

# Appendix 4E

## Preliminary Final Report to the Australian Securities Exchange

### Part 1

Name of Entity	Auckland Real Estate Trust
ARSN	114 494 503
Financial Year Ended	30 June 2022
Previous Corresponding Reporting Period	12 months ended 30 June 2021

**Audit Status:** This report is based on the 2022 Financial Report which is in the process of being audited.

### Part 2 – Results for Announcement to the Market

	2022 \$'000	Up/(Down) from corresponding period	Change from corresponding period %
Revenue from ordinary activities	14,231	Up	18.6%
Profit/(loss) from ordinary activities after tax attributable to members	(29,542)	Down	(154.5%)
Net profit/(loss) attributable to members	(34,417)	Down	(166.0%)

Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	Not Applicable	

**Brief explanation of any of the figures reported above necessary to enable the figures to be understood:**

The Trust's loss from continuing operations for the year ended 30 June 2022 was \$29,542,000 (2021: profit of \$54,155,000). Further detail is provided in the attached Statement of Profit or loss (consolidated) and Statement of comprehensive income (consolidated) for the reporting period.

As of 30 June 2022, the Trust's net tangible assets ("NTA") was \$1.33 per unit (30 June 2021: \$1.76).

**Statement of Profit or loss (Consolidated)**  
for the year ended 30 June 2022

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue and other income</b>		
Rental income from investment properties	12,402	8,700
Recoverable outgoings from investment properties	2,527	2,694
Interest income	5	12
Other income	(58)	66
Net gain/(loss) on financial instruments	(636)	545
Net (loss)/gain on foreign exchange	(9)	(19)
<b>Total revenue and other income</b>	<b>14,231</b>	<b>11,998</b>
<b>Expenses</b>		
Property expenses	6,637	5,350
Lease liability interest	1,498	1,366
Responsible Entity fees	2,295	1,397
Custodian fees	16	16
Borrowing costs	8,112	3,469
Provision for expected credit loss	(49)	212
Legal fees	193	262
Property general and administrative	870	427
Leasing costs	1,015	432
Advertising and marketing	341	907
Expense recovery	400	269
Other operating expenses	1,101	659
<b>Total expenses</b>	<b>22,429</b>	<b>14,766</b>
Change in fair value of investment property	(21,344)	56,923
<b>Profit for the year before income tax</b>	<b>(29,542)</b>	<b>54,155</b>
Income tax	-	-
<b>Profit for the year</b>	<b>(29,542)</b>	<b>54,155</b>

**Statement of Comprehensive Income (Consolidated)**  
for the year ended 30 June 2022

	2022 \$'000	2021 \$'000
<b>Profit/(Loss) for the period</b>	<b>(29,542)</b>	<b>54,155</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Unrealised Foreign currency translation differences - foreign operations	(4,875)	(2,023)
<b>Total other comprehensive income/(loss)</b>	<b>(4,875)</b>	<b>(2,023)</b>
<b>Total comprehensive profit for the period</b>	<b>(34,417)</b>	<b>52,132</b>
<b>Total comprehensive profit for the period attributable to unitholders</b>	<b>(34,417)</b>	<b>52,132</b>
<b>Earnings per unit for profit attributable to the ordinary equity holders of the Trust</b>	<b>Cents</b>	<b>Cents</b>
Basic and diluted earnings per unit	<b>(\$0.38)</b>	<b>\$0.67</b>

**Statement of Changes in Equity (Consolidated)**  
as of 30 June 2022

<b>Consolidated Entity</b>	<b>Issued capital \$'000</b>	<b>Translation reserve \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
<b>2021</b>				
Balance at 1 July 2020	286,058	3,867	(200,826)	89,099
<b>Total comprehensive income/(loss) for the period</b>				
Loss for the period	-	-	54,155	54,155
Translation of foreign operations	-	(2,023)	-	(2,023)
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>(2,023)</b>	<b>54,155</b>	<b>52,132</b>
<b>Transactions with owners, recorded directly in equity</b>				
Units issued	(10)	-	-	(10)
Total transactions with owners	(10)	-	-	(10)
<b>Balance at 30 June 2021</b>	<b>286,048</b>	<b>1,844</b>	<b>(146,671)</b>	<b>141,221</b>
<b>2021</b>				
Balance at 1 July 2021	286,048	1,844	(146,671)	141,221
<b>Total comprehensive income/(loss) for the period</b>				
Profit for the period	-	-	(29,542)	(29,542)
Translation of foreign operations	-	(4,875)	-	(4,875)
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>(4,875)</b>	<b>(29,542)</b>	<b>(34,417)</b>
<b>Transactions with owners, recorded directly in equity</b>				
Units issued	-	-	-	-
Total transactions with owners	-	-	-	-
<b>Balance at 30 June 2022</b>	<b>286,048</b>	<b>(3,031)</b>	<b>(176,213)</b>	<b>106,804</b>

**Statement of Financial Position (Consolidated)**  
as of 30 June 2022

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current assets</b>		
Cash and cash equivalents	1,051	356
Trade and other receivables	655	2,647
Investment property held for sale	75,732	29,767
Other assets	2,305	2,372
<b>Total current assets</b>	<b>79,743</b>	<b>35,142</b>
<b>Non-current assets</b>		
Investment properties	225,026	270,824
Right of use assets and net investments in leases	18,775	19,487
Other assets	618	3,662
<b>Total non-current assets</b>	<b>244,419</b>	<b>293,973</b>
<b>Total assets</b>	<b>324,162</b>	<b>329,115</b>
<b>Current liabilities</b>		
Trade and other payables	8,678	7,960
Financial liabilities	116,874	160,447
<b>Total current liabilities</b>	<b>125,552</b>	<b>168,407</b>
<b>Non-current liabilities</b>		
Financial liabilities	72,031	-
Lease liabilities	18,775	19,487
<b>Total non-current liabilities</b>	<b>90,806</b>	<b>19,487</b>
<b>Total liabilities</b>	<b>216,358</b>	<b>187,894</b>
<b>Net assets</b>	<b>106,804</b>	<b>141,221</b>
<b>Equity</b>		
Issued capital	286,048	286,048
Reserves	(3,031)	1,844
Accumulated losses	(176,213)	(146,671)
<b>Total equity</b>	<b>106,804</b>	<b>141,221</b>

**Statement of Cash Flow (Consolidated)**  
for the year ended 30 June 2022

	<b>2022 \$'000</b>	<b>2021 \$'000</b>
<b>Cash flows from operating activities</b>		
Receipts in the course of operations	18,400	13,470
Payments in the course of operations	(14,571)	(12,520)
Payments of lease liability interest	(1,734)	(1,366)
Payments of interest and other borrowing costs	(5,073)	(2,973)
Cash receipts from GST refunds	3,751	2,443
<b>Net cash used in operating activities</b>	<b>773</b>	<b>(946)</b>
<b>Cash flows from investing activities</b>		
Payment to acquire investment property	-	(53,978)
Proceeds from disposal of property	5,317	
Payments for improvements to investment properties	(29,120)	(25,722)
Loans from other entities	92	372
<b>Net cash used in investing activities</b>	<b>(23,711)</b>	<b>(79,328)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	8,413	80,129
Repayment of borrowings	16,781	-
Proceeds from issue of units	-	-
Transaction costs related to issues of shares, convertible notes or options	(482)	-
Transaction costs relating to borrowings	(1,037)	(536)
<b>Net cash from financing activities</b>	<b>23,675</b>	<b>79,593</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>737</b>	<b>(681)</b>
<b>Cash and cash equivalents at 1 July</b>	<b>356</b>	<b>1,107</b>
<b>Effect of exchange rate fluctuations on cash held</b>	<b>(42)</b>	<b>(70)</b>
<b>Cash and cash equivalents at 30 June</b>	<b>1,051</b>	<b>356</b>

## Notes to the consolidated financial statements

### Reporting entity

Auckland Real Estate Trust (“AKL” or “**the Trust**” - ASX: AKL) (formerly Quattro Plus Real Estate - ASX: QPR), is a registered managed investment scheme under the *Corporations Act 2001*. The consolidated financial report of the Trust as at and for the year ended 30 June 2022 comprises the Trust and its subsidiaries (together referred to as the “**Consolidated Entity**” and individually as “**Group entities**”). The Trust is a for-profit entity. The principal activities of the Consolidated Entity during the reporting period was the derivation of rental income from investment properties located in New Zealand (“**NZ**”) and the United States of America (“**USA**”).

### Basis of preparation

#### Statement of compliance

This Preliminary Final Report does not include all the Notes of the type normally included in the annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2021 and any public announcements made by the Consolidated Entity during the reporting period in accordance with continuous disclosure requirements of the Corporations Act 2001.

The financial statements are presented in Australian Dollars and all values are rounded to the nearest thousand dollars (\$'000) except where otherwise stated, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

The accounting policies are consistent with those of the previous reporting period.

This Preliminary Financial Report was authorised for issue by the Directors of the Responsible Entity on 31 August 2022.