
<b>AUD</b>	Australian dollars
<b>AUM</b>	Assets Under Management
<b>BAF</b>	Blue Sky Alternatives Access Fund Limited
<b>Blue Sky</b>	Blue Sky Alternative Investments Limited
<b>GIC</b>	Group Investment Committee
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>Cove</b>	Cove Property Group, a US based funds management business that invests in institutional grade commercial property. Blue Sky owns 38% of Cove
<b>CRO</b>	Chief Risk Officer
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation
<b>FEAUM</b>	Fee-earning Assets Under Management
<b>FUM</b>	Funds Under Management
<b>FIRB</b>	Foreign Investment Review Board
<b>1H FY18</b>	First Half Financial year ended 30 June 2018
<b>1H FY19</b>	First Half Financial year ended 30 June 2019

<b>FY19</b>	Financial year ended 30 June 2019
<b>IC</b>	Investment Committee
<b>IFRS</b>	International Financial Reporting Standards
<b>IMA</b>	Investment Management Agreement
<b>IRR</b>	Internal rate of return
<b>KMP</b>	Key Management Personnel
<b>LP</b>	Limited Partner
<b>MD</b>	Managing Director
<b>MDB</b>	Murray Darling Basin
<b>NPAT</b>	Net profit after tax
<b>NPBT</b>	Net profit before tax
<b>NTA</b>	Net tangible assets
<b>p.a.</b>	Per annum
<b>pcp</b>	Prior corresponding period
<b>PM</b>	Portfolio Manager
<b>Q4</b>	Quarter financial year ended 30 June
<b>Student Quarters</b>	A US based funds management business that invests in institutional grade student accommodation. Blue Sky owns 60% of Student Quarters

# Contact Us

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