

**ASSET RESOLUTION LIMITED
DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**



The Directors present their report together with the interim financial report of Asset Resolution Limited (“Company”), for the half year ended 31 December 2021.

Directors

The names of the Company’s Directors in office during the half-year and until the date of this report are as below.

Director	Position	Appointed	Last elected or re-elected at AGM
Giles Craig	Independent Non-Executive Chair	11 September 2015	21 October 2021
Sarina Roppolo	Independent Non-Executive	28 February 2018	18 November 2020
Therese Cochrane	Non-Executive	20 April 2020	18 November 2020

Therese Cochrane is not deemed independent due to her substantial interest in the Company.

Directors’ Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, the interests of the directors, either directly or indirectly, in the shares of Asset Resolution Limited were:

Directors	Opening interest at 1 July 2021	Net changes during the period	Granted as remuneration	Closing interest at 31 December 2021 & date of this report
Giles Craig	102,713	-	17,606	120,319
Therese Cochrane	1,052,198	-	17,606	1,069,804
Sarina Roppolo	35,512	-	17,606	53,118
Total Directors	1,190,423	-	52,818	1,243,241

At 31 December 2021 and at the date of this report:

1. Giles Craig holds 120,319 shares:
 - o 93,424 shares are held in North Shore Custodians ATF The Craig Family Trust, of which he is a beneficiary; and
 - o 26,895 shares are held by Giles and Vicki Craig ATF the Craig Family Superannuation Fund of which Mr Craig has effective control.
2. Therese Cochrane holds 1,069,804 shares;
 - o 14,583 shares are held by Samuel Terry Asset Management Pty Ltd (“STAM”), of which she is an employee and a beneficial owner.
 - o 1,026,893 shares are held by STAM as trustee of the Samuel Terry Absolute Return Fund and she is an employee and a beneficial owner of STAM.
 - o 28,143 shares are held by Therese Nancy Cochrane
 - o 185 shares are held by Woollard Super Fund, of which she is a beneficiary.
3. Sarina Roppolo holds 53,118 shares:
 - o 53,118 shares are held by Abril Holdings Pty Ltd, of which she has effective control.

Interest in Options

There are no options on issue.

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DIRECTORS' REPORT CONTINUED
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**



Dividends

The directors have resolved not to declare a dividend for the period ended 31 December 2021. No dividends were paid during the previous financial period.

Principal activities

During the period the principal activity of the Company was: holding various assets including some Distressed assets and identifying potential Assets to acquire.

Review of Operations

Review of current period operations

During the period the company's profit amounted to \$684,098 (December 2020: \$5,590,780). Our profit reflects positive contributions from each of our investments in NobleOak Life Limited and in African Lions Fund Limited. The decrease over the previous period is primarily due to the fact that we received no Octaviar distribution during the current period. (December 2020: 5,158,653).

In prior years, the liquidators of Octaviar Ltd (OL) and Octaviar Administration Pty Ltd (OA) had advised the Company that \$205,694,371 and \$137,215,907 respectively of the proof of debt claim had been allowed. To date, the Company has received \$5,046,220 from OL and \$ 3,666,135 from OA. It is impossible to forecast with confidence how much the Company might recover from these assets, nor is it possible to forecast when the Company might receive any money from them.

At the Annual General Meeting held on 21 October 2021, the following resolutions were approved by the shareholders:

- Adoption of Remuneration Report;
- Mr. Giles Craig was re-elected as a director of the Company;
- The on-market buy-back of up to 671,012 fully paid ordinary shares in the Company (representing approximately 20% of the Company's issued shares as at 3 September 2021) in the 12-month period following the date of the AGM, of which none have been bought back to date;
- A special resolution to issue shares to directors in lieu of their Directors' fees for the year ended 30 November 2022 (Board total fees: \$150,000 per annum net of GST) at \$5.32 per share under the Non-Executive Share Plan.

Net Tangible Assets Per Share:

	Half-year ended 31 Dec 2021 \$	Year ended 30 Jun 2021 \$	Year ended 30 Jun 2020 \$
Net Assets			
Cash and receivables	4,539,692	4,798,166	4,089,232
Financial assets	14,149,103	13,093,149	5,250,000
Other Assets	155,514	-	-
Total liabilities - current	(538,268)	(419,372)	(145,209)
Net Assets	18,306,041	17,471,943	9,194,023
Number of Shares on issue	3,337,819	3,285,001	3,233,277
Net tangible assets per share in \$:	5.48	5.32	2.84

Events subsequent to balance date

On 8 March 2022, the Company sold all of its holding in NobleOak Life Limited for \$6,267,989 before brokerage costs.

There are no other matters or circumstances that have arisen since 31 December 2021 to the date of this report which have significantly affected or may affect:

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- a) the Company's operations in future financial periods; or
- b) the results of those operations in future financial periods; or
- c) the Company's state of affairs in future financial periods.

Auditor's Declaration

A copy of the auditor's independence declaration as required by section 307C of the *Corporations Act 2001* in relation to the review for the half year is provided on the following page of this report.

Signed in accordance with a resolution of the directors:

A handwritten signature in blue ink that reads 'Giles C Craig'.

**Mr Giles Craig
Chairman**

9th March 2022

Auditor's Independence Declaration

To the Directors of Asset Resolution Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Asset Resolution Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



M A Adam-Smith
Partner – Audit & Assurance

Sydney, 9 March 2022

**ASSET RESOLUTION LIMITED
INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2021**

DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards AASB 134 Interim Reporting, the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) There are reasonable grounds to believe that Asset Resolution Limited 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.



**Mr Giles Craig
Chairman**

9th March 2022