

Appendix 4D

Half-Yearly Report Results for announcement to the market

CVC Limited		
ABN	Half-Year ended (‘Reporting Period’)	Previous Half-Year ended (‘Corresponding period’)
34 002 700 361	31 December 2020	31 December 2019

Results

Income from ordinary activities	up	257.5%	to	36,739,219
Profit before tax	n/a	n/a	to	26,431,262
Profit after tax attributable to members	n/a	n/a	to	15,678,973
Net profit attributable to members	n/a	n/a	to	15,678,973

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

Dividends (distributions)

	Amount per security	Franked amount per security
Interim dividend	3.0 cents	3.0 cents
Information on dividends:		
On 18 January 2021 the directors resolved to pay an interim dividend of 3 cents per share, fully franked, payable on 8 February 2021.		
As previously advised the Dividend Reinvestment Plan has been suspended until further notice. As a result, the Dividend Reinvestment Plan will not be in operation.		
Ex-Dividend date for the purpose of receiving the dividend	21 January 2021	
Record date for determining entitlements to the dividend	22 January 2021	
Payment Date	8 February 2021	

Commentary

Brief explanation of any of the figures reported above:
Please refer to the attached commentary for a detailed review.

Net tangible assets

	31 December 2020	31 December 2019
Net tangible assets per ordinary security	\$1.52	\$1.37
Note: Net tangible assets exclude “right-of-use assets”.		

Audit qualification or review

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.
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RESULTS ANNOUNCEMENT FOR THE **6 MONTHS ENDED 31 December 2020**

RESULTS SUMMARY:

The first half of FY2021 has seen a return to profitability for CVC, with net profit after tax to shareholders of \$15.7 million in the period (2019: net loss to shareholders of \$2.7 million prior comparison period). This result follows a period of simplification and rationalisation within the business which has led to fewer investments over less asset classes.

SEGMENT COMMENTARY:

The contributions to the profit for the half year are summarised as follows:

Underlying Results		
	1H FY2021	1H FY2020
Net profit/(loss) after tax to shareholders	\$15.7 m	(\$2.7 m)
Comprises:		
Direct property	\$0.5 m	\$0.6 m
Property backed lending	\$6.0 m	\$3.1 m
Funds management	\$10.2 m	\$1.2 m
Commercial debt and alternatives	\$0.4 m	(\$0.4 m)
Equity investments	\$11.4 m	(\$2.3 m)
Convertible note interest	(\$1.5 m)	(\$1.9 m)
Overhead costs	(\$3.4 m)	(\$3.5 m)
Restructure costs	-	(\$1.1 m)
Tax effect	(\$7.9 m)	\$1.6 m
Net profit/(loss) after tax	\$15.7 m	(\$2.7 m)

CVC's exposure to property debt has increased over the period as proceeds of share sales have been redirected primarily to this segment, generating a return of \$6.0m (2019: \$3.1m) for the period. We continue to see this as a segment of activity for the business as income returns are attractive when assessed against the risks of investment.

During the period CVC sold the Marsden Park neighbourhood shopping, medical and childcare centre on a fund through basis. Construction of this project is forecast to be completed in H1 FY2022. CVC also completed the settlement of the first stage of an acquisition of a similar neighbourhood centre development in Werribee, Victoria. This project is progressing well and development is forecast to commence in H1 FY2022 and is forecast to roll out over a 24 month period.

The major property projects of Caboolture, Marsden Park, Donnybrook, East Bentleigh and Liverpool continue to progress through either planning outcomes or development. As each project achieves an outcome, they are expected to deliver substantial value to shareholders over the short to long term.

CVC has continued to reduce the number of individual equity investment holdings, with the continued focus to only hold a core portfolio of high conviction investments. The contribution of \$11.4m (2019: loss of \$2.3m) generated by the equity investments segment is primarily attributed to the increase in value of Cyclopharm Limited (ASX: CYC) which individually contributed \$7.4m. The number of listed investments continues to be reduced, with 6 currently held which is down from 12 at 30 June 2020. Realised profits were generated from the sale of listed equities totalled \$2.2m.

The funds management segment delivered a contribution of \$10.2m (2019: \$1.2m) with has primarily been attributed to the increase in value of CVC Emerging Companies Fund of \$9.0m following the successful listing of a number of its portfolio investments during the period. During the period CVC also transferred its ownership of the property manager, Eildon Funds Management Limited, into ASX listed Eildon Capital Group (ASX: EDC).

DIVIDENDS AND FORECAST RESULTS

CVC remains committed to paying dividends in line with the realised profitability of the company. Notwithstanding that the result for the period has predominantly been generated as a result of unrealised increases in the value of equity investments, CVC considered it appropriate to pay a 3 cents per share fully franked dividend on 8 February 2021.

As the operations of CVC are transactional in nature it is not possible to forecast a likely result for FY2021 and similarly it is not appropriate to estimate what full year end dividend could be paid until the period completes.

CVC has periodically purchased shares and notes under its buy back schemes, dependant on price. The Board will continue to assess opportunities to purchase shares and notes where appropriate having regard to cash available, investment opportunities and the prevailing price of both the note and shares.

Mark Avery
Director
23 February 2021

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CVC LIMITED
AND ITS CONTROLLED ENTITIES
HALF-YEAR FINANCIAL REPORT

For the half-year ended
31 December 2020

COMPANY PARTICULARS

CVC LIMITED

ACN 002 700 361

DIRECTORS

Mark Avery
Alexander Rapajic-Leaver
Ian Campbell

SECRETARY

John Hunter

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AUDITORS

Pitcher Partners Sydney
Level 16, Tower 2 Darling Park
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BANKERS

Westpac Banking Corporation

STOCK EXCHANGE LISTING

Australian Securities Exchange Limited

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CVC LIMITED & CONTROLLED ENTITIES DIRECTORS' REPORT

The directors present their report together with the consolidated financial report for CVC Limited and its controlled entities ("CVC") for the half-year ended 31 December 2020 and the independent review report thereon.

Directors

The directors of CVC throughout and since the end of the half-year are:

Mark Anthony Avery (Managing Director)
Alexander Jovan Rapajic-Leaver (Non-Executive Director)
Ian Houston Campbell (Non Executive Director)

Operating Results

The net profit after tax attributable to shareholders for the six months ended 31 December 2020 of CVC amounted to \$15.7 million (31 December 2020: loss of \$2.7 million).

Highlights during the half year included:

- The sale on a fund through basis the Marsden Park neighbourhood shopping, medical and childcare centre. Construction has commenced and is forecast to be completed in H1 FY 2021;
- Acquisition of a neighbourhood shopping centre in Werribee, Victoria on a staged basis, with development forecast to be completed over three years;
- Continued progress of planning outcomes or development of the Caboolture, Marsden Park, Donnybrook, East Bentleigh and Liverpool projects;
- The increase in value of Cyclopharm Limited (ASX: CYC) by \$7.4 million following the successful progress achieved on the FDA approval process;
- to the increase in value of CVC Emerging Companies Fund of \$9.0m following the successful listing of a number of its portfolio investments during the period.

Although the COVID-19 pandemic has created a significant amount of uncertainty in the property market, CVC is pleased to report that all the investments are performing as expected and are forecast to deliver returns consistent with original investment assumptions. However, we are cognisant there is likely to be increased volatility in the short-medium term as the overall impact of COVID-19 is unknown at this point.

A more detailed review of operations and developments is included in the commentary that accompanies the ASX release of these results.

Dividends

Since the end of the period, the directors have determined to pay an interim dividend in respect of the half-year ended 31 December 2020 of 3 cents per share, fully franked, paid on 8 February 2021.

Events subsequent to balance date

There are no other matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of CVC, the results of those operations or the state of affairs of CVC in the financial period subsequent to 31 December 2020.

Rounding of amounts

CVC is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to "rounding-off". Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar unless otherwise stated.

Auditor's Independence Declaration

A copy of the Independence Declaration given to the directors by the auditor for the review undertaken by Pitcher Partners Sydney is included on page 23.

Signed and Dated Sydney 23 February 2021 in accordance with a resolution of directors.



MARK AVERY
Director



ALEXANDER RAPAJIC-LEAVER
Director

CVC LIMITED & CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF-YEAR ENDED 31 December 2020

	Notes	31 Dec 2020	31 Dec 2019
		\$	\$
INCOME			
Net profit from property development activities	12	1,354,037	113,452
Net profit from financial assets at fair value through profit or loss	12	14,864,542	-
Interest income		9,429,328	6,892,585
Management fee income		1,877,882	769,008
Other income	12	1,099,417	232,504
Total income		<u>28,625,206</u>	<u>8,007,549</u>
Equity accounted profits			
Share of net profit of associates	5	8,114,013	2,270,397
EXPENSES			
Net loss from financial assets at fair value through profit or loss	12	-	2,747,016
Employee costs		1,673,988	2,574,138
Finance costs		3,251,605	3,236,223
Impairment of financial assets at amortised cost	12	2,077,847	2,104,574
Management and consultancy fees		1,590,067	669,825
Overhead expenses	12	1,714,450	1,974,270
Total expenses		<u>10,307,957</u>	<u>13,306,046</u>
Profit/(loss) before related income tax expense		<u>26,431,262</u>	<u>(3,028,100)</u>
Income tax (expense)/benefit	2	(7,921,459)	1,626,473
Net profit/(loss) for the half-year		<u>18,509,803</u>	<u>(1,401,627)</u>
Net profit/(loss) attributable to:			
Members of the parent entity		15,678,973	(2,672,818)
Non-controlling interest		2,830,830	1,271,191
Net profit/(loss) for the half-year		<u>18,509,803</u>	<u>(1,401,627)</u>
Basic and diluted earnings per share	4	<u>13.39</u>	<u>(2.27)</u>
Other comprehensive income for the half-year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the half-year		<u>18,509,803</u>	<u>(1,401,627)</u>
Total comprehensive income/(loss) for the half-year is attributable to:			
Members of the parent entity		15,678,973	(2,672,818)
Non-controlling interest		2,830,830	1,271,191
		<u>18,509,803</u>	<u>(1,401,627)</u>

The above condensed consolidated statement of financial performance should be read in conjunction with the accompanying notes to the Half-Year Report.

CVC LIMITED & CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 December 2020

	Notes	31 Dec 2020 \$	30 Jun 2020 \$
CURRENT ASSETS			
Cash and cash equivalents		37,707,277	22,625,871
Financial assets at amortised cost		120,929,991	84,993,405
Financial assets at fair value through profit or loss	11	-	27,423,831
Contract asset		241,437	-
Inventories		379,287	1,425,803
Other assets		1,752,657	1,987,556
Current tax assets		-	133,307
Total current assets		161,010,649	138,589,773
NON-CURRENT ASSETS			
Financial assets at amortised cost		28,588,016	65,494,103
Financial assets at fair value through profit or loss	11	38,928,598	6,581,920
Inventories		29,644,269	34,121,095
Investments accounted for using the equity method	5	42,808,491	37,379,060
Property, plant and equipment		235,285	168,404
Intangible assets	6	1,570,000	1,570,000
Right-of-use assets	15	2,838,495	401,080
Investment properties	11	26,080,000	26,300,000
Other assets		15,992,476	15,860,883
Deferred tax assets		-	5,782,676
Total non-current assets		186,685,630	193,659,221
TOTAL ASSETS		347,696,279	332,248,994
CURRENT LIABILITIES			
Trade and other payables		3,950,659	10,415,969
Contract liabilities		734,132	916,175
Interest bearing loans and borrowings	7	27,207,109	4,729,164
Lease liabilities		559,767	107,217
Employee benefits		698,344	587,695
Current tax liabilities		2,833,946	31,667
Total current liabilities		35,983,957	16,787,887
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings	7	67,773,750	92,440,760
Lease liabilities		2,352,952	293,800
Deferred tax liabilities		5,628,177	6,686,049
Total non-current liabilities		75,754,879	99,420,609
TOTAL LIABILITIES		111,738,836	116,208,496
NET ASSETS		235,957,443	216,040,498
EQUITY			
Contributed equity	8	97,256,127	98,096,404
Other equity		1,881,405	1,881,405
Retained profits		83,816,857	68,137,884
Other reserves		(572,475)	(433,655)
Parent entity interest		182,381,914	167,682,038
Non-controlling interest		53,575,529	48,358,460
TOTAL EQUITY		235,957,443	216,040,498

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes to the Half-Year Report.

CVC LIMITED & CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 December 2020

	Contributed equity \$	Retained earnings \$	Asset revaluation \$	Other Equity \$	Owners of the parent \$	Non-controlling interest \$	Total \$
At 1 July 2020	98,096,404	68,137,884	(433,655)	1,881,405	167,682,038	48,358,460	216,040,498
Profit for the half-year	-	15,678,973	-	-	15,678,973	2,830,830	18,509,803
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the half-year	-	15,678,973	-	-	15,678,973	2,830,830	18,509,803
<i>Transactions with shareholders:</i>							
Shares bought back	(838,665)	-	-	-	(838,665)	-	(838,665)
Buy-back transaction costs	(2,304)	-	-	-	(2,304)	-	(2,304)
Deferred tax recognised directly in equity	692	-	-	-	692	-	692
Transactions with non-controlling interests	-	-	(138,820)	-	(138,820)	4,558,654	4,419,834
Dividends paid	-	-	-	-	-	(2,172,415)	(2,172,415)
At 31 December 2020	97,256,127	83,816,857	(572,475)	1,881,405	182,381,914	53,575,529	235,957,443

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the Half-Year Report.

CVC LIMITED & CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 December 2020

	Contributed equity \$	Retained earnings \$	Asset revaluation \$	Other Equity \$	Owners of the parent \$	Non-controlling interest \$	Total \$
At 1 July 2019	98,768,308	79,626,124	(266,808)	1,881,405	180,009,029	(220,267)	179,788,762
(Loss)/profit for the half-year	-	(2,672,818)	-	-	(2,672,818)	1,271,191	(1,401,627)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive (loss)/income for the half-year	-	(2,672,818)	-	-	(2,672,818)	1,271,191	(1,401,627)
<i>Transactions with shareholders:</i>							
Shares bought back	(484,822)	-	-	-	(484,822)	-	(484,822)
Buy-back transaction costs	(1,326)	-	-	-	(1,326)	-	(1,326)
Deferred tax recognised directly in equity	399	-	-	-	399	-	399
Non-controlling interests on acquisition of subsidiary	-	-	-	-	-	16,861,557	16,861,557
Transactions with non-controlling interests	-	-	(180,165)	-	(180,165)	830,953	650,788
Dividends paid	-	(9,413,764)	-	-	(9,413,764)	(1,655,563)	(11,069,327)
At 31 December 2019	98,282,559	67,539,542	(446,973)	1,881,405	167,256,533	17,087,871	184,344,404

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the Half-Year Report.

CVC LIMITED & CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 December 2020

	31 Dec 2020	31 Dec 2019
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts in the course of operations	3,205,792	1,745,804
Cash payments in the course of operations	(6,324,132)	(10,015,265)
Cash receipts for land held for resale	3,907,852	1,972,740
Cash payment for land held for resale	(6,593,842)	(1,285,094)
Proceeds on disposal of equity investments	20,079,316	34,872,527
Payments for equity investments	(18,387,554)	(14,056,447)
Proceeds for construction contract	2,926,263	65,044
Payment for construction contract	(2,354,638)	(929,433)
Loans provided	(32,386,210)	(74,743,583)
Loans repaid	40,621,537	49,826,253
Interest received	8,022,770	4,544,565
Interest paid	(1,488,584)	(1,489,333)
Dividends received	3,841,687	1,472,029
Income taxes paid	(260,324)	(325,039)
	<hr/>	<hr/>
Net cash flows provided by/(used in) operating activities	14,809,933	(8,345,232)
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for development of investment properties	-	(21,779)
Payments for property, plant and equipment	(111,801)	(4,065)
Acquisition of subsidiaries, net of cash acquired	-	(1,049,372)
	<hr/>	<hr/>
Net cash flows used in investing activities	(111,801)	(1,075,216)
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(500,600)	(669,100)
Proceeds from borrowings	3,663,750	1,167,684
Transactions with non-controlling interests	4,553,816	648,965
Dividends paid	(56,307)	(8,854,120)
Distribution to non-controlling interest	(3,244,072)	(2,729,302)
Payments for shares bought back	(840,969)	(486,148)
Payments for convertible note bought back	(3,192,344)	-
	<hr/>	<hr/>
Net cash flows provided by/(used in) financing activities	383,274	(10,922,021)
	<hr/>	<hr/>
Net increase/(decrease) in cash held	15,081,406	(20,342,469)
Cash at the beginning of the half-year	22,625,871	57,157,737
	<hr/>	<hr/>
CASH AT THE END OF THE HALF-YEAR	37,707,277	36,815,268
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The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes to the Half-Year Report.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020

NOTE 1: BASIS OF PREPARATION

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 "*Interim Financial Reporting*".

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by CVC during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with Australian Accounting Standards and International Financial Reporting Standards. The accounting policies adopted are also consistent with those of the previous financial year and corresponding interim reporting period.

Certain comparatives balances have been changed in order to achieve consistency and comparability with the current period's amounts.

Rounding of amounts

CVC is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to "rounding-off". Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar unless otherwise stated.

	31 Dec 2020	31 Dec 2019
	\$	\$
NOTE 2: INCOME TAX EXPENSE		
Accounting profit/(loss) before income tax	26,431,262	(3,028,100)
Income tax expense/(benefit):		
Prima facie income tax benefit at 30% on profit before income tax	7,929,379	(908,430)
Increase in income tax expense due to:		
Sundry items	184,202	32,206
Trust losses not deductible	171,271	-
Decrease in income tax expense due to:		
Franked dividends received	(53,207)	(273,856)
Trust profits not assessable	(87,030)	(163,267)
Tax losses recouped	(43,145)	-
Deferred tax balances not recognised	(150,200)	(262,075)
	7,951,270	(1,575,422)
Adjustment in respect of current income tax of previous years	(29,811)	(51,051)
	7,921,459	(1,626,473)

NOTE 3: DIVIDENDS

Since the end of the period, the directors have determined to pay an interim dividend in respect of the half-year ended 31 December 2020 of 3 cents per share, fully franked, paid on 8 February 2021.

A final fully franked dividend in respect of the year ended 30 June 2019 of 8 cents per share was declared on 1 August 2019 and paid on 20 August 2019 to those shareholders registered on 6 August 2019.

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CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 4: EARNINGS PER SHARE

	31 Dec 2020	31 Dec 2019
Basic and diluted earnings per share	Cents	Cents
Basic and diluted earnings per share attributable to the members of the parent entity	<u>13.39</u>	<u>(2.27)</u>
	\$	\$
Reconciliation of earnings used in calculation of earnings per share:		
Profit/(loss) after income tax	<u>18,509,803</u>	<u>(1,401,627)</u>
Less: non-controlling interest	<u>2,830,830</u>	<u>1,271,191</u>
Net profit/(loss) attributable to members of the parent entity	<u>15,678,973</u>	<u>(2,672,818)</u>
	Number of Shares	
Weighted average number of ordinary shares – Basic and diluted	<u>117,101,602</u>	<u>117,588,004</u>
Number of shares on issue at the end of the half-year	<u>116,836,772</u>	<u>117,467,321</u>

NOTE 5: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	31 Dec 2020	30 Jun 2020
	\$	\$
Equity accounted interests in joint ventures	<u>5,601,686</u>	<u>6,426,413</u>
Equity accounted shares in other associated entities	<u>37,206,805</u>	<u>30,952,647</u>
	<u>42,808,491</u>	<u>37,379,060</u>

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CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 5: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONT.)

Details of investments accounted for using the equity method are as follows:

	Ownership Interest		Carrying value		Contribution to net profit/(loss)	
	Dec 2020 %	June 2020 %	Dec 2020 \$	June 2020 \$	Dec 2020 \$	Dec 2019 \$
Associated entities						
79 Logan Road Trust (a)	n/a	n/a	-	-	-	1,599,946
Australian Invoice Finance Limited	-	44.1	-	842,861	(122,704)	(315,788)
Bigstone Capital Pty Limited	34.0	34.0	-	-	-	(288,002)
BioPower Systems Pty Limited	25.1	25.1	-	-	-	-
Burnley Maltings Pty Ltd	32.2	32.2	3,230,571	3,340,762	(110,121)	-
Causeway Income Partners Limited (b)	n/a	50.0	-	-	-	-
Cedar and Stone Pty Ltd	40.7	41.3	-	-	-	(61,893)
Cravenda Pty Ltd	48.3	48.3	60	60	-	-
Cravenda Unit Trust	48.3	48.3	60	60	-	-
CVC Emerging Companies Fund	22.3	22.3	20,511,676	9,851,602	9,048,963	115,235
CVC Emerging Companies IM Pty Ltd (b)	50.0	50.0	64,163	44,747	19,416	6,536
Donnybrook JV Pty Ltd	49.0	49.0	7,365,186	7,222,433	(53,247)	(51,394)
Eildon Capital Group (a)	n/a	n/a	-	-	-	1,339,360
Eildon Funds Management Limited	n/a	n/a	-	-	-	11,074
JAK Contributory Mortgage Fund Loan Trust No 3	-	20.8	-	5,000,000	114,863	291,849
JAK Contributory Mortgage Fund Loan Trust No 8	20.6	-	1,546,354	-	83,686	-
JAK Investment Group Pty Ltd	-	40.0	-	126,391	(3,281)	(13,540)
LC Menangle Unit Trust (b)	50.0	50.0	176,414	172,575	-	-
Lewcorp Properties Pty Ltd	20.0	20.0	475,985	632,832	(156,846)	(67,598)
Mooloolaba Wharf Holding Company Pty Limited (b)	50.0	50.0	3,621,434	3,472,317	149,116	(137,636)
The Kingsgrove (Vanessa Road) Unit Trust	-	-	-	-	-	520,994
The Maroochydore Medical Centre Facility Unit Trust (b)	50.0	50.0	50	50	-	-
Turrella Property Pty Ltd	32.5	32.5	-	-	-	-
Turrella Property Unit Trust	32.5	32.5	214,852	245,957	(31,105)	2,337
Urban Properties Cairns Pty Limited	20.0	20.0	-	-	-	-
Urban Properties Centenary Pty Limited	20.0	20.0	-	-	-	-
US Residential Fund	n/a	22.2	-	-	-	-
Joint Ventures						
MAKE 246 EBRB Pty Ltd (b)	50.0	50.0	-	-	-	-
MAKE EBRB Dev Nominee Pty Ltd (b)	50.0	50.0	5,489,935	6,311,282	(821,347)	(681,083)
JAK Mickleham Road Pty Ltd and North Victorian Buddhist Association Inc Joint Venture (b)	50.0	50.0	111,751	115,131	(3,380)	-
			42,808,491	37,379,060	8,114,013	2,270,397

- (a) During the 2020 financial year, 79 Logan Road Trust, Eildon Capital Group and Eildon Funds Management Limited became controlled entities of CVC.
- (b) Causeway Income Partners Limited, CVC Emerging Companies IM Pty Ltd, LC Menangle Unit Trust, Mooloolaba Wharf Holding Company Pty Limited, The Maroochydore Medical Centre Facility Unit Trust, MAKE EBRB Dev Nominee Pty Ltd, MAKE 246 EBRB Pty Ltd and JAK Mickleham Road Pty Ltd and North Victorian Buddhist Association Inc Joint Venture are not considered to be controlled entities of CVC. This is because CVC does not have the power to direct the entities' relevant activities to affect CVC's returns.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

	31 Dec 2020	30 Jun 2020
	\$	\$
NOTE 6: INTANGIBLE ASSETS		
Goodwill	<u>1,570,000</u>	<u>1,570,000</u>
Reconciliations:		
Carrying amount at the beginning of the period	1,570,000	-
Acquisition of business	-	2,946,006
Impairment of goodwill	-	(1,376,006)
	<u>1,570,000</u>	<u>1,570,000</u>

The goodwill is attributable to the acquisition of the funds management business in Eildon Funds Management Limited. The recoverable amount is supported by an independent valuation prepared by Grant Thornton Australia Ltd on 8 October 2020.

The valuation of Eildon Funds Management Limited was based on the following metrics:

- Discount cash flow model: growth rate 2.5% and discount rate 9.5% -10.5%;
- Earnings before interest and taxes multiple: 4.3 – 5.7x;
- Funds under management: 1.7% - 2.3%

The goodwill is not deductible for tax purpose.

NOTE 7: INTEREST BEARING LOANS AND BORROWINGS

Current		
Secured loans	17,620,715	4,729,164
Unsecured loan from associated entity	9,586,394	-
	<u>27,207,109</u>	<u>4,729,164</u>
Non-current		
Secured loans	15,792,617	28,041,076
Unsecured loan from associated entity	-	9,581,805
Convertible notes	51,981,133	54,817,879
	<u>67,773,750</u>	<u>92,440,760</u>

	31 Dec 2020		31 Dec 2019	
	Number	\$	Number	\$
NOTE 8: CONTRIBUTED EQUITY				
Issued and paid-up ordinary share capital				
Balance at the beginning and end of the half-year	117,357,320	98,096,404	117,690,259	98,768,308
Shares bought back	(520,548)	(838,665)	(222,938)	(484,822)
Share buyback transaction costs	-	(2,304)	-	(1,326)
Income tax on buyback transaction costs	-	692	-	399
	<u>116,836,772</u>	<u>97,256,127</u>	<u>117,467,321</u>	<u>98,282,559</u>

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 9: BUSINESS COMBINATION

9.1 Eildon Funds Management Limited

Internalisation of Eildon Funds Management Limited

On 17 November 2020, CVC sold 100% of Eildon Funds Management Limited and its controlled entities ("EFM") to one of its subsidiary Eildon Capital Group ("EDC"). As CVC has an existing holding of 45.53% of the equity in EDC, CVC continues to have an indirect interest in EFM after the transaction. As a result, CVC decreased its holding in EFM by 54.47%. Even though CVC holds less than half of the voting rights of EFM, EFM continues to be considered a subsidiary of CVC because it is held by CVC's subsidiary, EDC.

Acquisition of Eildon Funds Management Limited

On 8 August 2019, CVC acquired 60% of EFM for a consideration of \$3,623,500 at which time it became a 100% subsidiary of CVC. Immediately prior to that date, CVC had an existing holding of 40% of the equity on issue with a carrying amount of \$471,622.

A summary of the acquisition is as follows:

	\$
Purchase consideration:	
Cash paid	3,623,500
	<hr/>
Total purchase consideration	3,623,500
	<hr/> <hr/>
Fair value of Assets and Liabilities of EFM at Acquisition:	
Cash assets	985,868
Trade and other receivables (a)	543,777
Plant and equipment	7,342
Financial assets	130
Deferred tax asset	17,794
Trade and other payables	(77,011)
Current tax liability	(328,784)
	<hr/>
Total identifiable net assets at fair value	1,149,116
Less: carrying amount prior to acquisition	(471,622)
Add: goodwill (b)	2,946,006
	<hr/>
Consideration for acquisition	3,623,500
	<hr/> <hr/>
Cash outflow	
Cash consideration	3,623,500
Less: balances acquired	
Cash	(985,868)
	<hr/>
Net outflow of cash – investing activities	2,637,632
	<hr/> <hr/>

- (a) The fair value of acquired trade and other receivables is the gross contractual amount.
 (b) The goodwill is attributable to the value of EFM's funds management business. It will not be deductible for tax purpose.

For the period from acquisition to 31 December 2019, EFM recorded revenues of \$740,552 and profit after tax of \$398,879. If EFM had been owned for the whole of the period the revenue included would have been \$931,169 and profit after tax would have been \$426,565.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 9: BUSINESS COMBINATION (CONTD.)

9.2 Eildon Debt Fund

CVC is deemed to have acquired specified assets in Eildon Debt Fund ("EDF") on 8 August 2019 along with the EFM transaction. The directors have concluded that CVC controls specified assets in EDF, even though it holds less than half of the voting rights of this subsidiary. The significant judgement is per below:

- Eildon Investments Services Pty Limited ("EIS"), a 100% own subsidiary of EFM, is the fund manager for EDF.
- EIS has the decision-making authority to direct the relevant activities of EDF and make decisions in the best interests of all investors.
- The investors' rights to remove the fund manager are protective as they are excisable only when EIS is in default.
- CVC holds more than 20% investments in specified assets in EDF. This creates sufficient exposure for EIS to be a principal for the relevant specified assets.

No consideration was paid on 8 August 2019 at which time EDF became a subsidiary of CVC. Immediately prior to that date, CVC had an existing holding equivalent to 41.4% of specified assets with a carrying amount of \$11,928,085.

A summary of the acquisition is as follows:

	\$
Purchase consideration:	
Cash paid	-
	<hr/>
Total purchase consideration	-
	<hr/> <hr/>
Fair value of Assets and Liabilities of EDF at Acquisition:	
Cash assets	1,588,130
Trade and other receivables (a)	18,036
Financial assets	30,210,574
Trade and other payables	(3,027,098)
	<hr/>
Total identifiable net assets at fair value	28,789,642
Less: non-controlling interest (b)	(16,861,557)
Less: carrying amount prior to acquisition	(11,928,085)
	<hr/>
Consideration for acquisition	-
	<hr/> <hr/>
Cash inflow	
Cash consideration	-
Add: balances acquired	
Cash	1,588,130
	<hr/>
Net inflow of cash – investing activities	1,588,130
	<hr/> <hr/>

- (a) The fair value of acquired trade and other receivables is the gross contractual amount.
(b) CVC has recognised the non-controlling interest at the non-controlling interest's proportionate share of the net identifiable assets.

For the period from acquisition to 31 December 2019, EDF recorded revenues of \$2,875,534 and profit after tax of \$2,724,656. If EDF had been owned for the whole of the period the revenue included would have been \$3,249,212 and profit after tax would have been \$3,077,618.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 9: BUSINESS COMBINATION (CONT.)

9.3 Other immaterial business combinations

A summary of the acquisition in the period ending 31 December 2019 is as follows:

	\$
Purchase consideration:	
Cash paid	-
	<hr/>
Total purchase consideration	-
	<hr/> <hr/>
Assets and Liabilities of acquired business at Acquisition:	
Cash	130
Financial assets	1,371,487
Trade and other payables (a)	(16,075)
Interest bearing loans and borrowings	(1,355,412)
	<hr/>
Total identifiable net assets at fair value	130
Less: consideration for acquisition	(130)
	<hr/>
Consideration for acquisition	-
	<hr/> <hr/>
Cash inflow	
Cash consideration	-
Add: balances acquired	
Cash	130
	<hr/>
Net inflow of cash – investing activities	130
	<hr/> <hr/>

(a) The fair value of acquired trade and other receivables is the gross contractual amount.

For the period from acquisition to 31 December 2019, the acquired business recorded revenues of \$102,137 and profit after tax of \$37,745. If the acquired business had been owned for the whole of the period the revenue included would have been \$114,827 and profit after tax would have been \$37,745.

There were no acquisitions in the period ending 31 December 2020.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 10: SEGMENT REPORTING

The information by business segments are as follows:

	Direct Property \$'000's	Property Backed Lending \$'000's	Funds Management \$'000's	Equity Investments \$'000's	Commercial Debt and Alternative Assets \$'000's	Controlled Eliminations \$'000's	Consolidated \$'000's
<i>31 December 2020:</i>							
Revenues:							
Total revenue for reportable segments	3,126	8,211	4,812	11,370	508	-	28,027
Inter-segment revenue	1,622	-	4,892	-	-	(6,514)	-
Unallocated amounts:							
Corporate interest income							81
Corporate income							517
Consolidated revenue							28,625
Equity accounted income	(1,027)	199	8,942	-	-	-	8,114
Results:							
Total profit for reportable segments	690	8,642	10,173	11,370	424	-	31,299
Unallocated amounts: corporate expenses							
							(4,868)
Consolidated profit before tax							26,431

Segment results are shown before related income tax expense. All revenue during the half year is recognised at a point in time when the performance obligation is satisfied.

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CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 10: SEGMENT REPORTING (CONT.)

	Direct Property \$'000's	Property Backed Lending \$'000's	Funds Management \$'000's	Equity Investments \$'000's	Commercial Debt and Alternative Assets \$'000's	Controlled Eliminations \$'000's	Consolidated \$'000's
31 December 2019:							
Revenues:							
Total revenue for reportable segments	243	5,715	1,024	-	690	-	7,672
Inter-segment revenue	780	-	6,211	-	-	(6,991)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Unallocated amounts:							
Corporate interest income							240
Corporate income							96
Consolidated revenue							<u>8,008</u>
Equity accounted income	1,185	292	855	(62)	-	-	2,270
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Results:							
Total profit for reportable segments	249	4,737	1,171	(2,295)	(441)	-	3,421
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Unallocated amounts: corporate expenses							(6,449)
Consolidated loss before tax							<u>(3,028)</u>

Segment results are shown before related income tax expense. All revenue during the half year is recognised at a point in time when the performance obligation is satisfied.

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 10: SEGMENT REPORTING (CONT.)

	Direct Property Investments	Property Backed Lending	Funds Management	Equity Investments	Commercial Debt and Alternative Assets	Eliminations	Consolidated
	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's	\$'000's
31 December 2020:							
Assets:							
Segment assets	97,604	135,005	28,304	35,386	7,786	-	304,085
Unallocated amounts:							
Cash and cash equivalents							37,707
Other assets							5,904
Total assets							<u>347,696</u>
Liabilities:							
Segment liabilities	32,877	11,819	-	-	-	-	44,696
Unallocated amounts:							
Other liabilities							67,043
Total liabilities							<u>111,739</u>
30 June 2020:							
Assets:							
Segment assets	100,477	135,945	23,971	34,108	6,436	-	300,937
Unallocated amounts:							
Cash and cash equivalents							22,626
Other assets							8,686
Total assets							<u>332,249</u>
Liabilities:							
Segment liabilities	38,348	11,920	-	-	-	-	50,268
Unallocated amounts:							
Other liabilities							65,940
Total liabilities							<u>116,208</u>

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CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 11: FAIR VALUE MEASUREMENTS

Fair value reflects the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Quoted prices or rates are used to determine fair value where an active market exists. If the market for an asset is not active, fair values are estimated using valuation techniques, based on market conditions prevailing at the measurement date. Such techniques include using recent arm's length market transactions; net asset backing; reference to current market value of another instrument that is substantially the same and discounted cash flow analysis.

The fair value of liquid assets maturing within three months are approximate to their carrying amounts. This assumption is applied to liquid assets and the short-term portion of all other financial assets and financial liabilities. Judgements and estimates were made in determining the fair values of certain financial instruments and non-financial assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, CVC has classified its financial instruments and non-financial assets into three levels prescribed under the accounting standards.

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

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

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

The fair value of the assets and liabilities as well as the methods used to estimate the fair value are summarised in the table below.

	Quoted market price (Level 1)	Valuation technique – market observable inputs (Level 2) (a)	Valuation technique – non market observable inputs (Level 3)	Total
	\$	\$	\$	\$
At 31 December 2020				
Financial assets				
<i>"Fair value through profit or loss" investments</i>				
Shares in listed entities	394,938	28,353,851	-	28,748,789
Shares in unlisted entities	-	-	10,179,809	10,179,809
Non-financial assets				
Investment properties	-	-	26,080,000	26,080,000
	<u>394,938</u>	<u>28,353,851</u>	<u>36,259,809</u>	<u>65,008,598</u>
At 30 June 2020				
Financial assets				
<i>"Fair value through profit or loss" investments</i>				
Shares in listed entities	1,387,110	26,036,721	-	27,423,831
Shares in unlisted entities	-	-	6,581,920	6,581,920
Non-financial assets				
Investment properties	-	-	26,300,000	26,300,000
	<u>1,387,110</u>	<u>26,036,721</u>	<u>32,881,920</u>	<u>60,305,751</u>

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 11: FAIR VALUE MEASUREMENTS (CONT.)

Reconciliation of Level 3 fair value movements:

	31 Dec 2020	31 Dec 2019
	\$	\$
Opening balance at the beginning of the period	32,881,920	26,586,206
Purchases	4,437,027	741,640
Sales	-	(1,723,986)
Capital return	(473,708)	-
Losses recognised in other income (a)	(585,430)	(1,957,718)
Transfer out of Level 3 to Level 1 (b)	-	(250,000)
Transfer out of Level 3 (c)	-	(11,775,395)
Closing balance at the end of the period	36,259,809	11,620,747
(a) Unrealised losses recognised in statement of financial performance attributable to assets held at the end of the reporting period	(585,430)	(1,953,241)
(b) The equity investment was reclassified to level 1 when it listed on ASX during the period.		
(c) The equity investments held by CVC in Eildon Debt Fund was reclassified to loans at the time that it became a controlled entity of CVC on 8 August 2019. Refer Note 9.2		

The fair value of Level 2 financial assets at fair value through profit or loss has been determined using available market price information, such as last trade price, where trading does not occur in an active market.

The fair value of Level 3 assets has been determined as follows:

- (a) Financial assets at fair value through profit or loss – with reference to valuation techniques, including:
 - recent arm's length market transactions; and
 - net asset backing.
- (b) Investment properties – independent valuation.

Sensitivity analysis

The table below shows the pre-tax sensitivity of a 10% change in value as a reasonable possible alternative assumption for Level 3 assets whose fair values are determined in whole or in part using unobservable inputs.

	Net profit/(loss)		Equity increase/(decrease)	
	Dec 20	Jun 20	Dec 20	Jun 20
	\$	\$	\$	\$
Shares in unlisted entities				
Favourable changes	1,017,981	658,192	1,017,981	658,192
Unfavourable changes	(1,017,981)	(658,192)	(1,017,981)	(658,192)
Investment properties				
Favourable changes	1,890,913	1,685,584	1,890,913	1,685,584
Unfavourable changes	(1,867,748)	(4,326,134)	(1,867,748)	(4,326,134)

Significant unobservable inputs

The following table contains information about the significant unobservable inputs used in Level 3 valuations, and the valuation techniques used to measure fair value. The range of values represent the highest and lowest input used in the valuation techniques. Therefore, the range does not reflect the level of uncertainty regarding a particular input, but rather the different underlying characteristics of the relevant assets.

	Valuation Techniques	Significant Unobservable Inputs	Range of Inputs		
			Year	Minimum	Maximum
Shares in unlisted entities	Net asset backing/ Recent arm's length market transactions	Value per security	2021	Down 10%	Up 10%
			2020	Down 10%	Up 10%
Investment properties	Capitalisation of income	Capitalisation Rate	2021	5.3%	6.2%
			2020	5.3%	6.8%

CVC LIMITED & CONTROLLED ENTITIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2020 (CONTINUED)

NOTE 12: INCOME AND EXPENSE

This note provides a breakdown of the items included in the statement of financial performance.

	31 Dec 2020	31 Dec 2019
	\$	\$
Profit from development properties		
Sale of land	3,552,593	1,793,400
Cost of land sold	(1,960,309)	(1,658,169)
Change in fair value of investment property	(238,247)	(21,779)
	<u>1,354,037</u>	<u>113,452</u>
Other income		
Rental income	945,498	118,852
All other income	153,919	113,652
	<u>1,099,417</u>	<u>232,504</u>
Net profit/(loss) from financial assets at fair value through profit or loss		
Net profit/(loss) on financial assets at fair value through profit or loss	14,135,736	(2,509,579)
Dividends	738,806	133,203
Fee income	-	243,116
Impairment reversal of investment	-	478,397
Impairment of investments	(10,000)	(1,092,153)
	<u>14,864,542</u>	<u>(2,747,016)</u>
Impairment of financial assets at amortised cost		
Impairment reversal of loans	1,140,903	-
Impairment of loans	(3,218,750)	(2,104,574)
	<u>(2,077,847)</u>	<u>(2,104,574)</u>
Other overhead and administration fees		
Accounting fees	132,957	144,990
Depreciation expenses	326,105	376,502
Lease expenses	-	32,107
Insurance expenses	173,806	118,974
Legal fees	110,724	217,624
Impairment of property, plant and equipment	-	145,795
Other expenses	970,858	938,278
	<u>1,714,450</u>	<u>1,974,270</u>

NOTE 13: SUBSEQUENT EVENTS

Since the end of the period, the directors have determined to pay an interim dividend in respect of the half-year ended 31 December 2020 of 3 cents per share, fully franked, paid on 8 February 2021.

There are no other matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of CVC, the results of those operations or the state of affairs of CVC in the financial period subsequent to 31 December 2020.

NOTE 14: CONTINGENT LIABILITIES

During the period, CVC entered into a purchase agreement for a commercial site at Werribee, Victoria. Completion of the contract is conditional upon obtaining the Registered Plan. Once the condition is met, the amount payable for the purchase is approximately \$11.4 million (30 June 2020: nil).

CVC LIMITED & CONTROLLED ENTITIES
HALF YEARLY REPORT

DIRECTORS' DECLARATION

In the opinion of the directors:

- (a) the interim financial statements and notes set out on page 4 to 21, are in accordance with the *Corporations Act 2001* including:
- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
- (b) there are reasonable grounds to believe that CVC Limited will be able to pay its debts as when they become due and payable.

Dated at Sydney 23 February 2021.

Signed in accordance with a resolution of the board of directors.



MARK AVERY
Director



ALEXANDER RAPAJIC-LEAVER
Director

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Sydney NSW 2000

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**Auditor's Independence Declaration
to the Directors of CVC Limited
ABN 34 002 700 361**

In relation to the independent auditor's review for the half-year ended 31 December 2020, to the best of my knowledge and belief there have been:

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

This declaration is in respect of CVC Limited and its controlled entities during the period.



John Gavljak
Partner

Pitcher Partners
Sydney

23 February 2021

**Independent Auditor's Review Report
to the Members of CVC Limited
ABN 34 002 700 361**

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of CVC Limited ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2020, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated 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.

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

- (a) giving a true and fair view of the 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*.

Basis for Conclusion

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

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


Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

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

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.



John Gavljak
Partner

23 February 2021



Pitcher Partners
Sydney