



MAB International Retail Trust

ARSN 121 054 662

Responsible Entity

MAB Funds Management Limited

ABN 36 098 846 701

**Final Financial report
for the period ended
31 December 2021**

FINAL FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

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DIRECTORS' OF RESPONSIBLE ENTITY REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

The Directors of MAB Funds Management Limited ("the Responsible Entity"), the Responsible Entity of the MAB International Retail Trust ("Scheme") present their report together with the consolidated financial report for the MAB International Retail Trust. The financial report includes financial statements for the MAB International Retail Trust and Controlled Entities ("MAB International Retail Trust Consolidated" or "Group"). This financial report has been prepared in accordance with Australian Accounting Standards.

Principal Activities

The Scheme is a Managed Investment Scheme domiciled in Australia. During the period ended 31 December 2021, the liquidation of the Scheme was completed. The Scheme did not have any employees during the period.

Directors

The Directors of the Responsible Entity during or since the end of the financial year are:

Name

Andrew Buxton Appointed 22 November 2001
B Sc **Experience and special responsibilities**

Andrew Buxton began his career in the quarry and asphalt industry. From 1974 to 1988 Andrew was Co-Managing Director of the Associated Quarries and Asphalts Group.

Andrew diversified into property development and in 1995 founded MAB Corporation with Michael Buxton. He has over 30 years' experience in the property industry and is also the Managing Director of MAB Corporation Pty Ltd.

Michael Buxton Appointed 22 November 2001
FAPI, MREI **Experience and special responsibilities**

Michael Buxton has over 40 years of experience in the property industry that commenced with property management and sales in his family's business, JR Buxton Pty Ltd. In 1976 Michael co-founded Becton Corporation and as a Joint Managing Director built the company into one of the most successful property investment and development companies in Melbourne.

At the end of 1994, Michael sold his interest in Becton Corporation and in 1995 founded MAB Corporation with his brother Andrew. Michael is also Executive Director of MAB Corporation Pty Ltd.

Nicholas Gray Appointed 22 November 2001
B Sc, AAPI, MRICS **Experience and special responsibilities**

Nicholas Gray has over 40 years' experience in the property industry, the last 39 of which have been in property investment and funds management. He is responsible for the overall management of the Scheme's operations. Nicholas has wide experience in the UK from 1976 to 1985 and in Australia since 1985. He was Head of Property at Norwich Union and Norwich Investment Management Ltd from 1987 to 1998 and during 1996-1997 was also General Manager - Funds Management of GRW Property Ltd, a company controlled by Norwich. In 1998 Nicholas was appointed Fund Manager of the Colonial First State Commercial Property Trust. Nicholas joined MAB Corporation in 2001 to establish its property funds management operation.

Nicholas is also a member of the Compliance Committee.

Directors' of Responsible Entity Report (Continued)

Company Secretary

Refer above for Andrew Buxton's biography.

Review of Operations and Results

The Scheme recorded a net loss after tax of \$15,818 for the period ended 31 December 2021 (year ended 30 June 2021: \$2,326,909 profit). The prior year profit was primarily driven by the sale of the final property.

Distributions

Distribution paid or payable in respect of the financial year were:

	31 December 2021	31 December 2021	30 June 2021	30 June 2021
	\$	\$ per unit	\$	\$ per unit
Interim Capital Distribution Paid	-	-	14,611,598	0.170
Final Capital Distribution Paid	514,549	0.006	-	-
Total Distribution	514,549	0.006	14,611,598	0.170

Units on Issue

The movement in units on issue of the Scheme for the year was as follows:

	31 December 2021	30 June 2021
	000's	000's
Units on issue at the beginning of the year	85,950,579	85,950,579
Units redeemed	(85,950,579)	-
Units on issue at the end of the year	-	85,950,579

Scheme Assets

	31 December 2021	30 June 2021
	\$	\$
Value of total scheme assets as at 30 June	-	584,213

The basis for valuation of the assets is disclosed in Note 1.

Responsible Entity Fees and Other Transactions

There were no Responsible Entity fees charged during the period to 31 December 2021.

MAB Rosenthal LLC is a related party of MAB Funds Management Limited and has provided asset management services for the Scheme's properties. No fees were charged or paid by the Group to MAB Rosenthal LLC for these services during the period ended 31 December 2021 (year ended 30 June 2021: \$97,261).

Units in the Scheme held by related parties

Details of holdings in the Scheme by the Responsible Entity, directors, director related entities or other Schemes also managed by the Responsible Entity are set out as below:

	Number of units held	Value of units held
	'000	\$
31 December 2021		
Windyvale Pty Ltd	-	-
MRB Group No.49 Pty Ltd	-	-
Andrea Brisbane	-	-
Shadow field Pty Ltd	-	-
Andrew Buxton & Geraldine Buxton A/C Jero Pty Ltd Superannuation Fund	-	-
Buxton Super Pty Ltd A/C A & G Buxton Superannuation Funds	-	-
Related party total	-	-
30 June 2021		
Windyvale Pty Ltd	27,900,350	172,207
MRB Group No.49 Pty Ltd	28,080,350	173,318
Andrea Brisbane	22,500	139
Shadow field Pty Ltd	17,641,666	108,888
Andrew Buxton & Geraldine Buxton A/C Jero Pty Ltd Superannuation Fund	1,072,456	6,619
Buxton Super Pty Ltd A/C A & G Buxton Superannuation Funds	684,211	4,223
Related party total	75,401,533	465,394

Directors' of Responsible Entity Report (Continued)

Derivatives and other financial instruments

The Scheme's investments and trading activities expose it to changes in interest rates and equity market variations as well as credit and liquidity risk. The Directors have approved policies and procedures in each of these areas to manage these exposures. The Scheme does not speculatively trade derivatives and only utilises derivatives to manage the risk and return of the Scheme's investments.

Significant Changes in the State of Affairs

During the period to 31 December 2021, the process of liquidating the Scheme was completed.

After Balance Date Events

There has been no matter or circumstance which has arisen since 31 December 2021 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2021, of the Scheme, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2021, of the Scheme.

Likely Developments

Liquidation of the Scheme was completed during the period ending 31 December 2021, therefore there are no likely developments in relation to the Scheme.

Environmental Regulation

The Scheme's operations are not subject to any significant environmental Commonwealth or State regulations or laws.

Compliance Committee

In accordance with the *Corporations Act 2001*, the Responsible Entity has established a Compliance Committee in respect of the Scheme. A majority of the members of the Compliance Committee are independent of the Responsible Entity. The Compliance Committee Charter governs the operation of the Compliance Committee. The general functions of the Compliance Committee under the Compliance Committee Charter include:

- monitoring the compliance of the Responsible Entity with the *Corporations Act*, the Compliance Plan, the Constitution and the Responsible Entity's Australian Financial Securities License and reporting any breach to the Board;
- reporting to ASIC if the Compliance Committee is of the view that the Responsible Entity has not taken, or does not propose to take, appropriate action to deal with a matter reported;
- assessing, at regular intervals, whether the Compliance Plan is adequate;
- reporting to the Board on its assessment of the Compliance Plan; and
- making recommendations to the Board about any changes that it considers should be made to the Compliance Plan.

Independent members of the compliance committee are:

Bleddyn Gambold

Mr. Gambold has over 30 years' experience of managed investment schemes gained in Australia and overseas.

In London and Hong Kong, he held senior positions within a major international trust bank and a global investment management company. Within Australia, he was a founding director of a company providing independent responsible entity and trustee services to managed investment schemes. In addition, Mr. Gambold sits on a number of Compliance Committees for major fund management/responsible entity companies.

Mr. Gambold has a BA (Hons) degree in Accountancy and is a Fellow of the Institute of Chartered Accountants England and Wales.

Phillip Adamcewicz

Mr Adamcewicz is a successful Entrepreneur and a Wealth & Business Advisor. He has over 23 years' experience in the Investment and Financial Industry. He began his professional career working for Royal & Sun Alliance Funds Management in 1995 and since then has worked for other large groups, such as Perpetual & Royal Bank of Canada.

After gaining experience as a Fund Manager and Share Market Trader, Phillip attained his own Australian Financial Services Licence (AFSL) and Australian Credit Licence (ACL). In 2011, he established his own Financial Services Company, the A2Z Financial Group.

Phillip has many qualifications achieving a Bachelor of Commerce majoring in Accounting, Diploma of Business, Diploma of Financial Services and a Diploma of Finance & Mortgages. He is a Tax Agent, Mortgage Adviser, Financial Planner, Corporate Accountant, Business Consultant and Property Developer.

Directors' of Responsible Entity Report (Continued)

Indemnification and Insurance of Directors, Officers and Auditors

Insurance premiums

During the period the Responsible Entity has paid premiums in respect of its officers for liability and legal expenses for the period ended 31 December 2021. The Responsible Entity has paid or agreed to pay in respect of the Scheme, premiums in respect of such insurance contracts for the period ended 31 December 2021. Such insurance contracts insure against certain liability (subject to specific exclusions) for persons who are, or have been, Directors of the Responsible Entity, or executive officers of the Responsible Entity. Under the terms of the contract with the insurer, disclosure of the premiums and coverage levels is prohibited.

No insurance premiums have been paid in respect of auditors of the Scheme.

Indemnifications

Under the Scheme's constitution the Responsible Entity, including its officers and employees, is indemnified out of the Scheme's assets for any loss, damage, expense or other liability incurred by it in properly performing or exercising any of its powers, duties or rights in relation to the Scheme.

Rounding

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

Auditor's Independence Declaration

A copy of the auditor's independence declaration in relation to the audit for the period is provided with this report.

Signed in accordance with a resolution of the directors.



Nicholas Gray
Director
MAB Funds Management Limited
11 March 2022

**MAB INTERNATIONAL RETAIL TRUST
AND CONTROLLED ENTITIES
ARSN 121 054 662**

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF MAB INTERNATIONAL RETAIL TRUST
AND CONTROLLED ENTITIES**

In relation to the independent audit for the period ended 31 December 2021, to the best of my knowledge and belief there have been:

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

This declaration is in respect of MAB International Retail Trust and the entities it controlled during the year.



N R BULL
Partner

11 March 2022



PITCHER PARTNERS
Melbourne

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2021

	Note	31 December 2021 \$	30 June 2021 \$
INCOME			
Net rental income	5	-	520,880
Net gain from fair value movements of Investment Properties		-	700,361
Foreign Exchange Gain		38	3,122,544
Other revenue	6	19,131	3,452
TOTAL INCOME		19,169	4,347,237
EXPENSES			
Audit fees	7	16,949	99,513
Bad Debt and Rental Abatements		-	188,827
Custody, accounting and legal fees		13,153	167,631
Finance costs		-	1,257,077
Asset management fee		-	98,262
Loss on Sale of Investment Assets		-	79,841
Other expenses		4,885	129,177
TOTAL EXPENSES		34,987	2,020,328
NET (LOSS)/PROFIT BEFORE TAX		(15,818)	2,326,909
Income tax expense	10	-	-
NET (LOSS)/PROFIT		(15,818)	2,326,909
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit and loss			
Movement in foreign currency translation reserve		-	(5,302,302)
TOTAL OTHER COMPREHENSIVE INCOME		-	(5,302,302)
COMPREHENSIVE LOSS FOR THE YEAR		(15,818)	(2,975,393)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note	31 December 2021 \$	30 June 2021 \$
CURRENT ASSETS			
Cash and cash equivalents		-	562,124
Other current assets	8	-	22,089
TOTAL CURRENT ASSETS		-	584,213
TOTAL ASSETS			
		-	584,213
CURRENT LIABILITIES			
Trade and other payables	9	-	53,846
TOTAL CURRENT LIABILITIES		-	53,846
TOTAL LIABILITIES			
		-	53,846
NET ASSETS			
		-	530,367
EQUITY			
Issued Equity	11(d)	-	6,705,033
Accumulated Losses	12	-	(6,174,666)
TOTAL EQUITY		-	530,367

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES OF EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2021

	Issued Equity \$	Accumulated Losses \$	Reserves \$	Total Equity \$
OPENING BALANCE 1 JULY 2021	6,705,033	(6,174,666)	-	530,367
Net Loss for period	-	(15,818)	-	(15,818)
Total Comprehensive Income for the year	-	(15,818)	-	(15,818)
Transactions with owners in their capacity as owners				
Transfer from accumulated losses	(6,190,484)	6,190,484	-	-
Capital distributions paid and payable	(514,549)	-	-	(514,549)
CLOSING BALANCE 31 DECEMBER 2021	-	-	-	-

	Issued Equity \$'000	Accumulated Losses \$'000	Reserves \$'000	Total Equity \$'000
OPENING BALANCE 1 JULY 2020	21,316,631	(8,501,575)	5,302,302	18,117,358
Net Profit for period	-	2,326,909	-	2,326,909
Movement in foreign currency translation reserve	-	-	(5,302,302)	(5,302,302)
Total Comprehensive Income for the year	-	2,326,909	(5,302,302)	(2,975,393)
Transactions with owners in their capacity as owners				
Capital distributions paid and payable	(14,611,598)	-	-	(14,611,598)
CLOSING BALANCE 30 JUNE 2021	6,705,033	(6,174,666)	-	530,367

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2021

	31 December 2021	30 June 2021
Note	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Cash receipts from operations	-	1,334,679
Cash payments from operations	(47,575)	(1,373,980)
Borrowing costs paid	-	(303,143)
Interest received	-	3,248
Net cash used in operating activities	14(a) (47,575)	(339,196)
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for capital improvements to Investment Properties	-	(199,440)
Selling Costs paid	-	(79,841)
Proceeds from sale of Investment Property	-	21,669,031
Net cash provided by investing activities	-	21,389,750
CASH FLOW FROM FINANCING ACTIVITIES		
Distributions paid	(514,549)	(14,611,598)
Net Withholding Taxes Paid	-	-
Repayment of borrowings	-	(6,249,214)
Early debt repayment fees paid	-	(986,700)
Net cash used in financing activities	(514,549)	(21,847,512)
Net decrease in cash and cash equivalents	(562,124)	(796,958)
Cash and cash equivalents at the beginning of the year	562,124	1,551,476
Effect of exchange rate changes on cash and cash equivalents	-	(192,394)
Cash and cash equivalents at the end of the year	-	562,124

The accompanying notes form part of these consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied throughout the year.

(a) Basis of preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Scheme is a for-profit scheme for the purpose of preparing the financial statements.

The Responsible Entity of the Scheme was MAB Funds Management Limited (the 'Responsible Entity'). The financial report is presented in the Australian currency.

The Scheme's objective is to provide returns to investors via the management and sale of real estate properties, in accordance with the objectives disclosed in the Product Disclosure Statements dated 17 January 2007 and updated by Investor communication dated 6 July 2021 and distribution statement dated 21 December 2021.

Termination of the Scheme was completed on 31 December 2021. Accordingly, this is the final financial report for the group and has been prepared on a non-going concern basis.

Under a non-going concern basis of accounting, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations have been applied in the context of the Scheme ceasing to be a going concern.

The financial report was authorised for issue by the Directors of the Responsible Entity on 11 March 2022.

Compliance with IFRS

The financial report of the Scheme also complies with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain significant accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Refer to Note 4 for details of critical accounting estimates.

(b) Principles of Consolidation

A controlled entity is any entity controlled by MAB International Retail Trust. Control exists where MAB International Retail Trust has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with MAB International Retail Trust to achieve the objectives of the Group.

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by MAB International Retail Trust as at 31 December 2021 and the results of all controlled entities for the period ended 31 December 2021. MAB International Retail Trust and its controlled entities together are referred to in this financial report as the consolidated entity.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Where control of an entity is obtained during a financial period, its results are included in the consolidated income statement from the date on which control commences. Where control of an entity ceases during a financial period its results are included for that part of the period where control existed.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the parent entity.

(c) Income and expenses

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Specific revenues are recognised as follows:

Interest income

Interest revenue is recognised when it becomes receivable on a proportional basis taking into account the interest rates applicable to the financial assets.

Net rental income

Net Rental income is the rental income paid by each tenant less any direct expenses incurred in that tenant being able to operate the business and is brought to account on an accrual basis.

Expenses

Expenses are brought to account on an accruals basis.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Distributions and taxation

Under current legislation the Scheme is not subject to Australian income tax as its taxable income (including assessable realised capital gains) is distributed in full to the unitholders.

Provision is made for the amount of any distribution declared, determined or publicly recommended by the directors on or before the end of the period but not distributed at reporting date.

Deferred tax balances are determined by calculating temporary differences based on the carrying amounts of an entity's assets and liabilities in the balance sheet and their associated tax bases. Specifically, a deferred tax balance is recognised for the capital gains tax payable in overseas jurisdictions on the disposal of foreign investments.

Deferred tax assets are recognised where Management is virtually certain that there will be sufficient future economic benefit generated to utilise the asset balance.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Trade and other payables

These amounts represent liabilities for goods and services provided to the Scheme prior to the end of the reporting period and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(g) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Responsible Entity by third parties such as audit fees, custodial services, compliance committee fees, legal fees and investment management fees, have been passed onto the Scheme. The Scheme qualifies for Reduced Input Tax Credits (RITC's) at a rate of 75% hence investment management fees, custodial fees and other expenses have been recognised in the Income Statement net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. Cash flows relating to GST are included in the Statement of Cash Flows on a gross basis.

(h) Investments in Subsidiaries

The Scheme's investment is carried out via its 100% holding in an Australian unit trust; MAB International Holdings No 1 Trust, which in turn owned 100% of the ordinary shares on issue in MAB American Property REIT Inc until it was liquidated on 30 June 2021. MAB American Property REIT Inc. was an entity domiciled in the United States which owned Limited Liability Companies investing directly in US retail property.

(i) Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(j) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of MAB International Retail Trust Consolidated are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars which is the functional and presentation currency of MAB International Retail Trust Consolidated.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currency are recognised in the income statement, except when deferred in unitholders' funds as qualifying cash flow hedges and qualifying net investment hedges, or are attributable to part of the net investment in a foreign operation.

(k) New and revised accounting standards effective at 31 December 2021

No new or revised accounting standards are expected to have a material impact on the financial statements of the Scheme as it has been liquidated as at 31 December 2021.

(l) Accounting Standards Issued But Not Yet Effective 31 December 2021

No Accounting Standard Issued but Not Yet Effective is expected to have a material impact on the financial statements of the Scheme as it has been liquidated as at 31 December 2021.

(m) Rounding of Amounts

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Borrowing Costs

Borrowing costs can include interest expense calculated using the effective interest method, finance charges in respect of finance leases, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs are expensed as incurred, except for borrowing costs incurred as part of the cost of the construction of a qualifying asset which are capitalised until the asset is ready for its intended use or sale.

(o) Comparative Information

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosure.

NOTE 2: PARENT ENTITY INFORMATION

(a) Parent entity

The parent entity of the Group is MAB International Retail Trust. Refer to Note 1(h) for the composition of the Group.

(b) Financial information

	31 December 2021	30 June 2021
	\$	\$
Income Statement information		
Net loss attributable to members of the parent entity	(36,424)	(2,976,252)
Comprehensive loss information		
Total comprehensive loss attributable to members of the parent entity	(36,424)	(2,976,252)
Balance Sheet information		
Current assets	-	563,206
Total assets	-	563,206
Current liabilities	-	32,838
Total liabilities	-	32,838
Net Assets	-	530,368
Equity attributable to members of the parent entity		
Contributed equity	-	6,746,151
Accumulated losses	-	(6,215,783)
Total Equity	-	530,368

(c) Guarantees

MAB International Retail Trust has not entered into any guarantees in the current or previous financial year.

(d) Contingent liabilities

MAB International Retail Trust has no contingent liabilities as at 31 December 2021.

(e) Contractual capital commitments

MAB International Retail Trust does not have any contractual capital commitments as at 31 December 2021.

NOTE 3: FINANCIAL RISK MANAGEMENT

The Scheme is no longer exposed to any financial risk, having been liquidated as at 31 December 2021.

NOTE 4: SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Scheme makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition seldom equal the related actual results. No estimates or assumptions are believed to have a significant risk of causing a material misstatement. These estimates and assumptions include assessment of fair value of investment properties and the use of exchange rates. Further information as to how the estimates and assumptions are made is discussed below:

(a) Income tax

Under current legislation, the Scheme is not subject to income tax as its taxable income (including assessable realised capital gains) is distributed in full to the unitholders.

In accordance with the Product Disclosure Statement and Constitution, the Scheme fully distributes its taxable income to unitholders by cash. This assumes the continued consistent treatment of this matter by the Australian Taxation Office.

NOTE 5: NET RENTAL INCOME

	31 December 2021	30 June 2021
	\$	\$
Property Rental Income	-	1,019,184
<i>less</i>		
Property Expenses	-	(498,304)
Net property income	-	520,880

NOTE 6: OTHER INCOME

	31 December 2021	30 June 2021
	\$	\$
Interest Income	-	3,452
Other Income*	19,131	-
Total other income	19,131	3,452

*Other income relates to the reversal of an IRS tax penalty that was accrued at 30 June 2021.

NOTE 7: AUDITOR'S REMUNERATION

	31 December 2021	30 June 2021
	\$	\$
Remuneration of the auditor of the Scheme for:		
- Auditing the financial report	16,949	23,000
- Other regulatory audit services	-	17,000
Remuneration of the auditor of foreign subsidiaries:		
- Auditing the financial report	-	59,513
Total auditors remuneration	16,949	99,513

Costs associated with auditing the Scheme's financial statements were paid for by the Scheme for the period ended 31 December 2021. The above audit and related service fees are for the entire Scheme.

No fees were incurred during the period ended 31 December 2021 in relation to the foreign subsidiary, which was liquidated as at 30 June 2021.

NOTE 8: OTHER CURRENT ASSETS

	31 December 2021	30 June 2021
	\$	\$
Withholding Tax Receivable from IRS	-	5,090
Prepaid expenses	-	16,999
Total other current assets	-	22,089

NOTE 9: TRADE & OTHER PAYABLES (CURRENT)

	31 December 2021	30 June 2021
	\$	\$
Amounts payable to others	-	-
Accrued Expenses	-	53,846
Total trade and other payables	-	53,846

NOTE 10: INCOME TAX EXPENSE AND DEFERRED TAX LIABILITY

	31 December 2021	30 June 2021
	\$	\$
<i>Reconciliation of income tax expenses to prima facie tax payable</i>		
(Loss)/profit from operations before income tax expense	(15,818)	2,326,909
Income tax calculated at 30%	(4,745)	698,073
Tax effect of amounts which are not deductible (taxable) in calculating taxable (loss)/profit		
Unrealised foreign exchange movements	-	(936,763)
Recognition of carried forward losses not eligible to be classified as deferred tax assets	4,745	238,690
Income Tax Expense	-	-

NOTE 11: NET ASSET BACKING PER UNIT

	31 December 2021	30 June 2021
	\$	\$
(a) Changes in equity during the year		
Net assets attributable to unitholders at the beginning of the year	530,367	18,117,358
Changes in net assets attributable to unitholders	(15,818)	(2,975,393)
Capital distributions paid and payable	(514,549)	(14,611,598)
Equity as at the end of the year	-	530,367

	31 December 2021	30 June 2021
	\$	\$
(b) Units on issue		
Units on issue at the beginning of the year	85,950,579	85,950,579
Units redeemed	(85,950,579)	-
Units on issue at the end of the year	-	85,950,579

The rights associated with the units are as follows:

- Units are of equal value;
- Units are entitled to a proportional share in the income of MAB International Retail Trust;
- Unitholders' liability is limited to equity invested;
- Unitholders participate in distribution and the proceeds on winding up of MAB International Retail Trust group in proportion to the number of units held;
- Unitholders are entitled to vote at meetings.

	\$	\$
(c) Net assets attributable to unitholders per unit	-	0.006

	\$	\$
(d) Issued Equity		
Issued Equity at the end of the year	-	6,705,033

NOTE 12: ACCUMULATED LOSSES

	31 December 2021	30 June 2021
	\$	\$
Opening Balance	(6,174,666)	(8,501,575)
Net (Loss)/Profit	(15,818)	2,326,909
Transfer from accumulated losses	6,190,484	-
Closing balance	-	(6,174,666)

NOTE 13: DISTRIBUTIONS

	31 December 2021	30 June 2021
	\$	\$
Interim distribution paid	-	(14,611,598)
Final distribution paid	(514,549)	-
Total interim distributions paid	(514,549)	(14,611,598)

NOTE 14: NOTES TO THE STATEMENT OF CASH FLOWS

	31 December 2021	30 June 2021
	\$	\$
(a) Reconciliation of net cash provided by operating activities to net profit		
Net (Loss)/Profit	(15,818)	2,326,909
<i>Adjustments for:</i>		
Fair value movement on investment properties	-	(700,361)
Net foreign exchange gain (non-cash)	-	(3,122,544)
Financing Costs classified as an expense	-	986,700
Investing Costs classified as an expense	-	79,841
Changes in assets and liabilities during the financial year		
Decrease in other payables	-	(20,167)
Decrease in other liabilities	-	(568,040)
Decrease in accrued expenses	(53,846)	(235,605)
Decrease in other current assets	22,089	594,312
Decrease in trade and other receivables	-	319,759
Net cash used in operating activities	(47,575)	(339,196)
(b) Reconciliation of cash		
Cash Balance comprises		
Cash at bank	-	562,124
Closing cash balance	-	562,124

The Scheme does not currently have access to any further debt facilities.

NOTE 15: RELATED PARTIES

Responsible Entity

The Responsible Entity of MAB International Retail Trust is MAB Funds Management Limited (ABN 36 098 846 701) whose immediate and ultimate holding company is MAB Corporation Pty Ltd (ABN 78 917 019 883).

(a) Responsible Entity Fees and Other Transactions

During the financial year, there were no Responsible Entity fees or other related party charges paid.

(b) Related party investment held by the Scheme

The Scheme has no investment in the Responsible Entity at year end.

The Scheme has no investment in other schemes of which the MAB Funds Management Limited is also the Responsible Entity.

(c) Payables to Responsible Entity

As at 31 December 2021 the Scheme has no outstanding payables to the Responsible Entity (30 June 2021: Nil).

(d) Units in the Scheme held by related parties

Details of holdings in the Scheme by the Responsible Entity, directors, director related entities or other schemes also managed by the Responsible Entity are set out as below:

NOTE 15: RELATED PARTIES (CONTINUED)

(d) Units in the Scheme held by related parties (continued)

	Number of units held '000	Fair Value of units held \$
31 December 2021		
Windyvale Pty Ltd	-	-
MRB Group No.49 Pty Ltd	-	-
Andrea Brisbane	-	-
Shadow field Pty Ltd	-	-
Andrew Buxton & Geraldine Buxton A/C Jero Pty Ltd Superannuation Fund	-	-
Buxton Super Pty Ltd A/C A & G Buxton Superannuation Funds	-	-
Related party total	-	-
30 June 2021		
Windyvale Pty Ltd	27,900,350	172,207
MRB Group No.49 Pty Ltd	28,080,350	173,318
Andrea Brisbane	22,500	139
Shadow field Pty Ltd	17,641,666	108,888
Andrew Buxton & Geraldine Buxton A/C Jero Pty Ltd Superannuation Fund	1,072,456	6,619
Buxton Super Pty Ltd A/C A & G Buxton Superannuation Funds	684,211	4,223
Related party total	75,401,533	465,394

Other related party transactions

There were no Responsible Entity fees charged during the period to 31 December 2021.

MAB Rosenthal LLC is a related party of MAB Funds Management Limited and has provided asset management services for the Scheme's properties. No fees were charged or paid by the Group to MAB Rosenthal LLC for these services during the period ended 31 December 2021 (year ended 30 June 2021: \$97,261).

NOTE 16: CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or liabilities as at 31 December 2021 (30 June 2021: Nil)

NOTE 17: SUBSEQUENT EVENTS

There has been no matter or circumstance which has arisen since 31 December 2021 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2021, of the Scheme, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2021, of the Scheme.

NOTE 18: RESPONSIBLE ENTITY DETAILS

The registered office of the Responsible Entity is:

Level 5
441 St Kilda Road
Melbourne VIC 3004

The principal place of business is:

Level 5
441 St Kilda Road
Melbourne VIC 3004

DIRECTORS' OF RESPONSIBILITY ENTITY DECLARATION FOR THE PERIOD ENDED 31 DECEMBER 2021

In the opinion of the directors of MAB Funds Management Limited, the Responsible Entity of the Scheme:

1. The financial statements and notes set out on pages 6 to 16 in accordance with the *Corporations Act 2001* and;
 - (a) Comply with Accounting Standards and the *Corporations Regulations 2001*, and
 - (b) As stated in Note 1(a) the consolidated financial statements also comply with International Financial Reporting Standards; and
 - (c) Give a true and fair view of the financial position of the Scheme as at 31 December 2021 and of its performance as represented by the results of its operations and its cash flows for the period ended on that date.
2. There are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a Resolution of the Directors of the Responsible Entity, MAB Funds Management Limited.



Nicholas Gray
Director
MAB Funds Management Limited
11 March 2022

MAB INTERNATIONAL RETAIL TRUST AND CONTROLLED ENTITIES
ARSN 121 054 662

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MAB INTERNATIONAL RETAIL TRUST AND CONTROLLED ENTITIES

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of MAB International Retail Trust and controlled entities, “the Scheme”, which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors’ of the Responsible Entity declaration.

In our opinion, the accompanying financial report of the Scheme is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Scheme’s financial position as at 31 December 2021 and of its financial performance for the period then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Scheme 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 Professional Standards)* “the Code” that are relevant to our audit of the 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 Responsible Entity would be in the same terms if given to the directors as at the time of this auditor’s report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting (Non-going concern)

We draw attention to the matters described in Note 1 in the Financial Report, which indicates that the non-going concern basis of accounting has been applied in the preparation of the financial report as termination of the scheme was completed on 31 December 2021.

**MAB INTERNATIONAL RETAIL TRUST AND CONTROLLED ENTITIES
ARSN 121 054 662**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MAB INTERNATIONAL RETAIL TRUST AND CONTROLLED ENTITIES**

Other Information

The Directors of the Responsible Entity are responsible for the other information. The other information comprises the information included in the Directors' of the Responsible Entity report for the period ended 31 December 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors of the Responsible Entity for the Financial Report

The Directors of the Responsible Entity are responsible for the preparation of the 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 of the Responsible Entity determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors of the Responsible Entity are responsible for assessing the ability of the Scheme to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors of the Responsible Entity either intend to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

MAB INTERNATIONAL RETAIL TRUST AND CONTROLLED ENTITIES
ARSN 121 054 662

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MAB INTERNATIONAL RETAIL TRUST AND CONTROLLED ENTITIES

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Responsible Entity.
- Conclude on the appropriateness of the Directors' of the Responsible Entity use of the non-going concern basis of accounting, based on the audit evidence obtained.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors of the Responsible Entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors of the Responsible Entity with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



N R BULL
Partner



PITCHER PARTNERS
Melbourne

11 March 2022