Appendix 3
Vertua Limited
Preliminary Year End report – 31 March 2023

1. Company details

Name of entity:	Vertua Limited
ACN:	108 076 295
Reporting period:	For the year ended 31 March 2023
Previous period:	For the year ended 31 March 2022

2. Results for announcement to the market

Full-year commentary

Revenues from ordinary activities – continuing operations	up	39%	to	$4,764,905
Profit from ordinary activities before tax attributable to the owner of Vertua limited	up	20%	to	($13,450,319)
Profit after tax for the year end attributable to the owner of Vertua Limited	up	60%	to	($5,715,171)

Dividends
There were no dividends paid, recommended, or declared during the current financial period.

Comments
The profit of Consolidated Entity after providing for income tax amounted to loss of $5,715,171 (31 March 2022: loss of $14,218,520).

At 31 March 2023, Vertua transitioned to a Listed Investment Company (LIC).

3. Net tangible assets

	Reporting period cents	Previous period cents
Net tangible assets per ordinary security	2.96	24.86

4. Control gained over entities

Not applicable.

5. Details of associates or joint ventures

Not applicable.

6. Loss of control over entities

Name of the entity (or group entities):	Fiducia Group
Date control lost:	31 March 2023

Changes to the control of entities are set out in Note 4 of the attachment.

7. Dividends

Current period
There were no dividends paid, recommended, or declared during the current financial period.

Previous period
There were no dividends paid, recommended, or declared during the previous financial period.

8. Dividend reinvestment plans

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

The accounts have been or are being audited and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available

11. Attachments

The preliminary annual accounts for Vertua Limited for the year ended 31 March 2023 are attached.

12. Signed

James Manning
Director

Dated: 14 June 2023

Vertua Limited

ACN 108 076 295

Preliminary
Annual Report - 31 March 2023

Directors
Christopher Bregenhoj, Independent, Non-Executive Chairman
James Manning, Managing Director
Darron Wolter, Non-Executive Director (appointed 24 January 2023)
Benjamin Doyle, Executive Director (resigned 31 March 2023)

Company secretary
Kathleen Howell

Registered Office and Principal Place of Business
Suite 301, Level 3, 44 Miller Street,
North Sydney, NSW 2060

Website
www.vertua.com.au

Share Registry
Link Market Services Ltd
Sydney - Head Office
Level 12, 680 George Street
Sydney NSW 2000

Solicitors
Thomson Geer
Level 14, 60 Martin Place
Sydney NSW 2000

Auditors
LNP Audit and Assurance Pty Ltd
Level 8, 309 Kent Street
Sydney NSW 2000

Stock Exchange listing
Vertua Limited shares are listed on the National Stock Exchange of Australia (NSX)
Code: VER

DIRECTORS REPORT

The Directors of Vertua Limited present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Company') consisting of Vertua Limited (referred to hereafter as the 'Company' or 'Vertua Limited') and the entities it controlled at the end of, or during, the year ended 31 March 2023.

Principal activities
Vertua is an internally managed Listed Investment Company whose principal activities are to make investment listed and unlisted securities.

At 30 March 2023, Vertua completed its transition to a Listed Investment Company (LIC). This involved deconsolidating its subsidiaries First Equity (professional services) and Defender Asset Management (investment management) and taking them up as investments fair-valued through the profit and loss. Combined with this transition, Vertua sold its property development business Fiducia.

Investment objectives
To realise positive returns on investments, regardless of the underlying movement in value of the investment markets. To deliver capital growth, preserve capital and provide fully franked dividends to investors.

Investment strategy
A diversified investment portfolio approach to de-risk from individual sector exposure to achieve its investment objectives. Investments are in listed and unlisted equities.

Vertua has a flexible investment mandate, with an investment focus on professional services, property, logistics, technology, investment management and emerging growth.

Each investment sector has an established criteria in acquisition, growth and exit strategy, serving the overall investment objective over time.

Operating and financial review
Financial result
The result for Vertua after providing for income tax amounted to a total comprehensive loss of $5,715,171 (2022: total comprehensive loss of $14,218,519).

Investment performance
At year end Vertua's principal assets comprised financial assets, being investments valued at $7,558,133 (2022: $20,188,578 pre-deconsolidation), and cash and cash equivalents of $135,567 (2022: $363,117 pre-deconsolidation).

Statutory performance indicators

The consequences of Vertua’s performance on shareholder wealth, outlined as a function of its share price and net assets attributable to shareholders over the last 4 years is provided below:

	2023	2022	2021	2020	2019
Share price at financial year end ($)	$0.25	$0.25	$0.22	$0.18	$0.26
Net tangible assets per ordinary share ($)		$0.17	$0.39	$0.09	$0.25

Portfolio
The Company's investment portfolio as at 31 March 2023 is presented below:

Sector	Investment	Security Type	Fair Value	% of Portfolio
Professional services	First Equity Associates Unit Trust	Unlisted	$2,335,572	30.9%
Investment Management	Defender Asset Management Pty Ltd	Unlisted	$903,597	12.0%
Emerging Market	Oncosil Medical Ltd (ASX: OSL)	Listed	$4,620	0.1%
Technology	Distributed Storage Solutions	Unlisted	$464,000	6.1%
Technology	Mawson Infrastructure Vertua Inc (NASDAQ: MIGI)	Listed	$1,717,144	22.7%
Technology	Digital Income Fund	Unlisted	$62,640	0.8%
Technology	Defender Global Fund	Unlisted	$61,199	0.8%
Property	Vertua Opportunities Fund	Unlisted	$609,361	8.1%
Property	FPG No.6 UT	Unlisted	$1,400,000	18.5%
Total			**$7,558,133**	**100.0%**

Investment performance and returns are managed on an overall basis.

Deconsolidation
As noted above, on 31 March 2023 and on adoption of becoming a Listed Investment Company, First Equity Associates Unit Trust and Defender Asset Management Pty Ltd were deconsolidated and their fair-values was taken up through the profit and loss.

Exits
At 31 March 2023 Vertua disposed of 100% in its investment in Joe Public Holdings Pty Ltd (ACN 164 946 712) (JPH) which is the holding company for the Fiducia property management business operated through a number of Vertua subsidiaries (collectively, Fiducia Group), for a total cash consideration of $1,080,000.

Cashflows

Operating activities resulted in a net outflow of $38,969 (2022: outflow $598,146).

Investing activities resulted in a net inflow of $1,060,297 (2022: outflow $784,082).

Financing activities resulted in a net outflow of $1,248,879 (2022: inflow $646,448).

Capital management
There were no changes to capital management during the year.

Board and management
The Board had two changes during the year including the appointment of Darron Wolter on 24 January 2023 and the resignation of Benjamin Doyle.

In the disposal of the Fiducia group business, Vertua and its associated Director and CEO, Mr. Benjamin Doyle ceased to be a part of management in Vertua and a Director of the Company.

The Company formally established an Investment Committee, which was appointed at 31 March 2023, with a start date of 1 April 2023. The investment committee includes Tim Broadfoot, Nick Hugh-Jones, and Michael Bregenhoj.

Finally, significant changes were made to all employee arrangements, whereby Vertua ceased to have any direct employees. Several staff were re-allocated roles in the investments which the Company holds at 31 March 2023.

Dividends
No dividends have been paid or declared by the company since the beginning of the year.

Risk management
The Company takes a proactive approach to risk management. Management is responsible for designing, implementing, and reporting on the adequacy of the Company's risk management and internal control system. Management reports to the board on the Company's key risks and how it believes these risks are being managed. This is performed informally on a six-monthly basis or more frequently as required by the board.

The board is responsible for satisfying itself annually, or more frequently as required, that management has developed and implemented a sound risk management system and internal control.

The Company has identified the key risks that it believes to be inherent in the business and industry in which the company operates. These include capital adequacy; liquidity risk; environmental risk; reputation risk; legal, compliance and regulatory risk; occupational health and safety risk; and sector operational and market risks, including digital currency (including volatility and market development and regulation change risk), technology risk, the state of the global travel and tourism industry, pandemic risk, intellectual property risk, and professional services firm risks. These risk areas are provided here to assist investors in understanding better the nature of the risks faced by Vertua and the industry in which invests in. This is not necessarily an exhaustive list.

The board receives regular reports addressing the management of the key risks associated with the consolidated entity's business. The board has the right to appoint external professional advisers to investigate control mechanisms and report their findings and recommendations concerning control improvements, processes, and procedures to the board.

Significant changes in the state of affairs
There have been no significant changes, other than those noted above, in the state of affairs of the company during the financial year.

Likely developments
During the subsequent financial year, there are two live transaction that are expected to be closed including:

- **Investment in logistics sector:** As per NSX announcement on 11 October 2022, Vertua entered into a conditional binding agreement to acquire 100% of the shares Flynt Worldwide Pty Limited (Flynt) including its controlled entities together with the assignment of a loan receivable (Loan) from Transport and Clearance Pty Ltd as trustee for the Transport and Clearance Fund (Vendor) for a total consideration of $6,500,000 (Acquisition).
- **Divestment in property sector:** The divestment of FPG No. 6 Unit Trust is expected to occur 20 June 2023, on the settlement of the sale of the Tuggerah Asset. With expected settlement proceeds being $1,400,000.

As part of the Company's ongoing and continued assessment of investment opportunities, the board has been considering appropriate capital initiatives and funding sources. It is likely that Vertua will undertake some form of capital raise within the next 12 months for the purpose of furthering its investments. In addition to a capital raise, the board is actively looking at strategies to increase the daily liquidity in the traded shares of the company.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 31 March 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Going concern
The directors have prepared financial statements on a going concern basis which contemplates the continuity of normal business activity and realisation of assets and settlement of liabilities in the normal course of business.

Vertua recorded a loss after tax for the year of $5,715,171. Operating cash outflows during the year were $38,969 and Vertua had net current assets of $1,141,449 at 31 March 2023.

Prima facie, these circumstances give rise to a doubt in relation to Vertua’s ability to realise its assets and settle its liabilities at the amounts stated in the financial statements. However, the directors consider the Vertua will be able to meet its obligations as and when they fall due based on the following assumptions:

- The ability of the Vertua to raise additional capital or securing other forms of financing;
- Generating ongoing cashflows from trust distribution, dividends, and divestments of investments;

Accordingly, these financial statements have been prepared on a going concern basis.

No adjustments have been made to the financial information relating to the recoverability or classification of the recorded asset amounts and classification of liabilities that may be necessary should Vertua not continue as a going concern.

Environmental regulation
The company’s current operations as a Listed Investment Company are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory of Australia.

Indemnity and insurance of officers and auditors
Each Director has the benefit of a deed of Indemnity and Access. No insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer of Vertua Limited.

No insurance or indemnification was taken on behalf of or for the auditors.

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

Christopher Bregenhoj, Chairman
James Manning, Managing Director
Benjamin Doyle, Director (resigned 31 March 2023)
Darron Wolter, Director (appointed 24 January 2023)

Distributions
There were no distributions paid, recommended or declared during the current or previous financial year.

Non-audit services
Vertua's auditors, LNP Audit and Assurance Pty Ltd, did not provide any non-audit services during the financial year.

Voting and comments made during the period

The following resolutions were passed at 2022 Annual General Meeting of the Company held at 9 August 2022:

Resolution number	Resolution title	Approval (Yes/No)	% who voted in favour
1	Remuneration report	Yes	99.90%
2	Re-election of Director – Mr. Christopher Bregenhoj	Yes	99.92%
3	Issue of Shares to Benjamin Doyle	Yes	99.86%
4	Issue of Shares to James Manning	Yes	99.86%
5	Issue of Shares to Christopher Bregenhoj	Yes	99.86%

The following Extraordinary General Meeting of the company was held on 8 March 2023:

Resolution number	Resolution title	Approval (Yes/No)	% who voted in favour
1	Approval to enter into and complete the Flynt Transaction	Yes	99.98%
2	Approval of Issue of consideration shares to Esplanade	Yes	99.98%
3	Approval of issue of consideration shares to the Manning Entities	Yes	99.95%
4	Approval of Issue of consideration shares to and acquisition of relevant interest in the company's shares by HC Spring	Yes	99.98%
5	Approval of Proposed issue of ordinary shares to James B	Yes	99.98%
6	Approval of 25M Placement Capacity	Yes	99.98%

Directors

The board had two changes during the year including the appointment of Darron Wolter on 24 January 2023 and the resignation of Benjamin Doyle on 31 March 2023.

Christopher Bregenhoj, Non-Executive Chairman

Christopher is an Australian Chartered Accountant, bringing strong accounting, tax, and corporate finance practices with over 46 years' experience in the Investment Banking and Private Equity space, both in Australia, Canada, Singapore, and Hong Kong. Christopher was a co-founder and an Executive Director from 2002 responsible for corporate acquisitions, finance and the in-house legal division of what is now oOh!media, which was acquired by CHAMP Private equity in 2012 and re-listed on the ASX in 2014. Christopher remained on oOh!media's Board to 2015. In 2012, Christopher entered a joint venture to acquire and redevelop a property "Astonia", of six house size apartments which set a lower North Shore record on sale in 2016. In 2018, Christopher entered a joint venture to acquire and redevelop a property Blacktown of a 24 floor mainly residential and commercial apartment block. Christopher has been Chairman of Vertua Limited since 2014 and sits on various Boards in investment, international freight forwarding, IT, media and the property development space, bringing invaluable leadership and experience to the Vertua team.

Qualifications: FCA, FAICD, F Fin, FTIA and is a JP in NSW

Director appointment: 23 June 2014

James Manning, Managing director

James has over 16 years accounting and professional advisory experience. In conjunction with actively advising clients, he has been managing investment portfolios within a family office, completing mergers and acquisitions, and developing properties across Australia and New Zealand. James' background in property development and professional services has given him a unique insight into practical deliverables as well as complex regulatory and cross board transactions. James is a non-executive director of Mawson Infrastructure Group Inc (NASDAQ: MIGI).

Qualifications: Master of Business (Finance), Master of Property Development, Bachelor of Business (Accounting), FAICD, MNIA

Director appointment: 23 June 2014

Benjamin Doyle, Executive Director (Ceased 31 March 2023)
Ben founded Fiducia Property Group and has run it for over 18 years, where he has developed more than $480M+ of property developments. Ben is an active Industry member contributing to various industry panels including 2 for the HIA which is the official body of Australia's home building industry. The Fiducia Team have been recognised within the development industry having won various awards including HIA 2015 'NSW Development of the year sub $5 million & UDIA 2019 Awards For Excellence – NSW Winner of Small-Scale Infill Development of the year
Qualifications: Licensed Real Estate Agent
Director resignation: 31 March 2023

Darron Wolter, Non-Executive Director (Appointed 24 January 2023)
Darron began his career in the hospitality industry by managing Hotels in Sydney back in 1987. Having extensive experience in analysing business insights, Darron has developed and effectively implementing strategies to streamline and consolidate operations into an enterprise solution. Darron is currently working on Vertua Opportunities Fund's asset acquisition and expansion strategy.
Director appointment: 24 January 2023

Meetings of Directors
The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 31 March 2023, and the number of meetings attended by each Director were:

	Full Board		Audit and Risk Committee	
	Attended	**Held**	**Attended**	**Held**
Christopher Bregenhoj	4	4	1	1
James Manning	3	4	1	1
Benjamin Doyle (resigned 31 March 2023)	4	4	-	1
Darron Wolter	1	4	-	1

Company secretaries
Kathleen Howell

Kathleen brings a strong people and management background with more than 10 years of management experience across several industries including hospitality, health, and professional services. Kathleen is also the People and Culture Manager and has completed the AICD Company Secretary Course.

Qualifications: Bachelor of Business, Bachelor of Science (Psychology)

Company secretary appointment: 21 April 2021

Remuneration report (un-audited)
The remuneration report details the key management personnel remuneration arrangements for the company, in accordance with the requirements of the Corporations Act 2001 and its regulations. Key management personnel ('KMP') are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

Principles used to determine the nature and amount of remuneration

The objective of Vertua's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward.

The board is responsible for determining and reviewing remuneration arrangements for its directors and executives.

The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel. The board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

Alignment to shareholders' interests:
- Having economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracts and retain high calibre executives.

Alignment to program participants' interests:
- rewards capability and experience.
- reflects competitive reward for contribution to growth in shareholder wealth; and
- provides a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive Directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

NSX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 9 August 2022, where the shareholders approved the remuneration of directors and senior management.

Executive remuneration

Vertua aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components. The executive remuneration and reward framework has three components: base pay and nonmonetary benefits, short-term performance incentives, and other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary and/or retainers, superannuation, and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the Vertua and comparable market remunerations.
Executives may receive their fixed remuneration in the form of cash or if applicable, other FBT impacts (for example motor vehicle benefits) where it does not create any additional costs to the Vertua and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPIs') being achieved. KPIs include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave.

Details of remuneration of Key Management Personnel (KMPs):

	Short-term benefits	Post-employment benefits	Long-term benefits	
2023	**Cash salary and fees $**	**Super-annuation $**	**Long service leave $**	**Total $**
Non-Executive Directors:				
Christopher Bregenhoj	30,000	-	-	30,000
Darron Wolter	2,500	-	-	2,500
Executive Directors:				
Benjamin Doyle (resigned 31 March 2023)	244,448	24,407	2,660	271,515
James Manning	136,000	-	-	136,000
Total	412,948	24,407	2,660	440,015

	Short-term benefits	Post-employment benefits	Long-term benefits	
2022	**Cash salary and fees $**	**Super-annuation $**	**Long service leave $**	**Total $**
Non-Executive Directors:				
Christopher Bregenhoj	30,000	-	-	30,000
Executive Directors:				
Benjamin Doyle	244,448	22,954	25,426	292,828
James Manning	258,073	-	-	258,073
Total	532,521	22,954	25,426	580,901

Service agreements

- **Christopher Bregenhoj, Chairman:** Mr. Bregenhoj is entitled to a fixed engagement of $30,000 per annum for his role as independent, non-executive Chairman. During the year Mr. Bregenhoj was paid $30,000 (2022: $30,000)
- **James Manning, Managing Director:** Mr. Manning is entitled to a fixed engagement of $36,000 per annum for his role as Managing Director. In addition, he receives a variable for services provided and management fees, for 2023 James was paid $100,000. These fees are paid to an entity associated with Mr. Manning and include services provided by employees and entity associated with Mr. Manning. The total paid to Mr. Manning for the year was $136,000 (2022: $258,073). Mr. Manning has no entitlement to termination payments in the event of removal for misconduct. The notice period for Mr. Manning is 6 months.
- **Benjamin Doyle, Executive Director:** Mr Doyle until his resignation as at 31 March 2023. Mr. Doyle is entitled to a fixed engagement of $12,000 per annum role for his role as director of Vertua and salary component for his management role as Chief Executive Officer of the Fiducia Group of $271,515 (inclusive of superannuation and long service leave) with long service liability of $25,426. As at 1 April 2023 the long service liability owed to Mr. Doyle is not liable to the Vertua group apart of the terms of sale of the Fiducia Group. For the year ended 31 March 2023 Mr. Doyle was paid $283,515 (2022: $244,448).
- **Darron Wolter, Non-executive Director:** Mr. Wolter is entitled to a fixed engagement of $30,000 per annum for his role as independent, non-executive director. During the year Mr. Wolter was paid $2,500 (2022: $nil).

Share-based compensation

Issue of shares
There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 31 March 2023.

There were no options over ordinary shares granted to or vested by directors as part of compensation during the year ended 31 March 2023.

Additional disclosures relating to key management personnel

Shareholdings (direct and indirect holdings)
The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Company, including their personally related parties, is set out below:

	Opening balance	Additions	Disposals	Closing balance
Ordinary shares				
Christopher Bregenhoj	1,577,273	-	-	1,577,273
Benjamin Doyle (resigned 31 March 2023)	6,778,150	6,750	-	6,784,900
James Manning	26,549,696	-	(3,276,696)	23,273,000
	34,905,119	6,750	(3,276,696)	31,635,173

Option holding (direct and indirect holdings)
The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of Vertua, including their personally related parties, is set out below:

	Opening balance	Additions	Disposals	Closing balance
James Manning	29,228,339	-	-	29,228,339
	29,228,339	-	-	29,228,339

Other transactions with key management personnel
Christopher Bregenhoj, Chairman
Mr. Bregenhoj is a Partner in First Equity Partners. Details of payments and arrangements with First Equity Partners are set out in further detail note 17. Total transactions with Mr. Bregenhoj were $30,000 (2022: $30,000).

James Manning, Managing Director
Mr. Manning is a Director is paid to Defender Investment Management Pty Ltd (DIM). Details of payments and arrangements with DIM are set out in further detail note 17. Total transactions with Mr. Manning were $136,000 (2022: $175,948) The fees paid in relation to management and administration services specifically amounted to $136,000 (2022: $258,073) (which are included in the total KMP disclosures).

This concludes the remuneration report, which has not been audited.

Corporate Governance
Information on the company's responsibilities and governance practices can be found in our Corporate Governance Statement available at: https://vertua.com.au/investors/corporate-governance/.

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 preliminary in nature and subject to audit and review.

14 June 2023

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Vertua Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2023

	Note	Consolidated 2023 $	2022 $
Income			
Investment income	4	(15,186,093)	(13,865,258)
Other income	5	9,331,395	3,866,831
Expenses			
Impairment of assets	6	-	(1,452,763)
Employee benefits expense		(1,803,177)	(1,856,535)
General and administration		(1,047,738)	(1,121,377)
Finance costs		(908,784)	(929,515)
Professional and management fees		(1,681,920)	(867,169)
Depreciation and amortisation expense		(179,532)	(390,164)
Disbursements		(936,298)	(274,953)
Other expenses		(1,038,173)	(131,878)
Loss before income tax benefit		(13,450,320)	(17,022,781)
Income tax benefit	7	7,735,149	2,804,262
Loss after income tax benefit for the year		(5,715,171)	(14,218,519)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(5,715,171)	(14,218,519)
		Cents	**Cents**
Basic earnings per unit	8	(8.69)	(21.62)
Diluted earnings per unit	8	(6.02)	(14.97)

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

Vertua Limited
Statement of financial position
As at 31 March 2023

	Note	Consolidated 2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents		135,566	363,117
Trade and other receivables	9	336,517	1,101,692
Investments	10	1,400,000	773,711
Total current assets		1,872,083	2,238,520
Non-current assets			
Trade and other receivables	9	202,181	-
Investments	10	6,158,133	20,188,578
Property, plant and equipment		88,255	119,134
Deferred tax	7	5,932,859	1,631,734
Loans and advances	11	-	175,141
Total non-current assets		12,381,428	22,114,587
Total assets		14,253,511	24,353,107
Liabilities			
Current liabilities			
Trade and other payables	12	222,666	964,283
Borrowings	13	507,968	1,347,225
Total current liabilities		730,634	2,311,508
Non-current liabilities			
Borrowings	13	5,643,529	5,154,211
Deferred tax	7	1,004,694	4,348,564
Total non-current liabilities		6,648,223	9,502,775
Total liabilities		7,378,857	11,814,283
Net assets attributable to unitholders		6,874,654	12,538,824
Equity			
Issued capital	14	12,892,403	12,841,402
Accumulated losses		(6,017,749)	(302,578)
Total equity		6,874,654	12,538,824

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

Vertua Limited
Statement of changes in equity
For the year ended 31 March 2023

Consolidated	**Issued capital $**	**Convertible Notes $**	**Retained profits $**	**Total equity $**
Balance at 1 April 2021	12,601,402	240,000	13,915,941	26,757,343
Loss after income tax benefit for the year	-	-	(14,218,519)	(14,218,519)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(14,218,519)	(14,218,519)
Convertible noted converted into shares	240,000	(240,000)	-	-
Balance at 31 March 2022	12,841,402	-	(302,578)	12,538,824

Consolidated	**Issued capital $**	**Convertible Notes $**	**Retained profits $**	**Total equity $**
Balance at 1 April 2022	12,841,402	-	(302,578)	12,538,824
Loss after income tax benefit for the year	-	-	(5,715,171)	(5,715,171)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(5,715,171)	(5,715,171)
Employee share-based payments	51,001	-	-	51,001
Balance at 31 March 2023	12,892,403	-	(6,017,749)	6,874,654

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

Vertua Limited
Statement of cash flows
For the year ended 31 March 2023

	Note	Consolidated 2023 $	2022 $
Cash flows from operating activities			
Receipts from customers		6,646,342	4,218,166
Payments to suppliers and employees		(6,660,240)	(4,662,552)
Interest paid		(22,983)	(146,465)
Income tax paid		(2,088)	(7,295)
Net cash used in operating activities	23	(38,969)	(598,146)
Cash flows from investing activities			
Payments for equity investments		-	(134,295)
Net payments for equipment and intangibles		(23,476)	(139,787)
Payments made for investments in property developments		-	(510,000)
Investments redemption/sale proceeds		1,083,773	-
Net cash from/(used in) investing activities		1,060,297	(784,082)
Cash flows from financing activities			
Loans extended from related parties		(995,187)	714,800
Lease repayments		(60,711)	(105,352)
Proceeds from net loans (provided to)/received from by external parties		(192,981)	37,000
Net cash from/(used in) financing activities		(1,248,879)	646,448
Net decrease in cash and cash equivalents		(227,551)	(735,780)
Cash and cash equivalents at the beginning of the financial year		363,117	1,098,897
Cash and cash equivalents at the end of the financial year		135,566	363,117

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

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Company 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.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Principles of consolidation
The company meets the definition of an investment entity.

The company has determined that for any entities that it controls or has significant influence over, that do not provide services to the company, consolidation is not required provided the company measures its investments in these entities t fair value in its financial statements.

Investment entity
The company has determined that it is an investment entity under the definition in AASB 10 *Consolidated Financial Statements* as it meets the following criteria:

- The company has obtained funds from shareholders for the purpose of providing them with investment management services;
- The company's business purpose, which it communicated directly to shareholders, is investing solely for returns from capital appreciation and investment income;
- The performance of investments made by the company are measured and evaluated on a fair value basis

The company also meets all of the typical characteristics of an investment entity.

Investments
Initial recognition and measurement
Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. For financial assets, trade date accounting is adopted, which is equivalent to the date that the company commits itself to purchase or sell the assets.

Financial instruments are initially measured at fair value. Transaction costs related to financial instruments are expensed to the Statement of comprehensive income immediately.

Classification and subsequent measurement
Financial instruments are subsequently measured at fair value. Current market prices for all quoted investments are used to determine fair value. For all listed or unlisted securities that are not traded in an active market, valuation techniques are applied to determine fair value, including recent arm's length transactions and reference to similar instruments.
(i) Financial assets at fair value through profit or loss
Financial assets are classified 'at fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of comprehensive income in the period in which they arise.

Note 1. Significant accounting policies (continued)

Trade and other recivables
Trade and other receivables are non-derivative financial assets and are initially recognised at fair value. They are subsequently stated at amortised cost, less any provision for impairment.

Trade and other payables
Trade and other payables are non-derivative financial liabilities and are stated at amortised cost.

Impairment of financial assets
The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Goods and Services Tax ('GST') and other similar taxes
Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 31 March 2023. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, income and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

Going Concern
The directors have prepared financial statements on a going concern basis which contemplates the continuity of normal business activity and realisation of assets and settlement of liabilities in the normal course of business.
The Company recorded a loss after tax for the year of $5,715,171. Operating cash outflows during the year were $38,969 and the Company had net current liabilities of $1,141,449 at 31 March 2023.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Prima facie, these circumstances give rise to a doubt in relation to the Company's ability to realise its assets and settle its liabilities at the amounts stated in the financial statements. However, the directors consider the Company will be able to meet its obligations as and when they fall due based on the following assumptions:

- The ability of the Company to raise additional capital or securing other forms of financing;
- Generating ongoing cashflows and profits as a result of the completion of projects and profitable operations of the business;

Accordingly, these financial statements have been prepared on a going concern basis.

No adjustments have been made to the financial information relating to the recoverability or classification of the recorded asset amounts and classification of liabilities that may be necessary should the Company not continue as a going concern.

Fair value of Interests in residential property developments
There is not an active market for property developments while they are under construction, so fair value is measured using either a discounted cash flows (DCF) or residual valuations. DCF valuations for properties under construction also consider the costs and risks of completing construction and selling the property. The residual valuation estimates the value of the completed project, less the remaining development costs which include construction, finance costs and an allowance for developer's risk and profit. This valuation is then discounted back to the present value.
Where projects are within 12 months of completion the value of the development is taken to be forecast cashflow based on the reasonable inputs considering the committed costs and revenues of the project. No discount it provided if there is a high degree of certainty that the project will complete within the terms of these assumptions.

Note 3. Operating segments

The company is engaged solely in investment activities conducted from Australia. The company derives revenue from dividend and distribution income and capital appreciation on the sale of investments. The company is managed as a whole and is considered to have a single operating segment.

Note 4. Investment income

	Consolidated	
	2023 $	2022 $
Net realised and unrealised gains/(losses) on financial investments	(15,186,093)	(13,865,258)
Dividends and distributions	-	-
	(15,186,093)	(13,865,258)

Accounting policy for investment income recognition

Investment income
Realised gains and losses from the sale of financial investments are included in profit or loss in the period which they arise. Unrealised gains and losses arising from changes in the fair value of the financial investments are included in profit or loss in the period in which they arise.

Note 5. Other income

	Consolidated 2023 $	2022 $
Revenue from contracts with customers		
Professional fees	2,823,168	2,525,122
Investment management	620,015	548,503
Property services	822,840	319,886
Corporate	498,882	30,852
	4,764,905	3,424,363
Other income		
Other income	1,280,838	442,468
Gain on deconsolidation	3,198,529	-
Gain on disposal / acquisition	87,123	-
	4,566,490	442,468
Total other income	9,331,395	3,866,831

Accounting policy for other income recognition

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Professional services
Revenue from contracts with customers is measured based on the consideration specified in the contract. The consolidated entity recognises revenue when it transfers control over a good or service to a customer. For professional services, the customer controls all of the time charged as the services are being provided. The contracts for the services provided do not create an asset with an alternative use to the consolidated entity because contracts relate to facts and circumstances that are specific to individual customers and if a contract is terminated by the customer, then the consolidated entity is entitled to reimbursement of the costs incurred to date, including a reasonable margin. Invoices are issued according to contractual terms and are usually payable on issue. Unbilled amounts are presented as unbilled services income.
Revenue is recognised over time by measuring the proportion that costs incurred to date to the estimated total costs of the service under each contract. For those contracts with a constrained variable consideration that is highly susceptible to factors outside the consolidated entity's influence (e.g., overruns), the constrained amount is not included in the transaction price until the uncertainty associated with the variable consideration is resolved. In contracts with multiple performance obligations, the standalone selling price of services provided is estimated based on the cost-plus margin approach.

Property
Revenue is predominantly project management fees and profit shares from projects. Project management fees are documented in the management agreement between the property division and the client. Project management fees are invoiced upon the achievement of specific milestones at the fixed fee price outlined in the management agreement. Profit shares from projects are based on a predetermined percentage split of net profit generated from a project between the Property segment and the equity investors of the project, as outlined in the profit share agreement. Profit share revenue is recorded only when the stock from development assets have exchanged, and the revenue entitlement is both measurable and payable.

Other income
Other income is recognised when it is received or when the right to receive payment is established.

Note 6. Impairment

	Consolidated 2023 $	Consolidated 2022 $
Loans and advances – Defender No.2 Loan (AOW)	-	(954,218)
Professional services customer relationships	-	(34,545)
Investments - unlisted	-	(464,000)
	-	(1,452,763)

Note 7. Income tax

	Consolidated 2023 $	Consolidated 2022 $
Income tax benefit		
Current tax	(90,154)	948,741
Deferred tax - origination and reversal of temporary differences	(7,644,995)	(3,753,003)
Aggregate income tax benefit	(7,735,149)	(2,804,262)
Deferred tax included in income tax benefit comprises:		
Increase in deferred tax assets	(4,301,125)	(77,142)
Decrease in deferred tax liabilities	(3,343,870)	(3,675,861)
Deferred tax - origination and reversal of temporary differences	(7,644,995)	(3,753,003)
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit	(13,450,320)	(17,022,781)
Tax at the statutory tax rate of 25%	(3,362,580)	(4,255,695)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Deferred tax from tax losses not recognised	-	1,530,533
Impairment loss	-	749,272
Prior year tax benefit reversal	-	(948,741)
Non-assessable income	-	114,074
Other non-deductible amounts	225,655	(4,410)
Other adjustments	-	3,074
Gain on deconsolidation	(770,208)	-
	(3,907,133)	(2,811,893)
Prior year temporary differences not recognised now recognised	(3,828,016)	7,631
Income tax benefit	(7,735,149)	(2,804,262)

Note 7. Income tax (continued)

	Consolidated 2023 $	Consolidated 2022 $
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	5,354,720	1,406,159
Others	17,409	225,575
Financial assets at fair value through profit or loss	560,730	-
Deferred tax asset	5,932,859	1,631,734
Movements:		
Opening balance	1,631,734	1,554,592
Credited to profit or loss	4,301,125	77,142
Closing balance	5,932,859	1,631,734

	Consolidated 2023 $	Consolidated 2022 $
Deferred tax liability		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Financial assets at fair value through profit or loss	994,186	4,266,786
Others	10,508	81,778
Deferred tax liability	1,004,694	4,348,564
Movements:		
Opening balance	4,348,564	8,024,425
Credited to profit or loss	(3,343,870)	(3,675,861)
Closing balance	1,004,694	4,348,564

The tax losses recognised were based on the company's forecasts for the next two financial years.

Accounting policy for income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Note 7. Income tax (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current tax assets and liabilities are measured at the amount expected to be or paid to the taxation authorities. The tax rates and tax law used to compute the amount are those that substantively enacted by the reporting date.

Note 8. Earnings per share

	Consolidated	
	2023	**2022**
	$	**$**
Earnings per unit for loss from continuing operations		
Loss after income tax	(5,715,171)	(14,218,519)
	Units	**Units**
Weighted average number of ordinary shares used in calculating basic earnings per share	65,764,640	65,764,640
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	29,228,339	29,228,339
Weighted average number of ordinary shares used in calculating diluted earnings per share	94,992,979	94,992,979
	Cents	**Cents**
Basic earnings per unit	(8.69)	(21.62)
Diluted earnings per unit	(6.02)	(14.97)

Note 9. Trade and other receivables

	Consolidated 2023 $	Consolidated 2022 $
Current assets		
Trade receivables	307,245	1,282,897
Less: Allowance for expected credit losses	-	(588,518)
	307,245	694,379
Income tax receivable	29,272	398,113
Short-term advances	-	9,200
	336,517	1,101,692
Non-current assets		
Loan from related parties	202,181	-
	538,698	1,101,692

Note 10. Investments

	Consolidated 2023 $	Consolidated 2022 $
Current assets		
Investment in residential development entities held at fair value	1,400,000	773,711
Non-current assets		
Unlisted securities at fair value	4,436,369	3,499,097
Listed securities at fair value	1,721,764	16,689,481
	6,158,133	20,188,578
	7,558,133	20,962,289

The fair value of the Companys investment in Mawson Infrastructure Group Inc (NASDAQ: MIGI, “Mawson”). amounting to 2,444,400 shares was calculated by reference to the closing price of Mawson share price at 31 March 2023 of A$ 4.625 (US$ 3.10) resulting in an unrealised fair value loss of $14,967,717.

Note 11. Loans and advances

	Consolidated 2023 $	Consolidated 2022 $
Non-current assets		
Loan: Defender No.2 Fund Pty Ltd	-	150,000
Other related party loans receivable	-	25,141
	-	175,141

Note 12. Trade and other payables

	Consolidated 2023 $	2022 $
Current liabilities		
Trade payables	112,976	409,392
Accruals	35,000	89,987
GST and PAYG payable	18,915	215,533
Other payables	55,775	249,371
	222,666	964,283

Note 13. Borrowings

	Consolidated 2023 $	2022 $
Current liabilities		
Loan: Mackin Money Trust	450,000	790,147
Lease liability	57,968	557,078
	507,968	1,347,225
Non-current liabilities		
Loans from related parties	488,575	-
Loan: Manning Capital Holdings Pty Ltd	5,154,954	5,154,211
	5,643,529	5,154,211
	6,151,497	6,501,436

Mackin Money Trust
The loan as part of the sale of Fiducia Group, Vertua assumed certain liabilities of Fiducia related entities. Included in this was a net loan payable to Mackin Money Trust for $450,000.

Manning Capital Holdings Pty Ltd loan ("MCHUT")
This loan is available for acquisitions and to provide additional working capital for the Company. The facility is for a maximum of $6,000,000 and the balance remains available to the Company. MCHUT is a shareholder of the Company and is a related party. The loan has a General Security Deed over all the assets of Vertua Limited. The security is on all property past and present and capture all subsidiary company interests held by the Company.

Accounting policy for borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 14. Issued capital

	Consolidated 2023 Shares	2022 Shares	2023 $	2022 $
Ordinary shares	65,764,640	65,764,640	12,892,403	12,841,402

Note 14. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Share	$
Opening balance at the beginning of the year	1 April 2021	64,287,792	12,601,402
Issue of shares (convertible note conversion)		1,200,000	240,000
Option on issue		276,848	-
Closing balance at the end of the year	31 March 2022	65,764,640	12,841,402
Issue of shares (convertible note conversion)		-	51,001
Balance	31 March 2023	65,764,640	12,892,403

Ordinary share
Ordinary shares entail the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote. During the 2022 year, all class A shares were converted to ordinary shares as reported to NSX.

Capital risk management
The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company can look to raise capital when an opportunity to invest is seen as value adding relative to the current company's share price at the time of the investment.

The consolidated entity is subject to certain financing arrangements and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year. The capital risk management policy remains unchanged.

Note 15. Financial instruments

Financial risk management objectives

The Company is exposed to a variety of financial risks through its use of financial instruments. The Company's overall risk management strategy seeks to minimise potential adverse effects due to the unpredictability of financial markets. The most significant financial risks to which the Company is exposed to are market liquidity, credit and interest rate. The Company's principal financial instruments comprise; cash at bank, receivables, investments, payables, advances, lease liabilities and loans. The carrying amounts are as shown in the financial position.

The Board of directors has responsibility for the establishment of the consolidated entity's financial risk management framework. This includes the development of policies covering all significant risk areas. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the consolidated entity's activities.

Day-to-day risk management is carried out by the consolidated entity's finance function under policies approved by the Board of directors. The audit risk committee has been delegated the authority for designing and implementing processes to comply with the approved policies. This includes monitoring the levels of exposure to interest rate and foreign exchange risk and assessment of market forecasts for interest rate and foreign exchange movements. The Board of directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Note 15. Financial instruments (continued)

Market risk

The company market risk is the risk that changes in market prices will affect the fair value of financial instruments. The company is a listed investment company that invests in tradeable securities and unlisted securities. Due to the nature of its business, the company will always be subject to market risk as it invests its capital in securities which have fluctuating market prices.

Price risk
The company has publicly tradable financial assets totalling $1,721,764 (2022: $16,689,481). An increase/decrease in price of +/-5% would have a favourable/unfavourable effect on profit before tax of $8,609 (2022: $834,474). The percentage change is based on a reasonably expected volatility of price movements using market data and analyst forecasts.

Interest rate risk
Exposure to interest rate risk arises on financial assets and financial liabilities, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The board constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing and the term for fixing interest rates. At 31 March 2023, the Company had a number of secured and unsecured lenders. The company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities are set out below.

	2023		2022	
Consolidated	**Weighted average interest rate %**	**Balance $**	**Weighted average interest rate %**	**Balance $**
Cash and cash equivalents	1.75%	135,566	1.75%	363,117
Borrowings- Fixed rate	12.00%	(5,154,954)	12.00%	(5,154,211)
Other interest-bearing	5.77%	(305,888)	6.00%	(451,863)
Net exposure to cash flow interest rate risk		(5,325,276)		(5,242,957)

An increase/decrease in interest rates of +/-1% would have a favourable/unfavourable effect on profit before tax of $53,253 (2022: $52,430). The percentage change is based on reasonably expected volatility of interest rates using market data and forecasts.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Credit risk for cash and cash equivalents and receivables is considered negligible since the counterparties are financial institutions with high quality external credit ratings. The Company adopts a policy of only dealing with creditworthy clients and counterparties as a means of mitigating the risk of financial loss from defaults. Client accounts which fail to meet their credit terms are suspended until credit is re-established. Lifetime Expected Credit Losses (ECL) are recorded on receivables, including trade and other receivables, interest-bearing loan assets, and other financial assets. The Company applies the simplified approach to its trade receivables and measures the loss allowance at an amount equal to lifetime expected credit losses. Credit risk related to balances with banks and other financial institutions is managed by the Audit Risk Committee (ARC) in accordance with approved Board policy.

Concentration of credit risk is the risk of exposure to a counterparty with a loss potential which is large enough to threaten the solvency or the financial position of the Company.

Management considers that financial assets which have no impairment allowance are not impaired at the reporting date and are of good credit quality, including those that are past due.

The following table details the Company's maximum exposure to credit risk.

Note 15. Financial instruments (continued)

	Consolidated 2023 $	Consolidated 2022 $
Cash and cash equivalents	135,566	363,117
Accounts receivable, other receivables	336,516	1,101,691
Loans and advances	202,181	175,141
	674,263	1,639,949

Liquidity risk
Liquidity risk arises from the consolidated entity's management of working capital. It is the risk that the consolidated entity will encounter difficulty in meeting its financial obligations as they fall due. The consolidated entity is exposed to liquidity risk through its use of financial instruments.

The consolidated entity's policy is to ensure that most of its borrowings for real estate investment should always mature beyond projected disposal dates. The consolidated entity also has undrawn facilities with Manning Capital Holdings Pty Ltd to assist with any liquidity requirements that the consolidated entity may encounter. The table below summarises the maturity profile of the consolidated entity's financial assets and liabilities based on undiscounted contractual cash flows.

	Weighted average interest rate %	On demand or 1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Remaining contractual maturities $
2023 - Financial liabilities - due for payment					
Trade payables		(222,666)	-	-	(222,666)
Borrowings	12%	-	(5,154,954)	-	(5,154,954)
Other borrowings (with interest)	5.77-10%	(363,856)	-	-	(363,856)
Other borrowings (no interest)		(632,687)	-	-	(632,687)
Total		(1,219,209)	(5,154,954)	-	(6,374,163)
2023- Financial assets - cash flows realisable					
Cash and cash equivalents	1.75%	135,566	-	-	135,566
Trade and other receivables		336,517	-	-	336,517
Loans and advances		202,181	-	-	202,181
Investments		1,400,000	6,158,133	-	7,558,133
Total		2,074,264	6,158,133	-	8,232,397

Note 15. Financial instruments (continued)

	Weighted average interest rate %	On demand or 1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Remaining contractual maturities $
2022 - Financial liabilities - due for payment					
Trade payables		(534,405)	-	-	(534,405)
Borrowings	12%	(443,500)	-	-	(443,500)
Other borrowings (with interest)	6-10%	(903,715)	(5,154,211)	-	(6,057,926)
Total		(1,881,620)	(5,154,211)	-	(7,035,831)
2022- Financial assets - cash flows realisable					
Cash and cash equivalents	1.75%	363,117	-	-	363,117
Trade and other receivables		891,401	-	-	891,401
Loans and advances		-	175,141	-	175,141
Investments		773,711	20,188,578	-	20,962,289
Total		2,028,229	20,363,719	-	22,391,948

Fair value of assets and liabilities recognised
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes places either: in the principal market for the asset or liability; or in the absence of a principal market, in the most advantageous market for the asset or liability.

All financial instruments for which fair value is recognised or disclosed are categorised with the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1: Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.
Level 2: Valuation techniques in which the lowest level input that is significant to fair value measurement is directly or indirectly observable.
Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following methods and assumptions were used to estimate the fair values:

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the consolidated entity based on parameters such as interest rates, individual creditworthiness of the customer. Based on this evaluation, allowances are considered for the expected losses of these receivables. As at 31 March 2023, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Fair values of the consolidated entity’s borrowings are determined by discounted cash flow modelling using a discount rate that reflects the issuer’s borrowing rate as at the end of the reporting period.

Consolidated - 2023	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Financial assets	1,721,764	5,836,369	-	7,558,133
Financial liabilities	-	(1,219,209)	(5,154,954)	(6,374,163)
	1,721,764	4,617,160	(5,154,954)	1,183,970

Note 15. Financial instruments (continued)

Consolidated - 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets	16,689,481	3,082,533	1,190,275	20,962,289
Financial liabilities	-	-	(5,154,954)	(5,154,954)
	16,689,481	3,082,533	(3,964,679)	15,807,335

Note 16. Key management personnel disclosures

The consolidated entity's related parties are key management personnel (KMPs) including close family members of KMPs and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Compensation
The aggregate compensation made to Directors and other members of key management personnel of the Company is set out below:

	Consolidated 2023 $	Consolidated 2022 $
Short-term employee benefits	412,948	532,521
Post-employment benefits	24,407	22,954
Long-term benefits	2,660	25,426
	440,015	580,901

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Company's key management personnel (KMP) for the year ended 31 March 2023 and the year ended 31 March 2022.

Note 17. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 16.

Note 17. Related party transactions (continued)

Transactions with related parties
Other related parties include close family members of KMPs and entities that are controlled or significantly influenced by those key management personnel or their close family members. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

	Consolidated	
	2023	**2022**
	$	**$**
Management and administration fee expenses:		
First Equity Partners	(30,000)	(30,000)
Benjamin Doyle	(12,000)	(12,000)
Defender Investment management Pty Ltd	(136,000)	(175,948)
MLW MR Pty Ltd	(2,500)	-
Management fee income, cost recoveries and interest income:		
Vertua Opportunities Fund	585,346	528,162
	-	-
	-	-
Finance costs:		
Manning Capital Holdings Pty Ltd	(671,921)	(574,466)
Vertua Property Fund	(15,888)	-

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2023	**2022**
	$	**$**
Loans and other advances:		
Manning Capital Holdings Pty Ltd	(5,154,954)	(5,154,211)
Defender No.2 Fund Pty Ltd	(487,874)	150,000
555 Unit Trust	-	9,200
FPG No.5 Pty Ltd	-	(443,500)
Fiducia Development Group Pty Ltd	-	25,141
First Equity Associates Unit Trust	308,812	-
Vertua Property Fund	(305,888)	-
Vertua Investments Pty Ltd	(3,624)	-
Fiducia Group Pty Ltd	201,181	-

Note 18. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2023	**2022**
	$	**$**
Loss after income tax	(13,142,293)	(10,030,598)
Total comprehensive income	(13,142,293)	(10,030,598)

Statement of financial position

	Parent	
	2023	**2022**
	$	**$**
Total current assets	1,872,083	6,117,434
Total assets	14,253,511	25,431,120
Total current liabilities	730,634	653,690
Total liabilities	7,378,857	10,050,197
Equity		
Issued capital	12,892,403	12,913,038
Retained profits/(accumulated losses)	(6,017,749)	2,467,885
Total equity	6,874,654	15,380,923

Commitments and Contingencies:
The parent entity had no contingent liabilities as at 31 March 2023 and 31 March 2022.

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by LNP Audit and Assurance Pty Ltd, the auditor of the Company:

	Consolidated	
	2023	**2022**
	$	**$**
Audit services - LNP Audit and Assurance Pty Ltd		
Audit of the financial statements	88,000	72,500

Note 20. Controlled entities

During the current period, Vertua changed the nature of its operations such that as of 30 March 2023, Vertua became an Investment Entity. As such, wholly owned subsidiaries First Equity, Defender Asset Management and Vertua Investments have been deconsolidated as at this date and are now recognised as financial investments at fair value through profit or loss. A gain on deconsolidation was recognised in the current period (refer note 5).

Note 20. Controlled entities (continued)

Entity details	Principal place of business / Country of incorporation	2023 %	2022 %
Vertua Investments Pty Ltd	Australia	100.00%	100.00%
Defender Asset Management Limited	Australia	100.00%	100.00%
Vertua Opportunities Pty Ltd	Australia	100.00%	100.00%
Vertua Property Fund Pty Ltd	Australia	100.00%	100.00%
First Equity Associates Pty Ltd	Australia	100.00%	100.00%
First Equity Tax Pty Ltd	Australia	100.00%	100.00%
First Equity Audit Pty Ltd	Australia	100.00%	100.00%
First Equity Advisory Pty Ltd	Australia	100.00%	100.00%
First Equity Services Pty Ltd	Australia	100.00%	100.00%
Joe Public Holdings Pty Ltd	Australia	-	100.00%
Fiducia Group Pty Ltd	Australia	-	100.00%
Fiducia Development Group Pty Ltd	Australia	-	100.00%
Fiducia Property Group Pty Ltd	Australia	-	100.00%
Fiducia Development Management Trust	Australia	-	100.00%
Fiducia DM Pty Ltd	Australia	-	100.00%
Fiducia Project Management Trust	Australia	-	100.00%
Vertua Property Pty Ltd	Australia	-	100.00%
FPG No. 4 Pty Ltd	Australia	-	100.00%
FPG No. 5 Pty Ltd	Australia	-	100.00%
Great Superintendent Pty Ltd	Australia	-	100.00%
FPG No. 6 Pty Ltd	Australia	-	100.00%
FPG No. 8 Pty Ltd	Australia	-	100.00%

Note 21. Commitments and contingencies

As at 32 March 2023, the Company did not have any commitments or contingencies (31 March 2022: None).

Note 22. Events after the reporting period

No matter or circumstance has arisen since 31 March 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 23. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2023 $	2022 $
Loss after income tax benefit for the year	(5,715,171)	(14,218,519)
Adjustments for:		
Net fair value loss on financial assets	15,186,083	13,865,258
Net Gain /loss on acquisition and deconsolidation	(3,232,052)	-
Impairment	-	1,452,763
Accrued interest	727,958	920,410
Depreciation and amortisation	179,532	390,163
Other expenses	377,655	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(568,150)	(383,296)
Increase in trade and other payables	650,171	179,336
Decrease in provision for income tax	(7,644,995)	(2,804,261)
Net cash used in operating activities	(38,969)	(598,146)

Share Registry

NSX Additional Information

Additional information required by the NSX Listing Rules and not disclosed elsewhere in this report is set out below.

Substantial shareholders

The number of shares held either directly or indirectly by substantial shareholders listed in the Company's register on 31 March 2023 was:

Major Shareholders 31 March 2023	Shares held	% Of issued capital
Manning Capital Holdings Pty Ltd	23,273,000	35.39%
Holicarl Pty Ltd	17,059,558	25.94%
Lily Bordeaux Pty Ltd	6,653,150	10.12%
	46,985,508	**71.44%**

Major Shareholders 31 March 2023	Shares held	% Of issued capital
Manning Capital Holdings Pty Ltd	23,273,000	35.39%
Holicarl Pty Ltd	17,059,358	25.94%
Lily Bordeaux Pty Ltd	6,653,150	10.12%
Woodville Super Pty Ltd	3,276,696	4.98%
Esplanade Super Fund Pty Ltd	1,577,273	2.40%
Running Bear Investments Pty Ltd	1,500,830	2.28%
Holicarl Pty Ltd	1,350,000	2.05%
Francis Pace & Dianne Pace	1,300,000	1.98%
FE Management Pty Ltd	1,200,000	1.82%
Hoyne Holdings Pty Ltd	1,032,250	1.57%
Mr Gregory David Pynt	396,300	0.60%
Shorts Jacket and Bowtie Pty Ltd	358,000	0.54%
Mr Stuart Page	332,273	0.51%
Structure Investments Pty Ltd	320,000	0.49%
Sytram Pty Ltd	275,000	0.42%
Lavinia Investments Pty Ltd	234,650	0.36%
Mr Boguslaw Stanley Wisniewski	182,000	0.28%
Hank Corporation Pty Ltd	175,238	0.27%
Kyriakides Wealth Investments Pty Ltd	150,000	0.23%
Other Shareholders	5,118,622	7.78%
Total issued shares	**65,764,640**	**100.00%**

Holdings distribution

Range	Securities	%	No. of holders	%
100,001 and over	61,135,054	92.98%	23	7.40%
10,001 to 100,000	3,656,211	5.56%	173	55.63%
5,001 to 10,000	947,875	1.44%	112	36.01%
1,001 to 5,000	15,000	0.02%	3	0.96%
1 to 1,000	0	0.00%	0	0.00%
Total	**65,754,140**	**100%**	**311**	**100%**

Voting rights - Ordinary Shares

On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote. On a poll, every member who is present in person or by proxy or attorney, or being a corporation, by its authorised representative, shall have one vote for every share of which he is the holder. There are no other classes of equity securities.

Vertua Group options on issue

Investor name	Opening 1/04/2022	Net movement during period	Closing 31/03/2023
Manning Capital Holdings Pty Ltd	29,228,339	-	29,228,339
Total	**29,228,339**		**29,228,339**

Year ended	2019	2020	2021	2022	2023
Revenue	$ 2,693,938	$ 3,415,564	$ 2,748,557	$ 3,424,364	$ 4,764,904
Changes in Fair Value of investments	$ -	-$ 881,377	$ 30,613,718	-$ 13,865,258	-$ 15,186,083
Other income	$ 2,298,462	$ 492,054	$ 505,225	$ 442,467	$ 4,566,480
Total expense	-$ 4,141,306	-$ 4,684,970	-$ 8,321,742	-$ 7,024,354	-$ 7,595,620
Profit /(loss) before income tax	**$ 851,094**	**-$ 1,658,729**	**$ 25,545,758**	**-$ 17,022,781**	**-$ 13,450,319**
Income tax benefit / (expense)	-$ 1,019,085	$ 481,688	-$ 6,599,688	$ 2,804,261	$ 7,735,148
Profit / (loss) after tax	**-$ 167,991**	**-$ 1,177,041**	**$ 18,946,070**	**-$ 14,218,520**	**-$ 5,715,171**
Total comprehensive (loss) / Income for the year	**-$ 167,991**	**-$ 2,199,542**	**$ 18,946,070**	**-$ 14,218,520**	**-$ 5,715,171**

Five-year comparative table of the results and the assets and liabilities of the group

Highlights of the Consolidated Statement of Profit or Loss and Other Comprehensive Income:

Highlights of the Consolidated Statement of Financial Position:

Year ended	2019	2020	2021	2022	2023
Cash and cash equivalents	$ 1,194,713	$ 436,966	$ 1,098,897	$ 363,117	$ 135,566
Total assets	$ 16,508,524	$ 13,889,008	$ 40,510,561	$ 24,353,106	$ 14,253,510
Total liabilities	-$ 5,595,218	-$ 6,077,735	-$ 13,753,218	-$ 11,814,283	-$ 7,378,857
Net assets	$ 10,913,306	$ 7,811,273	$ 26,757,343	$ 12,538,823	$ 6,874,653
Net debt (total debt less total cash)	$ 2,690,259	$ 3,951,788	$ 3,798,951	$ 6,138,319	$ 6,015,931
Shareholders' Equity	$ 8,706,194	$ 12,121,402	$ 12,601,402	$ 12,841,402	$ 12,892,403
Convertible notes	$ 4,119,209	$ 720,000	$ 240,000	$ -	$ -
Retained earnings / (accumulated losses)	-$ 3,182,808	-$ 5,030,129	$ 13,915,941	-$ 302,579	-$ 6,017,750
Non-controlling interest	$ 1,270,711	$ -	$ -	$ -	$ -

In the opinion of the Directors of the Company

- the attached preliminary financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached preliminary financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached preliminary financial statements and notes give a true and fair view of the Company's financial position as at 31 March 2023 and of its performance for the financial 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.

The Directors will sign a final set of financial statement at the conclusion of the audit process.

Authorised by the Board of Directors

VERTUA LIMITED

14 June 2023

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Appendix 2A
Vertua Limited

1. Annual meeting

Place:	Suite 304 / 44 Miller Street North Sydney, NSW 2060
Date:	To be determined
Time:	To be determined
Previous period:	1 July 2023

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to the Exchange.

Identify other standards used	Not Applicable

2. This statement, and the financial statements under the Corporations Act (if separate), use the same accounting policies.

3. This statement does give a true and fair view of the matters disclosed.

4. This statement is based on financial statements to which one of the following applies:

   ✗ The financial statements have been audited.

   ✗ The financial statements have been subject to review by a registered auditor (or overseas equivalent).

   ✓ The financial statements are in the process of being audited or subject to review.

   ✗ The financial statements have not yet been audited or reviewed.

5. If the accounts have been or are being audited and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available.

6. The issuer has a formally constituted audit committee.

2. Signed

James Manning
Director

Dated: 14 June 2023