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16 February 2022

Company Announcements  
Australian Securities Exchange Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

**QV Equities Limited**  
**Appendix 4D & Half Year Report 31 December 2021**

Dear Sir / Madam

Please find attached the Appendix 4D and Half Year Report to 31 December 2021.

Yours faithfully

**Zac Azzi**  
Company Secretary

Authorised for release by the Board

# QV Equities Limited

ABN 64 169 154 858

## Appendix 4D – Half Year Report

### Results for announcement to the market

### For the half-year ended 31 December 2021

(Comparative figures being the half year ended 31 December 2020)

	\$	up/down	% movement
Revenue from ordinary activities	5,437,873	up	8
Profit from ordinary activities before income tax expense	3,924,663	up	6
Profit from ordinary activities after tax attributable to equity holders	3,360,215	up	13

#### Dividend information

	Dividend per share	Franked amount per share	Tax rate for franking
2021 Final dividend June 2021 quarter paid	1.1c	1.1c	30%
2021 Interim dividend September 2021 quarter paid	1.2c	1.2c	30%
2021 Interim dividend December 2021 quarter declared	1.2c	1.2c	30%

#### Interim dividend dates

Ex dividend date	14 February 2022
Record date	15 February 2022
Payment date	4 March 2022

#### Net tangible assets

	31 December 2021	31 December 2020
Net tangible asset backing (per share) before tax	\$1.13	\$1.01
Net tangible asset backing (per share) after tax	\$1.13	\$1.03

Weekly updates to the NTA can be found on our website [www.qvequities.com](http://www.qvequities.com)

# **QV Equities Limited**

**ABN 64 169 154 858**

## **Interim Financial Report**

**For the half-year ended 31 December 2021**

## **QV Equities Limited**

ABN 64 169 154 858

### **Corporate Directory**

#### **Directors**

Peter McKillop (Independent Director, Chairman)  
Jennifer Horrigan (Independent Director)  
Eamonn Roles (Independent Director)  
Anton Tagliaferro (Non-independent Director)  
Simon Conn (Non-independent Director)

#### **Secretary**

Zac Azzi

#### **Investment Manager**

Investors Mutual Limited  
Level 24, 25 Bligh Street  
Sydney NSW 2000  
(AFSL 229988)

#### **Administrator and Custodian**

Citigroup Pty Limited  
Level 11, 2 Park Street  
Sydney NSW 2000

#### **Registered Office**

Level 24, 25 Bligh Street  
Sydney NSW 2000  
Telephone: (02) 9232 7500  
Fax: (02) 9232 7511  
Email: [info@qvequities.com](mailto:info@qvequities.com)  
Website: [www.qvequities.com](http://www.qvequities.com)

#### **Share Registrar**

Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138  
Telephone: 1800 868 464

#### **Auditor**

Pitcher Partners  
Level 16, Tower 2 Darling Park, 201 Sussex Street  
Sydney NSW 2000

#### **Stock Exchange**

Australian Securities Exchange (ASX)  
ASX code: QVE Ordinary shares

# **QV Equities Limited**

ABN 64 169 154 858

## **Interim Financial Report For the half-year ended 31 December 2021**

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The interim financial report does not include all notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the 30 June 2021 annual report and any public announcements made by QV Equities Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

## Directors' report

The Directors present their report together with the interim financial report of QV Equities Limited ("the Company") for the half-year ended 31 December 2021.

### Directors

The following persons were Directors of the Company during the half-year and up to the date of this report.

Name	Positions	Appointment date
Peter McKillop	Independent Director (Chairman)	17 April 2014
Jennifer Horrigan	Independent Director	26 April 2016
Eamonn Roles	Independent Director	30 August 2019
Anton Tagliaferro	Non-independent Director	30 April 2014
Simon Conn	Non-independent Director	14 June 2016

### Principal activities

The principal activity of the Company is making investments in a diversified portfolio of entities listed on the Australian Securities Exchange which are not included in the S&P/ASX 20 Index. The primary objective is to provide both long term capital growth and income. No change in this activity took place during the period or is likely in the future.

### Review of operations

Investment operations for the period ended 31 December 2021 resulted in an operating profit before tax of \$3,924,663 (2020: \$3,702,171) and an operating profit after tax of \$3,360,215 (2020: \$2,978,768).

Net Tangible Assets backing (NTA) for each ordinary share as at 31 December 2021 before tax amounted to \$1.13 per share (2020: \$1.01). The NTA backing per share after tax was \$1.13 (2020: \$1.03). Over the period the Company paid 2.3 cents per share in dividends (2020: 3.3 cents per share\*).

\*The Company moved to paying quarterly dividends in October 2021. The 2020 dividends included a dividend covering 6 months and a dividend for one quarter, versus the two quarterly dividends for the current period.

### Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company that occurred during the half-year ended 31 December 2021.

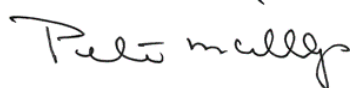
### Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 3.

### Rounding of amounts to the nearest dollar

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the Directors' Report and in the Financial Report have been rounded to the nearest dollar unless otherwise stated.

The report is made in accordance with a resolution of the Board of Directors:



Peter McKillop, Chairman

16 February 2022

Level 16, Tower 2 Darling Park  
201 Sussex Street  
Sydney NSW 2000

Postal Address  
GPO Box 1615  
Sydney NSW 2001

**p.** +61 2 9221 2099  
**e.** [sydneypartners@pitcher.com.au](mailto:sydneypartners@pitcher.com.au)

**Auditor's Independence Declaration  
to the Directors of QV Equities Limited  
ABN 64 169 154 858**

In relation to the independent auditor's review of QV Equities Limited for the half year ended 31 December 2021, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.



C I Chandran  
Partner

Pitcher Partners  
Sydney

16 February 2022

## Statement of Comprehensive Income

	31 December 2021	31 December 2020
Notes	\$	\$
<b>Investment Income</b>		
Dividend/distribution income	4,446,403	2,949,236
Interest income	59,908	80,841
Realised gains on options and futures	547,621	1,424,587
Unrealised gains on options	374,105	546,300
Other income	9,836	55,289
<b>Total investment income</b>	<b>5,437,873</b>	<b>5,056,253</b>
<b>Expenses</b>		
Management fees	1,147,327	1,052,226
Directors' fees	50,000	50,000
ASX fees	37,725	34,632
Registry fees	40,296	36,790
Insurance fees	152,513	96,777
Other expenses	85,349	83,657
<b>Total expenses</b>	<b>1,513,210</b>	<b>1,354,082</b>
<b>Profit before income tax</b>	<b>3,924,663</b>	<b>3,702,171</b>
Income tax expense	6      564,448	723,403
<b>Profit after income tax</b>	<b>3,360,215</b>	<b>2,978,768</b>
<b>Other comprehensive income</b>		
<b>Items that will not be recycled to profit and loss</b>		
Movement in fair value of long term equity investments, net of tax	11,003,393	15,831,736
<b>Items that will be recycled to profit and loss</b>		
Movement in fair value of floating rate notes, net of tax	(21,632)	(124,179)
<b>Other comprehensive income, net of tax</b>	<b>10,981,761</b>	<b>15,707,557</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>14,341,976</b>	<b>18,686,325</b>
<b>Earnings per share</b>		
Basic and diluted earnings per share (cents per share)	5      1.42	1.17

*The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.*



## Statement of Financial Position

	31 December 2021	30 June 2021
Notes	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	19,587,934	19,027,433
Receivables	832,750	954,841
Prepayments	29,990	152,513
<b>Total current assets</b>	<u>20,450,674</u>	<u>20,134,787</u>
<b>Non-current assets</b>		
Long term investments	3 242,549,444	246,182,122
Deferred tax assets	2,639,135	4,202,090
<b>Total non-current assets</b>	<u>245,188,579</u>	<u>250,384,212</u>
<b>Total assets</b>	<u>265,639,253</u>	<u>270,518,999</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade creditors and other payables	598,144	1,144,653
Current tax liabilities	3,552,312	4,856,094
Financial liabilities at fair value	3 636,087	1,149,035
<b>Total current liabilities</b>	<u>4,786,543</u>	<u>7,149,782</u>
<b>Total liabilities</b>	<u>4,786,543</u>	<u>7,149,782</u>
<b>Net assets</b>	<u>260,852,710</u>	<u>263,369,217</u>
<b>Equity</b>		
Issued capital	8 241,656,597	253,069,464
Asset revaluation reserve	(6,208,759)	(9,730,977)
Capital profits reserve	21,755,386	17,094,620
Profits reserve	3,649,486	2,936,110
<b>Total equity</b>	<u>260,852,710</u>	<u>263,369,217</u>

*The Statement of Financial Position should be read in conjunction with the accompanying notes.*

## Statement of Changes in Equity

	Notes	Issued capital \$	Asset revaluation reserve \$	Capital profits reserve \$	Profits reserve \$	Retained profits \$	Total \$
<b>Balance at 1 July 2021</b>		<b>253,069,464</b>	<b>(9,730,977)</b>	<b>17,094,620</b>	<b>2,936,110</b>	<b>–</b>	<b>263,369,217</b>
Profit for the period		–	–	–	–	3,360,215	3,360,215
<b>Other comprehensive income:</b>							
Net revaluation of investments		–	10,981,761	–	–	–	10,981,761
<b>Total comprehensive income for the period</b>		<b>–</b>	<b>10,981,761</b>	<b>–</b>	<b>–</b>	<b>3,360,215</b>	<b>14,341,976</b>
<b>Transactions with equity holders in their capacity as owners:</b>							
Dividends provided for or paid		–	–	(2,798,777)	(2,646,839)	–	(5,445,616)
Shares buyback - redemption	8	(11,412,867)	–	–	–	–	(11,412,867)
<b>Other:</b>							
Realised profits/(losses) on sale of investments transferred to capital profits reserve		–	(7,459,543)	7,459,543	–	–	–
Transfer to profits reserve		–	–	–	3,360,215	(3,360,215)	–
<b>Balance at 31 December 2021</b>		<b>241,656,597</b>	<b>(6,208,759)</b>	<b>21,755,386</b>	<b>3,649,486</b>	<b>–</b>	<b>260,852,710</b>

*The Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

**QV Equities Limited**  
**Statement of Changes in Equity**  
**For the half-year ended 31 December 2021**  
**(continued)**

**Statement of Changes in Equity (continued)**

	Notes	Issued capital \$	Asset revaluation reserve \$	Capital profits reserve \$	Profits reserve \$	Retained profits \$	Total \$
Balance at 1 July 2020		272,103,428	(29,628,264)	13,392,726	4,521,852	–	260,389,742
Profit for the period		–	–	–	–	2,978,768	2,978,768
Other comprehensive income:							
Net revaluation of investments		–	15,707,556	–	–	–	15,707,556
Total comprehensive income for the period		–	15,707,556	–	–	2,978,768	18,686,324
Transactions with equity holders in their capacity as owners:							
Dividends provided for or paid		–	–	(3,909,624)	(4,521,852)	–	(8,431,476)
Shares buyback - redemption	8	(16,080,633)	–	–	–	–	(16,080,633)
Other:							
Realised profits/(losses) on sale of investments transferred to capital profits reserve		–	(5,864,811)	5,864,811	–	–	–
Transfer to profits reserve		–	–	–	2,978,768	(2,978,768)	–
Balance at 31 December 2020		256,022,795	(19,785,519)	15,347,913	2,978,768	–	254,563,957

*The Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

## Statement of Cash Flows

	31 December 2021 \$	31 December 2020 \$
<b>Cash flows from operating activities</b>		
Dividends/distributions received	4,546,048	2,673,826
Interest received	59,908	80,957
Net realised gains on exchange traded options	404,135	1,296,571
Other income	6,842	68,276
Payments for other expenses	(1,357,156)	(1,619,521)
Income tax paid	(5,107,126)	(1,061,093)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(1,447,349)</b>	<b>1,439,016</b>
<b>Cash flows from investing activities</b>		
Payments for investments	(28,627,731)	(32,427,651)
Proceeds from sale of investments	47,445,077	43,754,033
<b>Net cash inflow from investing activities</b>	<b>18,817,346</b>	<b>11,326,382</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(5,445,616)	(8,431,476)
Payments for share buyback	(11,363,880)	(16,541,163)
<b>Net cash outflow from financing activities</b>	<b>(16,809,496)</b>	<b>(24,972,639)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>560,501</b>	<b>(12,207,241)</b>
Cash and cash equivalents at beginning of the period	19,027,433	31,204,620
<b>Cash and cash equivalents at the end of the period</b>	<b>19,587,934</b>	<b>18,997,379</b>

*The Statement of Cash Flows should be read in conjunction with the accompanying notes.*

## Notes to the Financial Statements

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## **1 General information**

QV Equities Limited ("the Company") is a listed investment company domiciled in Australia. The Company was established with the primary objective of providing long term capital growth and income, through a diversified portfolio of the ASX listed entities outside of the S&P/ASX 20 Index. The portfolio is managed by Investors Mutual Limited.

The Company was registered with the Australian Securities Commission (ASIC) on 17 April 2014 and commenced operations on 22 August 2014.

The interim financial statements were authorised for issue by the Board on 16 February 2022.

## **2 Basis of preparation**

The principal accounting policies adopted in the preparation of these interim financial statements are set out below.

### **(a) Basis of preparation of half-year report**

The half-year financial statements are general purpose financial statements prepared in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

These half-year financial statements do not include all the notes of the type normally included in an annual financial report. It is recommended that these half-year financial statements be read in conjunction with the 30 June 2021 annual financial report and any public announcements made by QVE during the half-year in accordance with any disclosure requirements arising under the *Corporations Act 2001*.

These half-year financial statements have been prepared on an accrual basis and are based on the historical cost basis except as modified by the revaluation of investments which are recorded at fair value.

The accounting policies in these interim financial statements are the same as those applied in the Company's financial statements for the year ended 30 June 2021.

There are no standards that are mandatorily effective for the current year that have a material impact on the entity.

### **(b) Investment**

#### *(i) Recognition and initial measurement*

Long term equity investments and investments held for sale are recognised initially at cost. Financial liabilities are recognised initially at cost.

#### *(ii) Classification and subsequent measurement*

The Company classifies its investments based on its business model for managing those financial assets and contractual cash flow characteristics of the investments.

For long term equity securities, the contractual cash flows do not represent solely payments of principal and interest and they are not held for trading. Therefore, the Company has made an irrevocable election to present fair value movements on these securities in other comprehensive income which accumulates in the asset revaluation reserve. On derecognition the cumulative gain/loss on these securities are transferred to the capital profits reserve.

For floating rate securities, the contractual cash flows are solely payments of principal and interest and the business model objective is achieved by both collecting contractual cash flows and selling these financial assets. Therefore, the company mandatorily presents these securities in other comprehensive income which is accumulated in the asset revaluation reserve. On derecognition the cumulative gain/loss on these securities are recycled to the profit or loss.

The Company holds call options which are derivative financial instruments classified as financial liabilities as fair value through profit and loss, changes in the fair value of options are recognised in profit or loss for the reporting period.

## 2 Basis of preparation (continued)

### (b) Investment (continued)

#### *(iii) Derecognition*

Financial assets and financial liabilities are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Realised gains or losses on long term equity investments are transferred from the asset revaluation reserve to the capital profits reserve.

#### *(iv) Valuation*

All investments are classified and measured as being at fair value, please refer to note 3 for more information on the Company's policy for measuring fair value.

### (c) Revenue

#### *(i) Interest income*

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

#### *(ii) Dividend income*

Dividend income is recognised in the profit or loss on the day on which the relevant investment is first quoted on an "ex-dividend" basis.

### (d) Rounding of amounts to the nearest dollar

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the Directors' Report and in the Financial Report have been rounded to the nearest dollar unless otherwise stated.

## 3 Fair value measurement

The Company measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Long term equity investments;
- Financial liabilities held for trading.

### Fair value hierarchy

*AASB 13: Fair value measurement* requires disclosure of fair value measurements by level of the fair value hierarchy:

Level 1 - measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - measurements based on inputs other than quoted prices included in level 1 that are observable for the asset or liability; and

Level 3 - measurements based on unobservable inputs from the asset or liability.

### 3 Fair value measurement (continued)

(i) *Recurring fair value measurements*

The following tables present the Company's assets measured and recognised at fair value as at 31 December 2021 and 30 June 2021.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>As at 31 December 2021</b>				
<b>Financial assets</b>				
Long term investments:				
Listed equities	223,207,600	—	—	223,207,600
Listed unit trusts	15,405,844	—	—	15,405,844
Floating rate notes	3,936,000	—	—	3,936,000
<b>Total</b>	<b>242,549,444</b>	<b>—</b>	<b>—</b>	<b>242,549,444</b>
<b>Financial liabilities</b>				
Financial liabilities held for trading:				
Options	636,087	—	—	636,087
<b>Total</b>	<b>636,087</b>	<b>—</b>	<b>—</b>	<b>636,087</b>
<b>As at 30 June 2021</b>				
<b>Financial assets</b>				
Long term investments:				
Listed equities	220,407,856	—	—	220,407,856
Listed unit trusts	21,797,676	—	—	21,797,676
Floating rate notes	3,976,590	—	—	3,976,590
<b>Total</b>	<b>246,182,122</b>	<b>—</b>	<b>—</b>	<b>246,182,122</b>
<b>Financial liabilities</b>				
Financial liabilities held for trading:				
Options	1,144,035	—	—	1,144,035
Futures	5,000	—	—	5,000
<b>Total</b>	<b>1,149,035</b>	<b>—</b>	<b>—</b>	<b>1,149,035</b>

Included within Level 1 of the hierarchy are listed investments. The fair value of these financial assets and liabilities have been based on the last close prices at the end of the reporting period.

(ii) *Disclosed fair values*

The carrying amounts of receivables and payables other than tax items are reasonable approximations of their fair values due to their short-term nature.



## 4 Segment information

The Company has only one reportable segment. The Company is engaged solely in investment activities conducted in Australia, deriving revenue from dividend income, interest income and option trading.

## 5 Earnings per share

	31 December 2021 cents	31 December 2020 cents
<b>(a) Basic and diluted earnings per share</b>		
Total earnings per share attributable to the ordinary equity holders of the Company	1.42	1.17
<b>(b) Weighted average number of shares used as denominator</b>		
Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share is based on the weighted average number of shares as at 31 December 2021 and 31 December 2020.	236,336,221	254,445,332

Diluted earnings per share and basic earnings per share are the same as there are no potential dilutive ordinary shares.

## 6 Taxation

### Income tax expense

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

	31 December 2021 \$	31 December 2020 \$
Prima Facie tax on profit from ordinary activities before income tax of 30% (2020: 30%)	1,177,399	1,110,651
<b>Increase/(decrease) in income tax expense due to:</b>		
Gross up of imputation credits received	256,789	162,776
Imputation credits on dividends received	(861,963)	(550,338)
Gross up of foreign income tax offsets	5	3,708
Foreign income tax offsets	(18)	(12,360)
Franked dividend income receivable	(20,916)	–
Under provisions in previous year	13,152	8,966
	<b>564,448</b>	<b>723,403</b>

## 7 Dividends

Dividends paid fully franked at 30% (2020: 30%) tax rate.

### (a) Dividend paid during the period

2021	Dividends per share	Total amount	Date of payment	% Franked
Ordinary shares – interim 2022 (quarter)	1.2 cents	\$2,798,777	15/11/2021	100
Ordinary shares – final 2021 (quarter)	1.1 cents	\$2,646,839	16/08/2021	100
2020				
Ordinary shares – interim 2021 (quarter)	1.1 cents	\$2,741,593	04/12/2020	100
Ordinary shares – final 2020 (six months)	2.2 cents	\$5,689,883	18/09/2020	100

### (b) Dividend not recognised at the end of the reporting period

	31 December 2021 \$	31 December 2020 \$
In addition to the above dividends, since half-year end the Directors have announced the payment of an interim dividend for the December 21 quarter of 1.2 cents per fully paid ordinary share, fully franked based on tax paid at 30%. The aggregate amount of the interim dividends expected to be paid on 4 March 2022 out of the profits of the Company at 31 December 2021, but not recognised as a liability at period end is:	<b>2,774,900</b>	2,697,585

## 8 Issued Capital

### (a) Share capital

	31 December 2021	31 December 2021	30 June 2021	30 June 2021
	Number of Shares	Total amount \$	Number of Shares	Total amount \$
Fully paid ordinary shares	231,241,707	241,656,597	242,506,634	253,069,464

### (b) Movements in ordinary share capital

2021		Number of shares	Issue/ redemption price* \$	Total amount \$
Date				
01/07/2021	Opening balance	242,506,634		253,069,464
31/12/2021	Shares buyback – redemption**	(11,264,927)	1.01	(11,412,867)
31/12/2021	Closing balance	231,241,707		241,656,597

2020		Number of shares	Issue/ redemption price* \$	Total amount \$
Date				
01/07/2020	Opening balance	264,818,778		272,103,428
30/06/2021	Shares buyback – redemption**	(22,312,144)	0.85	(19,033,964)
30/06/2021	Closing balance	242,506,634		253,069,464

\*Rounded to two decimal places.

\*\*Share buybacks during the period. The Company has an on market buyback facility, under this facility the Company can purchase up to 10% of its issued ordinary shares during a 12 month period.

### (c) Fully paid ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

## 9 Contingencies and commitments

The Company had no contingent liabilities or commitments as at 31 December 2021 (2020: nil).

## 10 Events occurring after the reporting period

Since the end of the financial period, the Directors declared a fully franked quarterly dividend of 1.2 cents per fully paid ordinary share payable on 4 March 2022. The Company bought back 914,045 shares for \$929,152 since 31 December 2021.

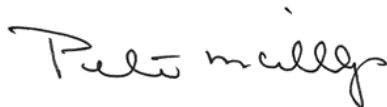
Subsequent to 31 December 2021 to the date of this report there has been no other events specific to the Company of which the Directors are aware which has had a material effect on the Company or its financial position.

## **Directors' Declaration**

In the Directors' opinion:

1. the financial statements and notes thereto, as set out on pages 4 to 15, are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
  - (b) giving a true and fair view of the financial position as at 31 December 2021 and of its performance for the half-year ended on that date.
2. there are reasonable grounds, at the date of this declaration, to believe that QV Equities Limited 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 Directors.



Peter McKillop  
Chairman

16 February 2022

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**Independent Auditor's Review Report  
To the Members of QV Equities Limited  
ABN 64 169 154 858**

**Report on the Half-Year Financial Report**

**Conclusion**

We have reviewed the half-year financial report of QV Equities Limited ("the Company") which comprises the statement of financial position as at 31 December 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of QV Equities Limited does not comply with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2021 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*.

**Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

**Responsibility of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 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*.

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.



C I Chandran  
Partner

16 February 2022



Pitcher Partners  
Sydney