

Primewest Group Limited

(including Primewest Property Fund as a stapled group)

ABN 58 636 344 137

Interim Financial Report

For the half year ended 31 December 2020

Primewest Group Limited
Directors' Report
For the half-year ended 31 December 2020

The Directors present their report, together with the financial statements, on the stapled group (referred to hereafter as the 'stapled group') consisting of Primewest Group Limited and Primewest Property Fund as a stapled security and the controlled entities at the end of, or during, the half-year ended 31 December 2020.

Directors

The following persons were Directors of Primewest Group Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

John Bond (Executive Chairman)
David Schwartz (Managing Director)
Jim Litis (Executive Director)
Hamish Beck (Independent Non-Executive Director)
Erin Flaherty (Independent Non-Executive Director)

Principal activities

Primewest operates in the real estate funds management sector managing over 84 separate funds across 7 different asset classes. The management of these funds and syndicates involves sourcing, acquiring, managing and disposing of real estate assets on behalf of investors.

During the financial half-year, the principal continuing activities of the stapled group consisted of:

- Generation of revenue through asset management fees, property services fees, transactional fees and performance fees from the funds and syndicates managed by the stapled group.

There were no other significant changes in the nature of the stapled group's activities during the financial period.

Dividends

Dividends of \$9.7 million were paid during the half-year. On 18 December 2020 the stapled group declared a dividend of \$7.3 million, which was paid on 11 February 2021.

There was no dividend reinvestment plan (DRP) active for the period ended 31 December 2020.

Review and results of operations

The profit of the stapled group after providing for income tax for the half-year ended 31 December 2020 amounted to \$5,208,862 (31 December 2019: \$3,077,838). Total comprehensive income was \$11,078,319 (2019: \$3,077,838) after taking into account the movement in the fair value of financial assets accounted for at fair value through other comprehensive income.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial period

Equity placement

On 2 February 2021 the stapled group completed a placement of 47,244,094 securities at an issue price of \$1.27 for gross proceeds of \$60,000,000 to be utilised for co-investments in new funds managed by the stapled group.

Vital Harvest Freehold Trust

The stapled group is the manager of Vital Harvest Freehold Trust ("VTH") and holds a 19.9% interest in VTH.

On 17 November 2020, the Responsible Entity of VTH announced that it had entered into a scheme implementation deed with Macquarie Agricultural Funds Management Limited ("MAFM") as trustee of Macquarie Agricultural Fund – Crop Australia 2, to acquire all of the issued units in the Trust at \$1.00 per unit by way of a trust scheme or if the trust scheme is not approved by the requisite majority of unitholders, the purchase of the assets of the Trust for cash consideration of \$300 million ("MIRA Proposal")

On 17 November 2020 the stapled group announced that it had entered into a facilitation deed with MAFM and will receive a fee of \$8.0 million on the completion of the MIRA proposal and following the conditions being satisfied. The stapled group also provided a voting intention statement in support of the MIRA Proposal and provided a call option to MAFM over its 19.9% interest in VTH at an exercise price of \$1.00 per unit.

On 10 February 2021, the Responsible Entity of VTH announced a unitholder meeting for 4 March 2021 to conduct a vote on the MIRA Proposal and released the scheme implementation booklet to unitholders. The Responsible Entity of VTH has recommended acceptance of the MIRA Proposal.

The assets associated with this transaction have been presented as assets held for sale in the 31 December 2020 statement of financial position.

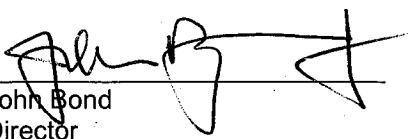
The Directors of the stapled group are not aware of any other matter or circumstance not otherwise dealt with in this report or the financial report that has significantly affected or may significantly affect the operations of the stapled group, the results of its operations or the state of affairs of the stapled group in future financial years.

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 immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors


John Bond
Director

16 February 2021
Perth

RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100

F +61 (0) 8 9261 9111

www.rsm.com.au

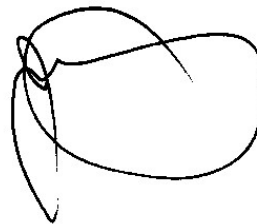
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Primewest Group Limited, including the stapled entity – Primewest Property Fund, for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



RSM AUSTRALIA PARTNERS



Perth, WA
Dated: 16 February 2021

J A KOMNINOS
Partner

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Primewest Group Limited

Contents

31 December 2020

Statement of profit or loss and other comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9
Directors' declaration	15
Independent auditor's review report to the members of Primewest Group Limited	16

General information

Primewest is structured as a stapled group comprising Primewest Group Limited and Primewest Property Fund (a unit trust established on 24 September 2019) and their controlled entities. Primewest Management Ltd (ACN 091 415 833) (AFSL 250963) is the responsible entity of Primewest Property Fund.

Shares in Primewest Group Limited and units in Primewest Property Fund are stapled together to form a stapled security such that a unit in Primewest Property Fund and a share in Primewest Group Limited must be purchased and sold together. The Group's securities are traded on the Australian Securities Exchange (ASX: PWG)

The financial statements of Primewest Group Limited as a stapled group comprised of Primewest Group Limited and Primewest Property Fund and the entities they controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Primewest Group Limited's functional and presentation currency.

Primewest Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

1st Floor
307 Murray Street
Perth WA 6000

Principal place of business

1st Floor
307 Murray Street
Perth WA 6000

A description of the nature of the stapled group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 16 February 2021.

Primewest Group Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2020

		Consolidated	
		31 December 2020	31 December 2019
	Note	\$	\$
Revenue from continuing operations			
Revenue	2	16,334,426	12,355,905
Interest revenue		581,816	119,197
		<u>16,916,242</u>	<u>12,475,102</u>
Expenses			
Commissions			
Employee costs		(4,527,306)	(2,528,810)
General and administration		(2,253,837)	(2,136,937)
Amortisation of right-of use assets		(203,731)	(99,631)
Amortisation of management rights	4	(2,196,771)	(1,330,178)
Depreciation and amortisation		(76,225)	(68,510)
Interest expense on lease liability		(25,511)	(16,302)
Initial listing expenses		-	(1,631,809)
		<u>(9,283,381)</u>	<u>(7,812,177)</u>
Profit before income tax expense from continuing operations		7,632,861	4,662,925
Income tax expense		<u>(2,423,999)</u>	<u>(1,585,087)</u>
Profit after income tax from continuing operations		5,208,862	3,077,838
Other comprehensive income			
Gain on revaluation of financial assets	3	5,869,457	-
Total comprehensive income for the half-year		<u><u>11,078,319</u></u>	<u><u>3,077,838</u></u>
Profit for the half-year is attributable to:			
Owners of Primewest Group Limited		<u><u>11,078,319</u></u>	<u><u>3,077,838</u></u>
		\$	\$
Earnings per stapled security			
Basic earnings per stapled security		0.02	0.02
Diluted earnings per stapled security		0.02	0.02

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Primewest Group Limited
Consolidated statement of financial position
As at 31 December 2020

		Consolidated	
	Note	31 December	30 June
		2020	2020
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		39,278,800	54,146,041
Trade and other receivables		2,472,807	8,035,428
Financial assets at fair value through profit and loss	3	3,750,000	3,750,000
Assets held for sale	5	46,215,723	-
Total current assets		<u>91,717,330</u>	<u>65,931,469</u>
Non-current assets			
Financial assets at fair value through other comprehensive income	3	7,532,509	21,747,684
Property, plant and equipment		336,300	371,016
Right-of-use assets		1,113,407	1,317,138
Intangibles	4	119,942,179	130,534,597
Deferred tax assets		1,251,778	1,428,776
Other		81,184	86,807
Total non-current assets		<u>130,257,357</u>	<u>155,486,018</u>
Total assets		<u>221,974,687</u>	<u>221,417,487</u>
Liabilities			
Current liabilities			
Trade and other payables		945,119	1,938,917
Lease liabilities		279,591	369,222
Dividend payable	7	7,331,847	-
Provisions		3,778,521	3,381,430
Total current liabilities		<u>12,335,078</u>	<u>5,689,569</u>
Non-current liabilities			
Lease liabilities		900,373	1,000,727
Provisions		50,636	33,176
Total non-current liabilities		<u>951,009</u>	<u>1,033,903</u>
Total liabilities		<u>13,286,087</u>	<u>6,723,472</u>
Net assets		<u>208,688,600</u>	<u>214,694,015</u>
Equity			
Contributed equity	6	207,361,451	207,361,451
Reserves		3,887,626	(2,005,724)
Retained profits		<u>(2,560,477)</u>	<u>9,338,288</u>
Total equity		<u>208,688,600</u>	<u>214,694,015</u>

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

Primewest Group Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2020

Consolidated	Issued capital \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2019	1,005	-	3,083,324	3,084,329
Business combination	124,557,735	-	-	124,557,735
Initial public offering	85,170,346	-	-	85,170,346
Initial public offering issue costs, net of tax	(3,285,175)	-	-	(3,285,175)
Profit after income tax expense for the half-year	-	-	3,077,838	3,077,838
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	3,077,838	3,077,838
<i>Transactions with owners in their capacity as owners:</i>				
Cancellation of class Z shares	(5)	-	-	(5)
Share-based payments	-	-	-	-
Dividends paid	-	-	(5,180,404)	(5,180,404)
Balance at 31 December 2019	<u>206,443,906</u>	<u>-</u>	<u>980,758</u>	<u>207,424,664</u>
	Issued capital \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2020	207,361,451	(2,005,724)	9,338,288	214,694,015
Profit after income tax expense for the half-year	-	-	5,208,861	5,208,861
Other comprehensive income for the half-year, net of tax	-	5,869,457	-	5,869,457
Total comprehensive income for the half-year	-	5,869,457	5,208,861	11,078,318
<i>Transactions with owners in their capacity as owners:</i>				
Share based payments	-	23,893	-	23,893
Dividends paid (note 7)	-	-	(17,107,626)	(17,107,626)
Balance at 31 December 2020	<u>207,361,451</u>	<u>3,887,626</u>	<u>(2,560,477)</u>	<u>208,688,600</u>

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

Primewest Group Limited
Consolidated Statement of cash flows
For the half-year ended 31 December 2020

		Consolidated	
	Note	31 December 2020	31 December 2019
		\$	\$
Cash flows from operating activities			
Receipts from customers		21,208,274	12,121,632
Payments to suppliers and employees		(7,008,368)	(7,346,817)
Interest received		581,816	119,197
Income taxes paid		(2,096,229)	(1,358,809)
Net cash from operating activities		<u>12,685,493</u>	<u>3,535,203</u>
Cash flows from investing activities			
Cash acquired on business combination		-	1,186,893
Payments for management rights	4	(1,802,186)	-
Payments for purchase of financial assets	3	(15,933,258)	-
Payments for property, plant and equipment		<u>(41,509)</u>	<u>(20,037)</u>
Net cash from/(used in) investing activities		<u>(17,776,953)</u>	<u>1,166,856</u>
Cash flows from financing activities			
Proceeds from issuance of capital, net of issue costs		-	81,885,166
Dividends paid	7	<u>(9,775,779)</u>	<u>(5,180,404)</u>
Net cash from/(used in) financing activities		<u>(9,775,779)</u>	<u>76,704,762</u>
Net increase in cash and cash equivalents		(14,867,239)	81,406,821
Cash and cash equivalents at the beginning of the financial half-year		<u>54,146,041</u>	<u>3,498,285</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>39,278,802</u></u>	<u><u>84,905,106</u></u>

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

Primewest Group Limited
Notes to the consolidated financial statements
31 December 2020

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the product disclosure statement and prospectus for the initial public offering and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM are responsible for the allocation of resources to operating segments and assessing their performance.

For the interim half-year reporting period ended 31 December 2020, the company is operating under a single geographic and operating segment.

New or amended Accounting Standards and Interpretations adopted

The stapled group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2. Revenue

	31 December 2020 \$	31 December 2019 \$
From continuing operations		
<i>Revenue from contracts with customers</i>		
Asset management fees	11,038,906	6,469,697
Property services fees	3,389,183	2,553,013
Transaction fees	1,819,425	3,307,965
	<u>16,247,514</u>	<u>12,330,675</u>
Other revenue	86,912	25,230
<i>Revenue from continuing operations</i>	<u><u>16,334,426</u></u>	<u><u>12,355,905</u></u>

Primewest Group Limited
Notes to the consolidated financial statements
31 December 2020

Note 2. Revenue (continued)

The disaggregation of revenue from contracts with customers is as follows:

	Asset Management \$	Property Services \$	Transaction \$	Total \$
31 December 2020				
<i>Geographical regions</i>				
Australia	10,963,666	3,389,183	1,819,425	16,172,274
United States	75,240	-	-	75,240
	<u>11,038,906</u>	<u>3,389,183</u>	<u>1,819,425</u>	<u>16,247,514</u>
31 December 2019				
<i>Geographical regions</i>				
Australia	6,391,738	2,553,013	3,185,848	12,130,599
United States	77,959	-	122,117	200,076
	<u>6,469,697</u>	<u>2,553,013</u>	<u>3,307,965</u>	<u>12,330,675</u>

Note 3. Financial assets

	Consolidated 31 December 2020 \$	30 June 2020 \$
Financial assets at fair value through profit and loss		
Loan receivable from a fund managed by the stapled group	<u>3,750,000</u>	<u>3,750,000</u>
The loan receivable bears interest at the Bank Bill Swap Rate (BBSY) + 1.65% and is due 8 June 2021.		
Financial assets at fair value through other comprehensive income		
Investments in listed ordinary shares	3,206,522	2,717,391
Investment in Vital Harvest Freehold Trust (*)	-	16,991,286
Investment in property funds managed by the stapled group	<u>4,325,987</u>	<u>2,039,007</u>
	<u>7,532,509</u>	<u>21,747,684</u>

* Refer to Note 5 and 10 for further information on Vital Harvest Freehold Trust

Note 3. Financial Assets (continued)

	Consolidated	
	31 December	30 June
	2020	2020
	\$	\$
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening fair value	21,747,684	-
Additions	15,933,258	23,845,391
Movements in fair value	5,869,457	(2,097,707)
Less: assets transferred to assets held for sale, at fair value	<u>(36,017,890)</u>	<u>-</u>
Closing fair value	<u><u>7,532,509</u></u>	<u><u>21,747,684</u></u>

Note 4. Non-current assets - intangibles

	Consolidated	
	31 December	30 June 2020
	2020	
	\$	\$
Goodwill	29,181,302	29,181,302
Less: Value transferred to assets held for sale	<u>(6,456,161)</u>	<u>-</u>
	<u>22,725,141</u>	<u>29,181,302</u>
Management Rights	106,237,563	104,435,378
Less: accumulated amortisation	(5,278,853)	(3,082,083)
Less: net value transferred to assets held for sale	<u>(3,741,672)</u>	<u>-</u>
	<u>97,217,038</u>	<u>101,353,295</u>
	<u><u>119,942,179</u></u>	<u><u>130,534,597</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Goodwill	Management	
	\$	Rights	Total
	\$	\$	\$
Consolidated			
Balance at 1 July 2020	29,181,302	101,353,295	130,534,597
Additions	-	1,802,186	1,802,186
Amortisation expense	-	(2,196,771)	(2,196,771)
Assets transferred to assets held for sale	<u>(6,456,161)</u>	<u>(3,741,672)</u>	<u>(10,197,833)</u>
Balance at 31 December 2020	<u><u>22,725,141</u></u>	<u><u>97,217,038</u></u>	<u><u>119,942,179</u></u>

Primewest Group Limited
Notes to the consolidated financial statements
31 December 2020

Note 5. Assets held for sale

	Consolidated	
	31 Dec 2020	30 June 2020
	\$	\$
Investment in Vital Harvest Freehold Trust	36,017,890	-
Management Rights	3,741,672	-
Goodwill	6,456,161	-
Total	<u>46,215,723</u>	<u>-</u>

Assets held for sale relate to the pending sale of the stapled entity's investment in Vital Harvest Freehold Trust. Refer to Note 10 for further details.

Note 6. Contributed equity

	Consolidated			
	31 Dec 2020	30 June 2020	31 Dec 2020	30 June 2020
	Securities	Securities	\$	\$
Ordinary securities - fully paid	349,135,592	349,135,592	<u>207,361,451</u>	<u>207,361,451</u>

Note 7. Equity - dividends

Dividends paid during the financial half-year were as follows:

	Consolidated	
	31 Dec 2020	31 Dec 2019
	\$	\$
Dividends paid	9,775,779	5,180,404
Dividends declared	<u>7,331,847</u>	<u>-</u>
	<u>17,107,626</u>	<u>5,180,404</u>

On 18 December 2020, the stapled group declared a dividend of \$7,331,847 to securityholders of record on 31 December 2020. This was paid on 11 February 2021.

Note 8. Fair value measurement

Fair value hierarchy

The following tables detail the stapled group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated – 31 December 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Financial Assets	3,206,522	4,325,987	-	7,532,509
Assets held for sale	-	46,215,723	-	46,215,723
Total financial assets	<u>3,206,522</u>	<u>50,541,710</u>	<u>-</u>	<u>53,748,232</u>

Consolidated – 30 June 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Financial assets	<u>23,458,677</u>	<u>2,039,007</u>	<u>-</u>	<u>25,497,684</u>

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Valuation techniques for fair value measurements categorised within level 2

The basis of the valuation of financial assets is fair value. The financial assets are revalued annually based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of investment property being valued. Valuations are based on current prices in an active market for similar properties of the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment.

Note 9. Contingent assets and contingent liabilities

There were no contingent assets or liabilities at the reporting date.

Note 10. Events after the reporting period

Equity placement

On 2 February 2021 the stapled group completed a placement of 47,244,094 securities at an issue price of \$1.27 for gross proceeds of \$60,000,000 to be utilised for co-investments in new funds managed by the stapled group.

Vitalharvest Freehold Trust

The stapled group is the manager of Vital Harvest Freehold Trust ("VTH") and holds a 19.9% interest in VTH.

On 17 November 2020, the Responsible Entity of VTH announced that it had entered into a scheme implementation deed with Macquarie Agricultural Funds Management Limited ("MAFM") as trustee of Macquarie Agricultural Fund – Crop Australia 2, to acquire all of the issued units in the Trust at \$1.00 per unit by way of a trust scheme or if the trust scheme is not approved by the requisite majority of unitholders, the purchase of the assets of the Trust for cash consideration of \$300 million ("MIRA Proposal")

On 17 November 2020 the stapled group announced that it had entered into a facilitation deed with MAFM and will receive a fee of \$8.0 million on the completion of the MIRA proposal and following the conditions being satisfied. The stapled group also provided a voting intention statement in support of the MIRA Proposal and provided a call option to MAFM over its 19.9% interest in VTH at an exercise price of \$1.00 per unit.

On 10 February 2021, the Responsible Entity of VTH announced a unitholder meeting for 4 March 2021 to conduct a vote on the MIRA Proposal and released the scheme implementation booklet to unitholders. The Responsible Entity of VTH has recommended acceptance of the MIRA Proposal.

The assets associated with this transaction have been presented as assets held for sale in the 31 December 2020 statement of financial position.

Primewest Group Limited
Directors' declaration
31 December 2020

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the stapled group's financial position as at 31 December 2020 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, consisting of stylized, overlapping loops and lines, positioned above a horizontal line.

Director

16 February 2021
Perth

RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE STAPLED SECURITY HOLDERS OF
PRIMEWEST GROUP LIMITED**

We have reviewed the accompanying half-year financial report of Primewest Group Limited which comprises the statement of financial position as at 31 December 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the stapled group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year and Primewest Property Fund.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the stapled group's financial position as at 31 December 2020 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Primewest Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Primewest Group Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

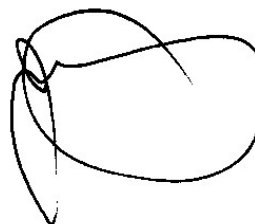
Conclusion

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

- (a) giving a true and fair view of the stapled group's financial position as at 31 December 2020 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*.



RSM AUSTRALIA PARTNERS



Perth, WA
Dated: 16 February 2021

J A KOMNINOS
Partner