

**Talaria Global Equities  
Managed Investment Schemes**

**Interim report  
For the half-year ended 31 December 2022**

**Talaria Global Equity Fund  
ARSN 132 393 705**

**Talaria Global Equity Fund - Currency Hedged (Managed Fund)  
ARSN 159 504 275**

**Talaria Global Equities  
Managed Investment Schemes  
Interim report  
For the half-year ended 31 December 2022**

<b>Contents</b>	<b>Page</b>
Directors' report	2
Auditor's independence declaration	5
Statements of comprehensive income	6
Statements of financial position	7
Statement of changes in net assets attributable to unitholders - liability	8
Statement of changes in equity	9
Statements of cash flows	10
Notes to the financial statements	11
Directors' declaration	18
Independent auditor's review report to the unitholders	19

**Talaria Global Equities  
Managed Investment Schemes  
Directors' report  
31 December 2022**

**Directors' report**

The directors of Australian Unity Funds Management Limited (ABN 60 071 497 115), the "Responsible Entity" of the Talaria Global Equities Managed Investment Schemes (the "Schemes"), listed below, present their report together with the financial statements of the Schemes for the financial half-year ended 31 December 2022.

Scheme name	ARSN
Talaria Global Equity Fund	132 393 705
Talaria Global Equity Fund - Currency Hedged (Managed Fund)	159 504 275

**Directors**

The following persons were directors of the Responsible Entity during the whole of the half-year and up to the date of this report (unless otherwise stated):

Rohan Mead	Chairman and Group Managing Director
Esther Kerr-Smith	Chief Executive Officer, Wealth and Capital Markets
Darren Mann	Group Executive Finance & Strategy and Chief Financial Officer

**Principal activities**

The Schemes invest in accordance with the investment policy of the Schemes as set out in their respective Product Disclosure Statement (PDSs) and in accordance with the Schemes' Constitutions.

The Schemes' assets are managed by Talaria Asset Management Pty Ltd.

**Review and results of operations**

For the half-year ended 31 December 2022 and year ended 31 December 2021 the Schemes posted total returns as follows<sup>1</sup>:

	31 December 2022			31 December 2021		
	Total Return %	Distribution Return %	Growth Return %	Total Return %	Distribution Return %	Growth Return %
Talaria Global Equity Fund (Foundation)	4.95	2.95	2.00	5.60	2.35	3.25
Talaria Global Equity Fund (Managed Fund)	5.51	3.08	2.43	6.32	3.11	3.21
Talaria Global Equity Fund - Currency Hedged (Managed Fund)	3.91	0.00	3.91	4.46	0.00	4.46

Unit prices (ex distribution) as at 31 December and 31 December 2021 were as follows<sup>1</sup>:

	31 December 2022	31 December 2021
	\$	\$
Talaria Global Equity Fund (Foundation)	5.1011	5.0779
Talaria Global Equity Fund (Managed Fund)	4.7685	4.7216
Talaria Global Equity Fund - Currency Hedged (Managed Fund)	5.4051	5.4374

<sup>1</sup> The reported performance numbers and the reported unit prices (which are not audited) have been derived based on the declared unit prices calculated in accordance with the Responsible Entity's unit pricing policy and are not based on the net assets of these IFRS compliant financial statements. Return calculations assume reinvestment of distributions.

**Talaria Global Equities  
Managed Investment Schemes  
Directors' report  
31 December 2022  
(continued)**

**Directors' report (continued)**

**Review and results of operations (continued)**

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

	<b>Talaria Global Equity Fund</b>		<b>Talaria Global Equity Fund - Currency Hedged (Managed Fund)</b>	
	<b>Half-year</b>		<b>Half-year</b>	
	<b>2022</b>	2021	<b>2022</b>	2021
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Profit before finance costs attributable to unitholders	<b>43,086</b>	29,206	<b>3,470</b>	2,378
<i>Distributions</i>				
Distributions paid and payable	<b>25,429</b>	14,882	-	-

**Significant changes in the state of affairs**

In the opinion of the directors, there were no significant changes in the state of the affairs of the Schemes that occurred during the half-year, except those mentioned elsewhere in the report.

**Events occurring after end of the half-year**

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the operations of the Schemes, the results of operations, or the state of the Schemes' affairs in future reporting periods, except those mentioned elsewhere in the report.

**Likely developments and expected results of operations**

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

Further information on likely developments in the operations of the Schemes and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Schemes.

**Indemnification and insurance of officers and auditors**

No insurance premiums are paid for out of the assets of the Schemes in regards to insurance cover provided to either the officers of Australian Unity Funds Management Limited or the auditors of the Schemes. So long as the officers of Australian Unity Funds Management Limited act in accordance with the Schemes' Constitutions and the *Corporations Act 2001*, the officers remain indemnified out of the assets of the Schemes against losses incurred while acting on behalf of the Schemes. The auditors of the Schemes are in no way indemnified out of the assets of the Schemes.

**Environmental regulation**

The Schemes operations are not subject to environmental regulations under Australian law.

**Rounding of amounts**

The Schemes are entities of the kind referred to in *ASIC Corporations Instrument 2016/191* issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded to the nearest thousand dollars, where indicated.

**Talaria Global Equities  
Managed Investment Schemes  
Directors' report  
31 December 2022  
(continued)**

**Directors' report (continued)**

**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.

**Related Scheme Reports**

*ASIC Corporations (Related Scheme Reports) Instrument 2015/839* allows the Financial Statements and the Directors' Report of related registered schemes to be presented in a single financial report. This financial report has been prepared in accordance with this relief.

Signed in accordance with a resolution of the directors of Australian Unity Funds Management Limited.



Rohan Mead  
Director



Esther Kerr-Smith  
Director  
10 March 2023



## Auditor's Independence Declaration

- Talaria Global Equity Fund
- Talaria Global Equity Fund – Currency Hedged (Managed Fund)

referred to collectively as Talaria Global Equities Managed Investment Schemes.

As lead auditor for the review of Talaria Global Equities Managed Investment Schemes for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink that reads 'Britt Hawkins'.

Britt Hawkins  
Partner  
PricewaterhouseCoopers

Melbourne  
10 March 2023

**Talaria Global Equities**  
**Managed Investment Schemes**  
**Statements of comprehensive income**  
**For the half-year ended 31 December 2022**

**Statements of comprehensive income**

	Talaria Global Equity Fund		Talaria Global Equity Fund - Currency Hedged (Managed Fund)	
	Half-year		Half-year	
	2022	2021	2022	2021
Notes	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>				
Interest income	3,824	8	47	-
Dividend income	4,085	4,016	-	-
Distribution income	-	197	3,421	1,600
Net foreign exchange gain	3,114	2,012	-	-
Net gains on financial instruments at fair value through profit or loss	38,837	27,492	81	802
Other income	-	-	612	326
<b>Total investment income</b>	<b>49,860</b>	<b>33,725</b>	<b>4,161</b>	<b>2,728</b>
<b>Expenses</b>				
Management costs	4,854	2,951	691	350
Performance fees	342	405	-	-
Interest expenses	635	352	-	-
Transaction costs	889	811	-	-
Other operating expenses	54	-	-	-
<b>Total expenses</b>	<b>6,774</b>	<b>4,519</b>	<b>691</b>	<b>350</b>
<b>Profit before finance costs attributable to unitholders</b>	<b>43,086</b>	<b>29,206</b>	<b>-</b>	<b>-</b>
<b>Profit for the half-year</b>	<b>-</b>	<b>-</b>	<b>3,470</b>	<b>2,378</b>
Other comprehensive income	-	-	-	-
<b>Finance costs attributable to unitholders</b>				
Distributions to unitholders <sup>2 and 3</sup>	4 (25,429)	(14,882)	-	-
Increase in net assets attributable to unitholders <sup>2 and 3</sup>	3 (17,657)	(14,324)	-	-
<b>Total comprehensive income attributable to unitholders</b>	<b>-</b>	<b>-</b>	<b>3,470</b>	<b>2,378</b>

<sup>2</sup>Talaria Global Equity Fund - Currency Hedged (Managed Fund) has elected into the Attribution Managed Investment Trust (AMIT) regime. Hence distribution to unitholders as well as (increase)/decrease in net assets attributable to unitholders are not recognised as finance costs attributable to unitholders in the statement of comprehensive income and net assets attributable to unitholders are recognised as equity in the statement of financial position.

<sup>3</sup>Talaria Global Equity Fund classifies the net assets attributable to unitholders as liability as they do not satisfy the equity criteria under AASB 132 Financial Instruments: Presentation.

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

**Talaria Global Equities  
Managed Investment Schemes  
Statements of financial position  
As at 31 December 2022**

**Statements of financial position**

	Notes	Talaria Global Equity Fund		Talaria Global Equity Fund - Currency Hedged (Managed Fund)	
		31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
<b>Assets</b>					
Cash and cash equivalents		521,228	406,806	7,301	4,339
Receivables		3,728	2,255	2,879	2,858
Financial assets at fair value through profit or loss	5	439,606	258,348	134,779	77,144
<b>Total assets</b>		<b>964,562</b>	<b>667,409</b>	<b>144,959</b>	<b>84,341</b>
<b>Liabilities</b>					
Distributions payable	4	13,634	16,123	-	3,984
Payables		2,149	1,007	654	116
Financial liabilities at fair value through profit or loss	6	11,289	5,583	1,321	1,882
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>27,072</b>	<b>22,713</b>	<b>1,975</b>	<b>5,982</b>
<b>Net assets attributable to unitholders - equity<sup>2</sup></b>	3	<b>-</b>	<b>-</b>	<b>142,984</b>	<b>78,359</b>
<b>Net assets attributable to unitholders - liability<sup>3</sup></b>	3	<b>937,490</b>	<b>644,696</b>	<b>-</b>	<b>-</b>

<sup>2</sup> Talaria Global Equity Fund - Currency Hedged (Managed Fund) has elected into the Attribution Managed Investment Trust (AMIT) regime. Hence distribution to unitholders as well as (increase)/decrease in net assets attributable to unitholders are not recognised as finance costs attributable to unitholders in the statement of comprehensive income and net assets attributable to unitholders are recognised as equity in the statement of financial position.

<sup>3</sup> Talaria Global Equity Fund classifies the net assets attributable to unitholders as liability as they do not satisfy the equity criteria under AASB 132 Financial Instruments: Presentation.

The above statements of financial position should be read in conjunction with the accompanying notes.



**Talaria Global Equities**  
**Managed Investment Schemes**  
**Statement of changes in net assets attributable to unitholders - liability**  
**For the half-year ended 31 December 2022**

**Statement of changes in net assets attributable to unitholders - liability**

	<b>Talaria Global Equity Fund</b>	
	<b>Half-year</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at the beginning of the half-year</b>	<b>644,696</b>	446,304
Profit before finance costs attributable to unitholders	<b>43,086</b>	29,206
Distributions to unitholders	<b>(25,429)</b>	(14,882)
Applications	<b>305,763</b>	84,757
Redemptions	<b>(39,132)</b>	(26,811)
Units issued upon reinvestment of distributions	<b>8,506</b>	5,716
<b>Balance at the end of the half-year<sup>3</sup></b>	<b>937,490</b>	524,290

<sup>3</sup>Talaria Global Equity Fund classifies the net assets attributable to unitholders as liability as they do not satisfy the equity criteria under AASB 132 Financial Instruments: Presentation.

The above statement of changes in net assets attributable to unitholders - liability should be read in conjunction with the accompanying notes.

**Talaria Global Equities**  
**Managed Investment Schemes**  
**Statements of changes in equity**  
**For the half-year ended 31 December 2022**

**Statement of changes in equity**

**Talaria Global Equity Fund -  
Currency Hedged (Managed Fund)**

	Half-year	
	2022	2021
	\$'000	\$'000
<b>Balance at the beginning of the half-year</b>	78,359	45,432
<b>Comprehensive income for the half-year</b>		
Profit for the half-year	3,470	2,378
<b>Total comprehensive income</b>	<u>3,470</u>	<u>2,378</u>
<b>Transactions with unitholders</b>		
Applications	65,847	12,794
Redemptions	(5,021)	(1,470)
Units issued upon reinvestment of distributions	329	455
Distributions paid and payable	-	-
<b>Total transactions with unitholders</b>	<u>61,155</u>	<u>11,779</u>
<b>Balance at the end of the half-year<sup>2</sup></b>	<u>142,984</u>	<u>59,589</u>

<sup>2</sup>Talaria Global Equity Fund - Currency Hedged (Managed Fund) has elected into the Attribution Managed Investment Trust (AMIT) regime. Hence distribution to unitholders as well as (increase)/decrease in net assets attributable to unitholders are not recognised as finance costs attributable to unitholders in the statement of comprehensive income and net assets attributable to unitholders are recognised as equity in the statement of financial position.

The above statements of changes in equity should be read in conjunction with the accompanying notes.

**Talaria Global Equities  
Managed Investment Schemes  
Statements of cash flows  
For the half-year ended 31 December 2022**

**Statements of cash flows**

	Talaria Global Equity Fund		Talaria Global Equity Fund - Currency Hedged (Managed Fund)	
	Half-year		Half-year	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b><i>Cash flows from operating activities</i></b>				
Proceeds from sale of financial instruments at fair value through profit or loss	47,527	99,632	-	-
Payments for purchase of financial instruments at fair value through profit or loss	(184,242)	(180,546)	(54,750)	(9,325)
Interest received from financial assets at amortised cost	3,287	55	33	-
Dividends received	3,288	3,668	-	-
Distributions received	159	202	-	-
Interest expense paid	(635)	(352)	-	-
GST received/(paid)	111	195	2	1
Other income received	-	-	461	315
Management costs paid	(3,914)	(3,076)	(502)	(339)
Performance fees paid	(223)	(327)	-	-
Transaction costs paid	(889)	(809)	-	-
Other expenses paid	(54)	-	-	-
<b>Net cash outflows from operating activities</b>	<b>(135,585)</b>	<b>(81,358)</b>	<b>(54,756)</b>	<b>(9,348)</b>
<b><i>Cash flows from financing activities</i></b>				
Proceeds from applications by unitholders	305,604	84,905	66,049	12,978
Payments for redemptions by unitholders	(39,299)	(27,355)	(4,676)	(1,479)
Distributions paid to unitholders	(19,412)	(11,843)	(3,655)	(2,499)
<b>Net cash inflows from financing activities</b>	<b>246,893</b>	<b>45,707</b>	<b>57,718</b>	<b>9,000</b>
<b>Net increase in cash and cash equivalents</b>	<b>111,308</b>	<b>(35,651)</b>	<b>2,962</b>	<b>(348)</b>
Cash and cash equivalents at the beginning of the half-year	406,806	238,816	4,339	1,900
Effect of foreign currency exchange rate changes on cash and cash equivalents	3,114	2,012	-	-
<b>Cash and cash equivalents at the end of the half-year</b>	<b>521,228</b>	<b>205,177</b>	<b>7,301</b>	<b>1,552</b>
<b>Non-cash operating and financing activities</b>	<b>8,506</b>	<b>5,716</b>	<b>3,693</b>	<b>2,294</b>

*The above statements of cash flows should be read in conjunction with the accompanying notes.*

**Talaria Global Equities**  
**Managed Investment Schemes**  
**Notes to the financial statements**  
**31 December 2022**

**Notes to the financial statements**

	<b>Page</b>
1 General information	12
2 Basis of preparation	12
3 Net assets attributable to unitholders	13
4 Distributions to unitholders	14
5 Financial assets at fair value through profit or loss	15
6 Financial liabilities at fair value through profit or loss	15
7 Fair value hierarchy	15
8 Events occurring after end of half-year	17
9 Contingent assets and liabilities and commitments	17

**Talaria Global Equities**  
**Managed Investment Schemes**  
**Notes to the financial statements**  
**31 December 2022**  
(continued)

## 1 General information

These financial statements cover the below funds (together the "Schemes"):

- Talaria Global Equity Fund was constituted on 1 January 2005.
- Talaria Global Equity Fund - Currency Hedged (Managed Fund) was constituted on 9 July 2012.

The Responsible Entity of the Schemes is Australian Unity Funds Management Limited (ABN 60 071 497 115) (the "Responsible Entity"), a wholly owned subsidiary of Australian Unity Limited (ABN 23 087 648 888). The Responsible Entity's registered office is Level 15, 271 Spring Street, Melbourne, VIC 3000.

The Responsible Entity is incorporated and domiciled in Australia.

The financial statements are for the financial half-year 1 July 2022 to 31 December 2022.

The financial statements were authorised for issue by the directors of the Responsible Entity on 10 March 2023. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

## 2 Basis of Preparation

These interim financial statements for the half-year ended 31 December 2022 have been prepared in accordance with *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*.

This interim report does not include all the notes of the type normally included in an annual report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made in respect of the Schemes during the reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The statements of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are generally expected to be recovered or settled within 12 months, except for investments in financial assets and net assets attributable to unitholders.

The Schemes manage financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at balance date.

The accounting policies adopted are consistent with those of the previous annual reporting period, unless otherwise stated.

### *(i) Compliance with International Financial Reporting Standards*

Compliance with AASB 134 ensures that the interim report of the Schemes, comprising the financial statements and notes thereto, complies with the International Accounting Standard IAS 34 *Interim Financial Reporting*.

### *(ii) New accounting standards and amendments adopted by the Schemes*

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2022 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

### *(iii) New accounting standards, amendments and interpretations not yet adopted*

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 31 December 2022 reporting period and have not yet been applied in the financial statements. None of these are expected to have a material effect on the financial statements of the Schemes.

**Talaria Global Equities**  
**Managed Investment Schemes**  
**Notes to the financial statements**  
**31 December 2022**  
(continued)

**2 Basis of Preparation (continued)**

**Rounding of amounts**

The Schemes are entities of the kind referred to in *ASIC Corporations Instrument 2016/191* issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars, where indicated.

**3 Net assets attributable to unitholders**

As stipulated within the Schemes' Constitutions, each unit represents a right to an individual share in the Schemes and does not extend to a right in the underlying assets of the Schemes. For Talaria Global Equity Fund there are two classes of unitholders in the Scheme being Foundation and Managed Fund. For Talaria Global Equity Fund - Currency Hedged (Managed Fund) there are no separate classes of units and each unit has the same rights attaching to it as all other units in the Scheme.

For Talaria Global Equity Fund, units are redeemed on demand at the unitholders' option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting period cannot be reliably determined.

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

	<b>Talaria Global Equity Fund</b>			
	<b>Half-year</b>			
	<b>2022</b>	2021	<b>2022</b>	2021
	No. '000	No. '000	\$'000	\$'000
<b>Opening balance</b>	<b>138,052</b>	485,005	<b>644,696</b>	446,304
<b>Foundation Class</b>				
Applications	<b>64,540</b>	423	<b>305,677</b>	945
Redemptions	<b>(8,238)</b>	(1,219)	<b>(38,953)</b>	(1,418)
Consolidation of units <sup>4</sup>	-	(23,662)	-	-
Units issued upon reinvestment of distributions	<b>1,652</b>	531	<b>7,669</b>	526
	<b>57,954</b>	(23,927)	<b>274,393</b>	53
<b>Managed Fund Class</b>				
Applications	<b>17</b>	60,680	<b>86</b>	83,812
Redemptions	<b>(36)</b>	(18,047)	<b>(179)</b>	(25,393)
Consolidation of units <sup>4</sup>	-	(398,558)	-	-
Units issued upon reinvestment of distributions	<b>168</b>	5,632	<b>837</b>	5,190
	<b>149</b>	(350,293)	<b>744</b>	63,609
Increase in net assets attributable to unitholders	-	-	<b>17,657</b>	14,324
<b>Closing Balance</b>	<b>196,155</b>	110,785	<b>937,490</b>	524,290

<sup>4</sup> On 18 October 2021, the number of units in the Scheme was consolidated in the ratio of 5:1 and any fractional balance was removed. This means that the number of units held by investors were consolidated by a factor of five, but the unit price has increased proportionally so that the market value of the investors' holding remains unchanged as a result of the consolidation.

**Talaria Global Equities**  
**Managed Investment Schemes**  
**Notes to the financial statements**  
**31 December 2022**  
(continued)

**3 Net assets attributable to unitholders (continued)**

	<b>Talaria Global Equity Fund - Currency Hedged</b>			
	<b>(Managed Fund)</b>			
	<b>Half-year</b>			
	<b>2022</b>	2021	<b>2022</b>	2021
	<b>No. '000</b>	No. '000	<b>\$'000</b>	\$'000
<b>Opening balance</b>	<b>15,066</b>	43,721	<b>78,359</b>	45,432
Applications	<b>12,314</b>	9,042	<b>65,847</b>	12,794
Redemptions	<b>(941)</b>	(971)	<b>(5,021)</b>	(1,470)
Consolidation of units <sup>4</sup>	-	(41,229)	-	-
Units issued upon reinvestment of distributions	<b>63</b>	437	<b>329</b>	455
Distributions to unitholders			-	-
Profit for the half-year			<b>3,470</b>	2,378
<b>Closing balance</b>	<b>26,502</b>	11,000	<b>142,984</b>	59,589

<sup>4</sup> On 18 October 2021, the number of units in the Scheme was consolidated in the ratio of 5:1 and any fractional balance was removed. This means that the number of units held by investors were consolidated by a factor of five, but the unit price has increased proportionally so that the market value of the investors' holding remains unchanged as a result of the consolidation.

**4 Distributions to unitholders**

The distributions for the half-year were as follows:

Talaria Global Equity Fund - Currency Hedged (Managed Fund) had \$Nil distributions during the half-year ending 31 December 2022 and 31 December 2021.

	<b>Talaria Global Equity Fund</b>							
	<b>Foundation Class</b>				<b>Managed Fund Class</b>			
	<b>Half-year</b>							
	<b>2022</b>	2022	2021	2021	<b>2022</b>	2022	2021	2021
	<b>\$'000</b>	CPU	\$'000	CPU	<b>\$'000</b>	CPU	\$'000	CPU
Distribution paid								
- 30 September	<b>560</b>	<b>8.9725</b>	360	1.2249	<b>11,235</b>	<b>7.0000</b>	6,869	1.4000
Distribution payable								
- 31 December	<b>344</b>	<b>5.4575</b>	317	5.2967	<b>13,290</b>	<b>7.0000</b>	7,336	7.0000
	<b>904</b>		677		<b>24,525</b>		14,205	

**Talaria Global Equities**  
**Managed Investment Schemes**  
**Notes to the financial statements**  
**31 December 2022**  
(continued)

**5 Financial assets at fair value through profit or loss**

	Talaria Global Equity Fund		Talaria Global Equity Fund - Currency Hedged (Managed Fund)	
	31 December	30 June	31 December	30 June
	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000
Listed equities	439,606	258,348	-	-
Derivatives	-	-	531	106
Unlisted managed investment schemes	-	-	134,248	77,038
<b>Total financial assets at fair value through profit or loss</b>	<b>439,606</b>	<b>258,348</b>	<b>134,779</b>	<b>77,144</b>

**6 Financial liabilities at fair value through profit or loss**

	Talaria Global Equity Fund		Talaria Global Equity Fund - Currency Hedged (Managed Fund)	
	31 December	30 June	31 December	30 June
	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000
Derivatives	11,289	5,583	1,321	1,882
<b>Total financial liabilities at fair value through profit or loss</b>	<b>11,289</b>	<b>5,583</b>	<b>1,321</b>	<b>1,882</b>

**7 Fair value hierarchy**

The Schemes are required to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgement by the Responsible Entity. The Responsible Entity considers observable data to be the market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.



**Talaria Global Equities**  
**Managed Investment Schemes**  
**Notes to the financial statements**  
**31 December 2022**  
(continued)

**7 Fair value hierarchy (continued)**

The table below sets out the Schemes' financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at the reporting date.

All fair value measurements disclosed are recurring fair value measurements.

<b>Talaria Global Equity Fund</b>								
	<b>31 December 2022</b>			<b>30 June 2022</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>								
Listed equities	439,606	-	-	439,606	258,348	-	-	258,348
<b>Total financial assets</b>	<b>439,606</b>	<b>-</b>	<b>-</b>	<b>439,606</b>	<b>258,348</b>	<b>-</b>	<b>-</b>	<b>258,348</b>
<b>Financial liabilities</b>								
Options	(11,289)	-	-	(11,289)	(5,583)	-	-	(5,583)
<b>Total financial liabilities</b>	<b>(11,289)</b>	<b>-</b>	<b>-</b>	<b>(11,289)</b>	<b>(5,583)</b>	<b>-</b>	<b>-</b>	<b>(5,583)</b>

<b>Talaria Global Equity Fund - Currency Hedged (Managed Fund)</b>								
	<b>31 December 2022</b>			<b>30 June 2022</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>								
Forward foreign exchange contracts	-	531	-	531	-	106	-	106
Unlisted managed investment schemes	-	134,248	-	134,248	-	77,038	-	77,038
<b>Total financial assets</b>	<b>-</b>	<b>134,779</b>	<b>-</b>	<b>134,779</b>	<b>-</b>	<b>77,144</b>	<b>-</b>	<b>77,144</b>
<b>Financial liabilities</b>								
Forward foreign exchange contracts	-	(1,321)	-	(1,321)	-	(1,882)	-	(1,882)
<b>Total financial liabilities</b>	<b>-</b>	<b>(1,321)</b>	<b>-</b>	<b>(1,321)</b>	<b>-</b>	<b>(1,882)</b>	<b>-</b>	<b>(1,882)</b>

The pricing for the majority of the Schemes' investments is generally sourced from independent pricing sources, the relevant Investment Managers or reliable brokers' quotes.

Investments whose values are based on quoted market prices in active markets, e.g. recognised stock exchanges and therefore classified within level 1, include active listed equities and exchange traded derivatives.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. The observable inputs include prices and/or those derived from prices. The level 2 instruments include unlisted managed investment schemes, corporate bonds and over the counter derivatives.

The Schemes' policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the half-year. There were no transfers between levels 1, 2 and 3 of the fair value hierarchy during the half-year (30 June 2022: Nil).

**Talaria Global Equities**  
**Managed Investment Schemes**  
**Notes to the financial statements**  
**31 December 2022**  
(continued)

**8 Events occurring after end of half-year**

The directors of the Responsible Entity are not aware of any matter or circumstance arising since the end of the half-year which would impact on the financial position of the Schemes disclosed in the statements of financial position as at 31 December 2022 or on the results and cash flows of the Schemes for the half-year ended on that date.

**9 Contingent assets and liabilities and commitments**

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2022 and 30 June 2022.

**Talaria Global Equities  
Managed Investment Schemes  
Directors' declaration  
For the half-year ended 31 December 2022**

**Directors' declaration**

In the opinion of the directors of the Responsible Entity:

- (a) The financial statements and notes set out on pages 6 to 17 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 Schemes' financial position as at 31 December 2022 and of their performance, as represented by the results of their operations and cash flows, for the half-year ended on that date.
- (b) There are reasonable grounds to believe that the Schemes will be able to pay their debts as and when they become due and payable.
- (c) The financial statements are in accordance with the Schemes' Constitutions.
- (d) Note 2 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.



Rohan Mead  
Director



Esther Kerr-Smith  
Director  
10 March 2023



# ***Independent auditor's review report to the unitholders of Talaria Global Equities Managed Investment Schemes***

## **Report on the half-year financial report**

To the unitholders of the below funds:

- Talaria Global Equity Fund
- Talaria Global Equity Fund - Currency Hedged (Managed Fund)

referred to collectively as Talaria Global Equities Managed Investment Schemes.

### **Conclusion**

We have reviewed the half-year financial report of Talaria Global Equities Managed Investment Schemes (the Schemes) which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity, the statement of changes in net assets attributable to unitholders - liability and statement of cash flows for the half-year ended on that date, significant accounting policies and explanatory notes and the directors' declaration.

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

1. giving a true and fair view of the Schemes' financial position as at 31 December 2022 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### **Basis for conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Schemes in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.



### ***Responsibilities of the directors of the Responsible Entity for the half-year financial report***

The directors of Australian Unity Funds Management Limited, the Responsible Entity of the Schemes 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 of the Responsible Entity determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

### ***Auditor's responsibilities for the review of the half-year financial report***

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Schemes' financial position as at 31 December 2022 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

*Britt Hawkins*

Britt Hawkins  
Partner

Melbourne  
10 March 2023