

Ophir High Conviction Fund

ARSN 620 920 201

Appendix 4D

Interim Report

For the half-year ended 31 December 2019

Details of reporting period

This interim report is for the half-year from 1 July 2019 to 31 December 2019. The previous corresponding half-year was 1 July 2018 to 31 December 2018.

The Directors of The Trust Company (RE Services) Limited, the Responsible Entity of Ophir High Conviction Fund (the "Fund") announce the reviewed results of the Fund for the half-year ended 31 December 2019 as follows:

Results for announcement to the market

	Half-year ended		Increase/decrease over	
	31 December	31 December	corresponding period	
	2019	2018		
	\$'000	\$'000	\$'000	%
Total investment income/(loss)	35,446	(64,240)	99,621	155.18%
Profit/(loss) for the half-year	29,999	(68,689)	98,688	143.67%

Brief explanation of results

The operating profit for the period to 31 December 2019 of \$29,999,000 represented a large increase from the \$68,689,000 operating loss in the period to 31 December 2018. Both the increase in revenue and net profit for the half-year were a function of the increase in the average net tangible assets of the Fund compared to half-year ended 31 December 2018. Net positive portfolio performance for the period of 5.77% was substantially higher to the net negative portfolio performance of (11.88%) for the previous corresponding period.

Distribution information

No distributions relating to the half-year were paid or are payable.

Distribution Reinvestment Plan (DRP)

The Responsible Entity has established a Distribution Reinvestment Plan ("DRP") in relation to distributions. The Responsible Entity expects to make distributions on an annual basis. For such distributions, it is expected the record date will be the first ASX trading day of each month and the last day for electing into the DRP will be 5.00pm (Sydney time) on the first business day after the record date.

Units under the DRP are currently issued at the net asset value of a unit as determined in accordance with the Fund's Constitution on the record date.

Net tangible assets

	As at	
	31 December	31 December
	2019	2018
Net tangible asset per security	\$2.7557	\$2.1307

Control gained or lost over entities during the period

There was no gain or loss of control of entities during the current period.

Details of associates and joint venture entities

The Fund did not have any interest in associates and joint venture entities during the current period.

Other information

The Fund is not a foreign entity.

Independent review report

This Appendix 4D is based on the interim financial statements which have been reviewed by the Fund's Auditors - Ernst & Young.

Ophir High Conviction Fund

ARSN 620 920 201

Interim Report

For the half-year ended 31 December 2019

Ophir High Conviction Fund

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Interim Report

For the half-year ended 31 December 2019

Contents

	Page
Directors' Report	2
Auditor's Independence Declaration	5
Statement of Comprehensive Income	6
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Interim Financial Statements	11
Directors' Declaration	19
Independent Auditor's Review Report to the Unitholders of Ophir High Conviction Fund	20

This interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim report is to be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made in respect of Ophir High Conviction Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This interim report covers Ophir High Conviction Fund as an individual entity. The Responsible Entity of Ophir High Conviction Fund is The Trust Company (RE Services) Limited (ABN 45 003 278 831) (AFSL 235150).

The Responsible Entity's registered office is:

Level 18 Angel Place
123 Pitt Street
Sydney NSW 2000

Directors' Report

The Trust Company (RE Services) Limited (ABN 45 003 278 831) is the responsible entity (the "Responsible Entity") of Ophir High Conviction Fund ("OPH" or the "Fund"). The Directors of the Responsible Entity (the "Directors") present their report together with the interim financial statements of the Fund for the half-year ended 31 December 2019.

Principal activities

The Fund is a registered managed investment scheme domiciled in Australia.

The Fund invests in a concentrated exposure to a high-quality portfolio of Australian listed companies outside the S&P/ASX 50. The Fund may also invest in listed securities in New Zealand.

The Fund was constituted on 23 July 2015 and commenced operations on 31 August 2015.

The Fund is currently listed in the Australian Securities Exchange ("ASX").

The Fund did not have any employees during the half-year.

There were no significant changes in the nature of the Fund's activities during the half-year.

Directors

The Directors of The Trust Company (RE Services) Limited during the half-year and up to the date of this report are shown below. The Directors were in office for this entire period except where stated otherwise.

Glenn Foster

Michael Vainauskas (resigned 27 September 2019)

Andrew McIver (Alternate Director for Michael Vainauskas) (resigned 2 September 2019)

Andrew McIver (Alternate Director for Glenn Foster) (appointed 2 September 2019, resigned 27 September 2019)

Vicki Riggio

Phillip Blackmore (Alternate Director for Vicki Riggio)

Richard McCarthy

Simone Mosse (appointed 27 September 2019)

Review and results of operations

During the half-year, the Fund invested in accordance with the investment objective and guidelines as set out in the governing documents of the Fund and in accordance with the provisions of the Fund's Constitution.

Results

The performance of the Fund, as represented by the results of its operations, was as follows:

	Half-year ended	
	31 December 2019	31 December 2018
Operating profit/(loss) for the half-year (\$'000)	29,999	(68,689)

No distributions were paid or payable during the half-year ended 31 December 2019 (31 December 2018: \$33,956,000).

Ophir High Conviction Fund
Directors' Report
For the half-year ended 31 December 2019
(continued)

Review and results of operations (continued)

	Half-year ended	
	31 December 2019	31 December 2018
<i>Distributions Ophir HCF</i>		
Distributions paid (\$'000)	-	1,095
Distributions (cents per unit)	-	12.0715
<i>Distributions Ophir HCF - A</i>		
Distributions paid (\$'000)	-	30,749
Distributions (cents per unit)	-	11.9415
<i>Distributions Ophir HCF B</i>		
Distributions paid (\$'000)	-	1,233
Distributions (cents per unit)	-	13.4701
<i>Distributions Ophir HCF - C</i>		
Distributions paid (\$'000)	-	879
Distributions (cents per unit)	-	8.0258

Significant changes in state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Fund that occurred during the half-year.

Matters subsequent to the end of the half-year

No matter or circumstance has arisen since 31 December 2019 that has significantly affected, or may significantly affect:

- (i) the operations of the Fund in future financial periods, or
- (ii) the results of those operations in future financial periods, or
- (iii) the state of affairs of the Fund in future financial periods.

Likely developments and expected results of operations

The Fund will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Fund and in accordance with the provisions of the Fund's Constitution.

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Indemnity and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Fund in regards to insurance cover provided to either the officers of the Responsible Entity or the auditors of the Fund. So long as the officers of the Responsible Entity act in accordance with the Fund's Constitution and the *Corporations Act 2001*, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

The auditors of the Fund are in no way indemnified out of the assets of the Fund.

Units in the Fund

The value of the Fund's assets and liabilities is disclosed in the Statement of Financial Position and derived using the basis set out in Note 2 to the interim financial statements.

Environmental regulation

The operations of the Fund are not subject to any particular or significant environmental regulations under Commonwealth, State or Territory law.

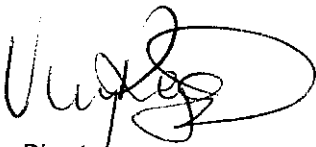
Rounding of amounts to the nearest thousand dollars

The Fund is an entity of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* issued by Australian Securities and Investments Commission (ASIC) relating to the "rounding off" of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded to the nearest thousand dollars in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of the Directors of The Trust Company (RE Services) Limited.



Director
The Trust Company (RE Services) Limited

Sydney
26 February 2020



**Building a better
working world**

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of The Trust Company (RE Services) Limited as Responsible Entity for Ophir High Conviction Fund

As lead auditor for the review of the half-year financial report of Ophir High Conviction Fund for the half-year ended 31 December 2019, I declare 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.

Ernst & Young

Rohit Khanna
Partner
26 February 2020

Ophir High Conviction Fund
Statement of Comprehensive Income
For the half-year ended 31 December 2019

Statement of Comprehensive Income

		Half-year ended	
		31 December	31 December
		2019	2018
	Notes	\$'000	\$'000
Investment income			
Interest income from financial assets at amortised cost		185	430
Dividend and distribution income		3,742	4,598
Net gains/(losses) on financial instruments at fair value through profit or loss	4	31,454	(69,268)
Expense reimbursement income		65	-
Total investment income/(loss)		35,446	(64,240)
Expenses			
Responsible Entity's fees		126	217
Management fees		3,355	3,374
Performance fees		1,373	190
Administration fees		74	92
Remuneration to auditors	8	17	17
Transaction costs		397	494
Other operating expenses		105	65
Total operating expenses		5,447	4,449
Operating profit/(loss) for the half-year		29,999	(68,689)
Finance costs attributable to unitholders			
Distributions to unitholders*	7	-	(33,956)
(Increase)/decrease in net assets attributable to unitholders*	6	-	102,356
Profit/(loss) for the half-year		29,999	(289)
Other comprehensive income		-	-
Total comprehensive income for the half-year		29,999	(289)

* The units previously on issue were classified as liability and redeemed on 12 December 2018. A new class of units of equal value was issued on the same day to eligible unitholder and classified as equity. As a result, the Fund's distributions are no longer classified as finance costs in the statement of comprehensive income, but rather as distributions paid and payable in the statement of changes in equity. Refer to Note 1 and Note 6 for further detail.

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Ophir High Conviction Fund
Statement of Comprehensive Income
For the half-year ended 31 December 2019
(continued)

Statement of Comprehensive Income (continued)

		Half-year ended	
	Notes	31 December 2019	31 December 2018
Earnings/(loss) per unit for profit attributable to the unitholders of the Fund			
Basic earnings/(loss) per unit in cents	9	<u>15.00</u>	<u>(14.25)</u>
Diluted earnings/(loss) per unit in cents	9	<u>15.00</u>	<u>(14.25)</u>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Ophir High Conviction Fund
Statement of Financial Position
As at 31 December 2019

Statement of Financial Position

	As at	
	31 December	30 June
	2019	2019
Notes	\$'000	\$'000
Assets		
Cash and cash equivalents	61,693	63,041
Receivables	1,870	1,640
Due from brokers - receivable for securities sold	146	-
Financial assets at fair value through profit or loss	489,762	462,384
Total assets	553,471	527,065
Liabilities		
Management fees payable	641	563
Performance fee payable	-	5,183
Provision for performance fee	1,373	-
Responsible Entity's fees payable	200	67
Other payables	123	117
Total liabilities	2,337	5,930
Net assets attributable to unitholders - equity	551,134	521,135

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Ophir High Conviction Fund
Statement of Changes in Equity
For the half-year ended 31 December 2019

Statement of Changes in Equity

		Half-year ended	
		31 December	31 December
		2019	2018
	Notes	\$'000	\$'000
Total equity at the beginning of the half-year		521,135	-
Comprehensive income for the half-year			
Profit/(loss) for the half-year		29,999	(289)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the half-year		29,999	(289)
Transactions with unitholders			
Applications		-	426,423
Redemptions		-	-
Reinvestment of distributions		-	-
Distributions paid and payable		-	-
Total transactions with unitholders		-	426,423
Total equity at the end of the half-year	6	551,134	426,134

The units previously on issue were classified as liability and redeemed on 12 December 2018. A new class of units of equal value was issued on the same day to eligible unitholders and classified as equity.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Ophir High Conviction Fund
Statement of Cash Flows
For the half-year ended 31 December 2019

Statement of Cash Flows

	Half-year ended	
	31 December 2019	31 December 2018
	\$'000	\$'000
Cash flows from operating activities		
Proceeds from sale of financial instruments at fair value through profit or loss	182,714	332,309
Purchase of financial instruments at fair value through profit or loss	(178,784)	(229,231)
Interest income received from financial assets at amortised cost	210	470
Expense reimbursement fees received	132	-
Dividends and distributions received	3,742	4,598
Performance fees paid	(5,183)	(6,776)
Management fees paid	(3,523)	(3,962)
Custody and administration fees paid	(122)	(109)
Transaction costs paid	(455)	(580)
Expense reimbursement fees paid	-	(25)
Other operating expenses paid	(79)	(22)
Net cash inflow/(outflow) from operating activities	(1,348)	96,672
Cash flows from financing activities		
Proceeds from applications by unitholders	-	24,781
Payments for redemptions by unitholders	-	(153,554)
Distributions paid	-	(21,625)
Net cash inflow/(outflow) from financing activities	-	(150,398)
Net increase/(decrease) in cash and cash equivalents	(1,348)	(53,726)
Cash and cash equivalents at the beginning of the half- year	63,041	104,569
Cash and cash equivalents at the end of the half-year	61,693	50,843
Non-cash financing activities		
Issue of units under the distributions reinvestment plan	-	22,880
Replacement of units as a result of unit class restructure	-	426,423
Total non-cash financing activities	-	449,303

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the interim financial statements

Contents

	Page
1 General information	12
2 Summary of significant accounting policies	12
3 Fair value measurement	13
4 Net gains/(losses) on financial instruments at fair value through profit or loss	14
5 Financial assets at fair value through profit or loss	15
6 Net assets attributable to unitholders	15
7 Distributions to unitholders	17
8 Auditor's remuneration	17
9 Earnings/(loss) per unit	18
10 Segment information	18
11 Significant events during the half-year	18
12 Events occurring after the reporting period	18
13 Contingent assets and liabilities and commitments	18

1 General information

These interim financial statements cover Ophir High Conviction Fund (the "Fund") as an individual entity. The Fund was constituted on 23 July 2015, commenced operations on 31 August 2015 and admitted to the Australian Securities Exchange ("ASX") on 19 December 2018. The Fund will terminate in accordance with the provisions of the Fund's Constitution or by Law.

The Trust Company (RE Services) Limited (ABN 45 003 278 831) is the responsible entity of the Fund (the "Responsible Entity"). The Responsible Entity's registered office is Level 18 Angel Place, 123 Pitt Street, Sydney, NSW 2000.

The Responsible Entity is incorporated and domiciled in Australia.

The investment manager of the Fund is Ophir Asset Management Pty Limited (the "Investment Manager").

The Fund principally invests concentrated exposure to a high-quality portfolio of Australian listed companies outside the S&P/ASX 50. The Fund may also invest in listed securities in New Zealand in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

The interim financial statements are presented in Australian dollars, which is the functional currency of the Fund.

The interim financial statements were authorised for issue by the directors of the Responsible Entity (the "Directors of the Responsible Entity") on 26 February 2020. The Directors of the Responsible Entity have the power to amend and reissue the interim financial statements.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these interim financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

(a) Basis of preparation

These interim financial statements have been prepared in accordance with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 *Interim Financial Reporting*.

These interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these interim financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2019 and any public announcements made in respect of the Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within 12 months, except for investments in financial assets and liabilities.

(b) Significant accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Fund's financial statements for the year ended 30 June 2019.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the half-year beginning 1 July 2019 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

(c) Provisions

Provisions are recognised when the Fund has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Comprehensive Income.

2 Summary of significant accounting policies (continued)

(d) Rounding of amounts

The Fund is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191* issued by the Australian Securities and Investments Commission (ASIC) relating to the "rounding off" of amounts in the interim financial statements. Amounts in the interim financial statements have been rounded to the nearest thousand dollars in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

(e) Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

3 Fair value measurement

The Fund measures and recognises the following financial assets at fair value on a recurring basis.

- Financial assets at fair value through profit or loss (FVTPL)

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

(i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Fund values its investments in accordance with the accounting policies set out in Note 2 to the interim financial statements. For the majority of its investments, information provided by independent pricing services is relied upon for valuation of investments.

The quoted market price used to fair value financial assets held by the Fund is the last-traded prices.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

3 Fair value measurement (continued)

(ii) Recognised fair value measurements

The following table presents the Fund's financial assets measured and recognised at fair value as at 31 December 2019 and 30 June 2019.

As at 31 December 2019	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss				
Australian listed equity securities	489,762	-	-	489,762
Total financial assets at fair value through profit or loss	489,762	-	-	489,762
As at 30 June 2019				
Financial assets at fair value through profit or loss				
Australian listed equity securities	462,384	-	-	462,384
Total financial assets at fair value through profit or loss	462,384	-	-	462,384

(iii) Transfers between levels

The Fund's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between the levels in the fair value hierarchy during the reporting period.

(iv) Fair value of other financial instruments

Due to their short term nature, the carrying amounts of cash and cash equivalents, receivables and payables are assumed to approximate fair value.

4 Net gains/(losses) on financial instruments at fair value through profit or loss

	Half-year ended	
	31 December 2019 \$'000	31 December 2018 \$'000
Financial assets		
Net realised gain/(loss) on financial assets at fair value through profit or loss	1,691	33,038
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	29,763	(102,306)
Net gains/(losses) on financial assets at fair value through profit or loss	31,454	(69,268)
Total net gains/(losses) on financial instruments at fair value through profit or loss	31,454	(69,268)

Ophir High Conviction Fund
Notes to the Interim Financial Statements
For the half-year ended 31 December 2019
(continued)

5 Financial assets at fair value through profit or loss

	As at	
	31 December 2019	30 June 2019
	\$'000	\$'000
Financial assets at fair value through profit or loss		
Australian listed equity securities	489,762	462,384
Total financial assets at fair value through or loss	489,762	462,384

6 Net assets attributable to unitholders

Under AASB 132 *Financial Instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Fund has elected into the AMIT tax regime and consequently the Fund's Constitution has been amended. The Fund does not have a contractual obligation to pay distributions to unitholders. The Fund shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions.

Prior to 12 December 2018, the Fund classified its net assets attributable to unitholders as liabilities in accordance with AASB 132. On 12 December 2018, the Fund changed its unit class structure from multi-class to single class as part of the ASX listing requirements. The three classes of units previously on issue were redeemed on 12 December 2018 and a new class of units of equal value was issued to eligible unitholders to enable the Fund to be listed on the ASX. Therefore, the net assets attributable to unitholders of the Fund meet the criteria set out under AASB 132 and are classified as equity from 12 December 2018 onwards.

Movements in number of units and net assets attributable to unitholders during the half-year were as follows:

	Half-year ended		Half-year ended	
	31 December 2019	31 December 2019	31 December 2018	31 December 2018
	No. '000	\$'000	No. '000	\$'000
Ophir HCF - LIT				
Opening balance	200,000	521,135	-	-
Applications	-	-	200,000	426,423
Profit/(loss) for the year	-	29,999	-	(289)
Closing balance	200,000	551,134	200,000	426,134

	Half-year ended		Half-year ended	
	31 December 2019	31 December 2019	31 December 2018	31 December 2018
	No. '000	\$'000	No. '000	\$'000
Ophir - HCF				
Opening balance	-	-	8,497	17,280
Applications	-	-	16	35
Redemptions	-	-	(9,691)	(16,266)
Reinvestment of distributions	-	-	1,178	2,231
Increase/(decrease) in net assets attributable to unitholders	-	-	-	(3,280)
Closing balance	-	-	-	-

6 Net assets attributable to unitholders (continued)

Ophir HCF - A

Opening balance	-	-	301,978	577,623
Applications	-	-	1,602	3,050
Redemptions	-	-	(314,257)	(503,233)
Reinvestment of distributions	-	-	10,677	18,178
Increase/(decrease) in net assets attributable to unitholders	-	-	-	(95,618)
Closing balance	-	-	-	-

Ophir HCF - B

Opening balance	-	-	28,741	39,055
Redemptions	-	-	(30,195)	(41,470)
Reinvestment of distributions	-	-	1,454	1,976
Increase/(decrease) in net assets attributable to unitholders	-	-	-	439
Closing balance	-	-	-	-

Ophir HCF - C

Applications	-	-	11,491	22,396
Redemptions	-	-	(11,786)	(18,994)
Reinvestment of distributions	-	-	295	495
Increase/(decrease) in net assets attributable to unitholders	-	-	-	(3,897)
Closing balance	-	-	-	-

As stipulated within the Fund's Constitution, each unit represents a right to an individual unit in the Fund and does not extend to a right to the underlying assets of the Fund.

On 12 December 2018, the three classes of units previously on issue were redeemed and a new class of units ("OPHIR HCF - LIT") of equal value was issued to eligible unitholders to enable the Fund to be listed on the ASX.

Capital risk management

The Fund classifies its net assets attributable to unitholders as equity.

The Fund is a closed-end Fund and is not subject to applications and redemptions from the date of listing on the ASX.

Ophir High Conviction Fund
Notes to the Interim Financial Statements
For the half-year ended 31 December 2019
(continued)

7 Distributions to unitholders

Distributions are payable annually. Such distributions are determined by reference to the net taxable income of the Fund.

No distributions relating to the half-year were paid or are payable.

	Half-year ended		Half-year ended	
	31 December 2019 \$'000	31 December 2019 CPU*	31 December 2018 \$'000	31 December 2018 CPU*
Ophir HCF				
Distributions paid	-	-	1,095	12.0715
Total distributions	-	-	1,095	12.0715
 Ophir HCF - A				
Distributions paid	-	-	30,749	11.9415
Total distributions	-	-	30,749	11.9415
 Ophir HCF - B				
Distributions paid	-	-	1,233	13.4701
Total distributions	-	-	1,233	13.4701
 Ophir HCF - C				
Distributions paid	-	-	879	8.0258
Total distributions	-	-	879	8.0258

8 Auditor's remuneration

During the half-year the following fees were paid or payable for services provided by the auditor of the Fund:

	Half-year ended	
	31 December 2019 \$	31 December 2018 \$
Ernst & Young		
Audit and other assurance services		
Review of financial statements	17,000	16,000
Other assurance services	-	8,000
Total remuneration for audit and other assurance services	17,000	24,000
 Total remuneration of Ernst & Young	17,000	24,000

The fees for review of financial statements are borne by the Fund. The fees for other assurance and tax services are borne by Ophir Asset Management Pty Ltd, the Fund's Investment Manager, and not re-charged to the Fund.

9 Earnings/(loss) per unit

Basic earnings/(loss) per unit amounts are calculated by dividing operating profit/(loss) before distributions by the weighted average number of units outstanding during the half-year.

Diluted earnings per unit are the same as basic earnings/(loss) per unit.

	Half-year ended	
	31 December 2019	31 December 2018
Operating profit/(loss) for the half-year (\$'000)	29,999	(68,689)
Weighted average number of units in issue (\$'000)	200,000	482,130
Basic and diluted earnings/(loss) per unit in cents	15.00	(14.25)

10 Segment information

The Fund has only one reportable segment. The Fund operates predominantly in Australia and is engaged solely in investment activities, deriving revenue from dividend and distribution income, interest income and from the sale of its investment portfolio.

11 Significant events during the half-year

There were no significant events during the half-year.

12 Events occurring after the reporting period

The Directors are not aware of any event or circumstance since the end of the half-year not otherwise addressed within these interim financial statements that has affected or may significantly affect the operations of the Fund, the results of those operations or the state of affairs of the Fund in subsequent years. The Fund continues to operate as a going concern.

13 Contingent assets and liabilities and commitments

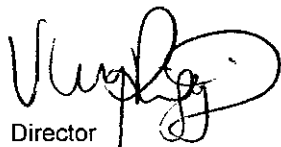
There are no outstanding contingent assets, liabilities or commitments as at 31 December 2019 and 30 June 2019.

Directors' Declaration

In the opinion of the Directors of the Responsible Entity:

- (a) the interim financial statements and notes set out on pages 6 to 18 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Fund's financial position as at 31 December 2019 and of its performance for the half-year ended on that date.
- (b) there are reasonable grounds to believe that the Fund 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 Trust Company (RE Services) Limited.



Director
The Trust Company (RE Services) Limited

Sydney
26 February 2020

Independent Auditor's Review Report to the Unitholders of Ophir High Conviction Fund

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Ophir High Conviction Fund (the "Fund") which comprises the statement of financial position as at 31 December 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a description of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Fund is not in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the Fund's financial position as at 31 December 2019 and of its financial 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.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Responsible Entity of the Fund 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to 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 Fund's financial position as at 31 December 2019 and its financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Fund, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.



Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

A handwritten signature in dark ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in dark ink that reads 'Rohit Khanna'.

Rohit Khanna
Partner
Sydney
26 February 2020