

Bennelong Australian Equities Fund
ARSN 134 995 887

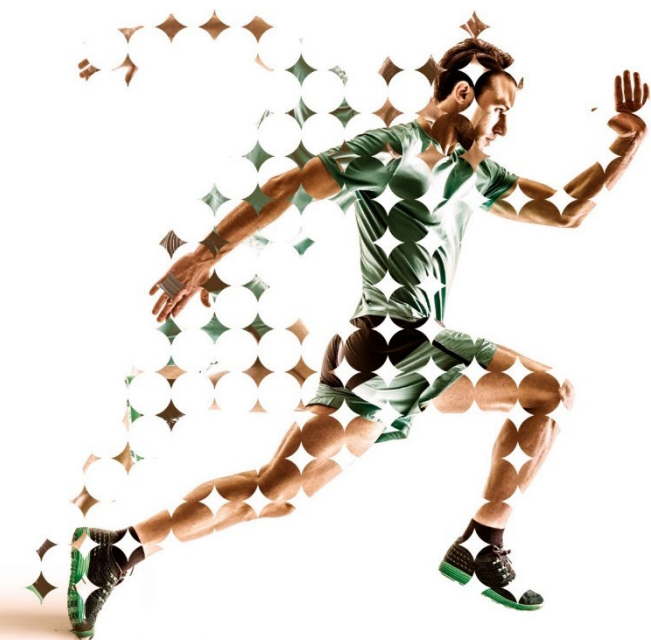
Bennelong Concentrated Australian Equities Fund
ARSN 134 995 921

Bennelong Emerging Companies Fund
ARSN 618 113 456

Bennelong ex-20 Australian Equities Fund
ARSN 137 843 826

Bennelong Twenty20 Australian Equities Fund
ARSN 608 998 223

Condensed Financial Report
for the half-year ended 31 December 2022



Bennelong Australian Equities Fund (ARSN 134 995 887)

Bennelong Concentrated Australian Equities Fund (ARSN 134 995 921)

Bennelong Emerging Companies Fund (ARSN 618 113 456)

Bennelong ex-20 Australian Equities Fund (ARSN 137 843 826)

Bennelong Twenty20 Australian Equities Fund (ARSN 608 998 223)

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Directors' report

The directors of Bennelong Funds Management Ltd (ABN 39 111 214 085), the Responsible Entity of the following managed investment schemes (the "Funds") present their report together with the condensed financial reports of the Funds for the half-year ended 31 December 2022.

Fund name	Referred to in this document as	ARSN
Bennelong Australian Equities Fund	Australian Equities Fund	134 995 887
Bennelong Concentrated Australian Equities Fund	Concentrated Australian Equities Fund	134 995 921
Bennelong Emerging Companies Fund	Emerging Companies Fund	618 113 456
Bennelong ex-20 Australian Equities Fund	ex-20 Australian Equities Fund	137 843 826
Bennelong Twenty20 Australian Equities Fund	Twenty20 Australian Equities Fund	608 998 223

Principal activities

The Funds invest in Australian authorised investments in accordance with the Product Disclosure Statements ("PDSs") and the provisions of the Funds' Constitutions.

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

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

The various service providers to the Funds are detailed below:

Service	Provider
Responsible Entity	Bennelong Funds Management Ltd
Investment Manager	Bennelong Australian Equity Partners Pty Ltd
Administrator and Custodian	Citigroup Pty Limited
Statutory Auditor	Deloitte Touche Tohmatsu

Directors

The following persons held office as directors of Bennelong Funds Management Ltd during the half-year or since the end of the half-year and up to the date of this report:

Michael Dwyer	Chairman
Craig Bingham	(Resigned 17 February 2023)
Vicki Allen	
Lincoln McMahon	
Adam Tindall	
Andrea Waters	

Review and results of operations

During the half-year, the Funds invested monies in accordance with the investment policies set out in relevant PDS and in accordance with the provisions of relevant Constitution.

Directors' report (continued)

Results

The performance of the Funds, as represented by the results of their operations, were as follows

	Australian Equities Fund		Concentrated Australian Equities Fund		Emerging Companies Fund	
	Half-year ended		Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating profit/(loss) attributable to unitholders	(4,681)	83,020	(9,184)	151,681	8,966	10,189
Distribution						
Interim distribution paid/payable	9,371	3,910	14,734	3,466	–	–
Interim distribution - cents per unit (CPU)	2.2809	1.0789	2.2817	0.5260	–	–

	ex-20 Australian Equities Fund		Twenty20 Australian Equities Fund	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000
Operating profit/(loss) attributable to unitholders	(139,547)	366,676	2,025	676
Distribution				
Interim distribution paid/payable	14,413	–	1,405	131
Interim distribution - cents per unit (CPU)	1.0065	–	2.8271	0.5397

Significant changes in state of affairs

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

Matters subsequent to the end of the financial half-year

There has been no matter or circumstance since 31 December 2022 that has significantly affected, or may significantly affect:

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

Directors' report (continued)

Likely developments and expected results of operations

The Funds will continue to be managed in accordance with the investment objectives and guidelines as set out in the relevant PDS and in accordance with the provisions of the relevant Constitution.

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. 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.

Further information on likely developments in the operations of the Funds 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 Funds.

Indemnification and insurance of officers

No insurance premiums are paid for out of the assets of the Funds in regards to insurance cover provided to the officers of the Responsible Entity. So long as the officers of the Responsible Entity act in accordance with the Funds' Constitutions and the law, the officers remain fully indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds.

Indemnity of auditor

The auditor of the Funds is in no way indemnified out of the assets of the Funds.

Deferred Fund Expenses

Under the terms of the Funds' Constitutions, the Responsible Entity is entitled to be reimbursed for all operating and administration expenses that have been incurred on behalf of the Funds. The Funds' PDSs outline in Section 6 that the Responsible Entity caps this amount at 0.05% per annum of the Net Asset Value (NAV) of the Funds.

As at 31 December 2022, the Responsible Entity has incurred reimbursable expenses in excess of the amount charged to the Funds as below:

	Australian Equities Fund		Concentrated Australian Equities Fund		Emerging Companies Fund		ex-20 Australian Equities Fund		Twenty20 Australian Equities Fund	
	Half-year ended		Half-year ended		Half-year ended		Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Reimbursable expenses	-	-	-	-	445,424	293,636	-	-	650,389	526,143

These amounts represent expenses that have been incurred by the Responsible Entity on behalf of the Funds, for which the Responsible Entity is entitled, but has deferred reimbursement. Payment of this amount is contingent upon there being significant growth in the Funds' NAV, such that the payment will not result in expenses exceeding the amount set out in the Funds' PDSs at the date of payment, the timing of which cannot be reliably estimated at the reporting date.

Directors' report (continued)

Environmental regulation

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

COVID-19 Pandemic and situation in Ukraine

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organisation. The outbreak and the response of Governments in dealing with the pandemic has continued to evolve over the course of time. In February 2022, a conflict broke out in Ukraine leading to an increased level of global uncertainty. The long-term impacts of the Ukraine conflict are not yet known but are likely to result in increased market and economic volatility. Due to these situations, the prior year and the current year saw an increase in financial market volatility and corresponding fluctuations in the fair value of the Funds' investment portfolios.

The Responsible Entity and the Investment Manager are monitoring these situations closely, noting that with the ongoing developments, there is still a degree of uncertainty; therefore it is not possible at this time to predict the extent and nature of the overall impact on the Funds. The Investment Manager however, actively manages the financial risks that the Funds are exposed to, and the Net Asset Value of the Funds continues to be valued in accordance with the frequency set out in the Funds' offer documents, applying valuation policies reflective of the prevailing market conditions.

Rounding of amounts to the nearest thousand dollars

The Funds are entities of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the condensed financial reports and directors' report have been rounded off to the nearest thousand dollar, unless otherwise stated.

Single set of condensed financial reports


The Funds are entities of the kind referred to by *ASIC Corporations (Related Scheme Reports) Instrument 2015/839* and in accordance with that Instrument, Funds with a common Responsible Entity (or related Responsible Entities) can include their financial reports in adjacent columns in a single set of financial reports.

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 7.

This report is made in accordance with a resolution of the directors of Bennelong Funds Management Ltd.


Michael Dwyer
Director
Sydney
8 March 2023

8 March 2023

The Board of Directors
Bennelong Funds Management Ltd –
as Responsible Entity for the BAEP Funds
Ground Level, 9 Queen Street
MELBOURNE VIC 3000

Dear Directors

Bennelong Australian Equities Fund, Bennelong Concentrated Australian Equities Fund, Bennelong Emerging Companies Fund, Bennelong ex-20 Australian Equities Fund, and Bennelong Twenty20 Australian Equities Fund (collectively the “BAEP Funds”)

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Bennelong Funds Management Ltd, as Responsible Entity for the BAEP Funds.

As lead audit partner for the review of the financial statements of the BAEP Funds 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:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Adam Kuziow
Partner
Chartered Accountants

Condensed statements of profit and loss and other comprehensive income
For the half-year ended 31 December 2022

Condensed statements of profit and loss and other comprehensive income

	Australian Equities Fund		Concentrated Australian Equities Fund		Emerging Companies Fund	
	Half-year ended		Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Investment income						
Interest income	497	–	429	–	147	–
Dividend/distribution income	12,308	6,985	17,205	12,890	1,768	586
Net gains/(losses) on financial instruments at fair value through profit and loss	(12,684)	81,507	(20,586)	172,015	7,637	13,818
Other operating income	72	–	307	–	–	–
Total net investment income/(loss)	193	88,492	(2,645)	184,905	9,552	14,404
Expenses						
Management fees	4,725	5,198	6,245	8,283	563	622
Performance fees	–	–	–	24,454	–	3,566
Other operating expenses	149	274	294	487	23	27
Total operating expenses	4,874	5,472	6,539	33,224	586	4,215
Operating profit/(loss) for the half-year	(4,681)	83,020	(9,184)	151,681	8,966	10,189
Profit/(loss) for the half-year	(4,681)	83,020	(9,184)	151,681	8,966	10,189
Other comprehensive income	–	–	–	–	–	–
Total comprehensive income for the half-year	(4,681)	83,020	(9,184)	151,681	8,966	10,189

The above condensed statements of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes to the condensed financial reports.

Condensed statements of profit and loss and other comprehensive income
For the half-year ended 31 December 2022
(continued)

Condensed statements of profit and loss and other comprehensive income (continued)

	Notes	ex-20 Australian Equities Fund		Twenty20 Australian Equities Fund	
		Half-year ended		Half-year ended	
		31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Investment income					
Interest income		2,506	–	32	–
Dividend/distribution income		23,710	25,108	1,683	398
Net gains/(losses) on financial instruments at fair value through profit and loss	3	(149,409)	404,130	486	519
Other operating income		7	1	–	–
Total net investment income/(loss)		(123,186)	429,239	2,201	917
Expenses					
Management fees		16,074	20,770	156	53
Performance fees		–	41,137	–	181
Other operating expenses		287	656	20	7
Total operating expenses		16,361	62,563	176	241
Operating profit/(loss) for the half-year		(139,547)	366,676	2,025	676
Profit/(loss) for the half-year		(139,547)	366,676	2,025	676
Other comprehensive income		–	–	–	–
Total comprehensive income for the half-year		(139,547)	366,676	2,025	676

The above condensed statements of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes to the condensed financial reports.

Condensed statements of financial position

	Notes	Concentrated Australian Equities Fund					
		Australian Equities Fund		Fund		Emerging Companies Fund	
		As at		As at		As at	
		31 December 2022	30 June 2022	31 December 2022	30 June 2022	31 December 2022	30 June 2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets							
Cash and cash equivalents		25,766	55,818	39,259	21,469	9,533	14,188
Receivables		391	2,864	854	3,398	35	31
Due from brokers - receivable for securities sold		-	2,867	-	-	-	-
Financial assets at fair value through profit and loss	6	904,523	934,142	1,317,633	1,442,286	82,833	71,938
Total assets		930,680	995,691	1,357,746	1,467,153	92,401	86,157
Liabilities							
Distributions payable		6,973	30,782	12,265	61,700	-	-
Due to brokers - payable for securities purchased		9,061	11,689	13,145	15,243	-	119
Payables		2,217	7,184	9,637	6,298	203	133
Total liabilities		18,251	49,655	35,047	83,241	203	252
Net assets attributable to unitholders - equity	5	912,429	946,036	1,322,699	1,383,912	92,198	85,905

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

Condensed statements of financial position (continued)

	Notes	ex-20 Australian Equities Fund		Twenty20 Australian Equities Fund	
		As at 31 December 2022 \$'000	30 June 2022 \$'000	As at 31 December 2022 \$'000	30 June 2022 \$'000
Assets					
Cash and cash equivalents		202,062	330,552	1,697	3,569
Receivables		2,108	10,235	425	465
Due from brokers - receivable for securities sold		–	6,615	311	–
Financial assets at fair value through profit and loss	6	2,858,899	3,035,475	69,408	63,341
Total assets		3,063,069	3,382,877	71,841	67,375
Liabilities					
Distributions payable		12,774	70,081	1,374	1,309
Due to brokers - payable for securities purchased		–	65,620	–	796
Payables		8,344	13,564	223	106
Total liabilities		21,118	149,265	1,597	2,211
Net assets attributable to unitholders - equity	5	3,041,951	3,233,612	70,244	65,164

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

**Condensed statements of changes in equity
For the half-year ended 31 December 2022**

Condensed statements of changes in equity

	Notes	Concentrated Australian Equities					
		Australian Equities Fund		Fund		Emerging Companies Fund	
		Half-year ended		Half-year ended		Half-year ended	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the half-year		946,036	917,058	1,383,912	1,668,881	85,905	82,234
Comprehensive income for the half-year							
Profit/(loss) for the half-year		(4,681)	83,020	(9,184)	151,681	8,966	10,189
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the half-year		(4,681)	83,020	(9,184)	151,681	8,966	10,189
Transactions with unitholders							
Applications	5	96,881	260,403	116,753	348,273	5,001	33,408
Redemptions	5	(118,835)	(63,696)	(156,517)	(82,927)	(7,674)	(4,674)
Units issued upon reinvestment of distributions	5	2,399	841	2,469	561	-	-
Distributions paid and payable	5	(9,371)	(3,910)	(14,734)	(3,466)	-	-
Total transactions with unitholders		(28,926)	193,638	(52,029)	262,441	(2,673)	28,734
Total equity at the end of the half-year		912,429	1,193,716	1,322,699	2,083,003	92,198	121,157

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

**Condensed statements of changes in equity
For the half-year ended 31 December 2022
(continued)**

Condensed statements of changes in equity (continued)

	Notes	ex-20 Australian Equities Fund		Twenty20 Australian Equities Fund	
		Half-year ended		Half-year ended	
		31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Total equity at the beginning of the half-year		3,233,612	3,812,267	65,164	14,497
Comprehensive income for the half-year					
Profit/(loss) for the half-year		(139,547)	366,676	2,025	676
Other comprehensive income		-	-	-	-
Total comprehensive income for the half-year		(139,547)	366,676	2,025	676
Transactions with unitholders					
Applications	5	333,731	668,086	53,686	30,623
Redemptions	5	(373,070)	(258,084)	(49,258)	(2,098)
Units issued upon reinvestment of distributions	5	1,638	-	32	7
Distributions paid and payable	5	(14,413)	-	(1,405)	(131)
Total transactions with unitholders		(52,114)	410,002	3,055	28,401
Total equity at the end of the half-year		3,041,951	4,588,945	70,244	43,574

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

Condensed statements of cash flows
For the half-year ended 31 December 2022

Condensed statements of cash flows

	Concentrated Australian Equities					
	Australian Equities Fund		Fund		Emerging Companies Fund	
	Half-year ended 31 December 2022 \$'000	31 December 2021 \$'000	Half-year ended 31 December 2022 \$'000	31 December 2021 \$'000	Half-year ended 31 December 2022 \$'000	31 December 2021 \$'000
Cash flows from operating activities						
Proceeds from sale of financial instruments at fair value through profit and loss	294,390	141,402	506,774	392,414	29,897	25,648
Purchase of financial instruments at fair value through profit and loss	(277,217)	(327,583)	(404,805)	(624,071)	(33,274)	(42,869)
Dividends/distributions received	13,803	7,313	19,847	13,715	1,768	586
Interest received	497	–	429	–	147	–
Other operating income received	72	–	307	–	–	–
GST (paid)/received	34	(90)	64	(153)	5	(115)
Management fees paid	(4,757)	(4,964)	(6,305)	(7,990)	(559)	(583)
Performance fees paid	–	–	–	(17,339)	–	(3,224)
Other operating expenses paid	(180)	–	(225)	–	(22)	–
Net cash inflow/(outflow) from operating activities	26,642	(183,922)	116,086	(243,424)	(2,038)	(20,557)
Cash flows from financing activities						
Proceeds from applications by unitholders	97,827	260,233	116,591	346,459	4,992	33,429
Payments for redemptions by unitholders	(123,739)	(62,800)	(153,187)	(82,876)	(7,609)	(4,670)
Distributions paid	(30,782)	(32,234)	(61,700)	(61,860)	–	(1,636)
Net cash inflow/(outflow) from financing activities	(56,694)	165,199	(98,296)	201,723	(2,617)	27,123
Net increase/(decrease) in cash and cash equivalents	(30,052)	(18,723)	17,790	(41,701)	(4,655)	6,566
Cash and cash equivalents at the beginning of the half-year	55,818	24,875	21,469	62,643	14,188	2,512
Cash and cash equivalents at the end of the half-year	25,766	6,152	39,259	20,942	9,533	9,078
Non-cash financing and operating activities	2,399	841	2,469	561	–	–

The above condensed statements of cash flows should be read in conjunction with the accompanying notes to the condensed financial reports.

Condensed statements of cash flow
For the half-year ended 31 December 2022
(continued)

Condensed statements of cash flows (continued)

	ex-20 Australian Equities Fund		Twenty20 Australian Equities Fund	
	Half-year ended		Half-year ended	
	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Cash flows from operating activities				
Proceeds from sale of financial instruments at fair value through profit and loss	638,508	212,773	35,807	1,543
Purchase of financial instruments at fair value through profit and loss	(670,346)	(737,403)	(42,495)	(28,698)
Dividends/distributions received	30,429	27,301	1,844	423
Interest received	2,506	–	32	–
Other operating income received	7	1	–	–
GST (paid)/received	72	(282)	(3)	(3)
Management fees paid	(16,185)	(20,100)	(149)	(44)
Performance fees paid	–	(38,130)	–	(95)
Other operating expenses paid	(315)	–	(20)	–
Net cash outflow from operating activities	(15,324)	(555,840)	(4,984)	(26,874)
Cash flows from financing activities				
Proceeds from applications by unitholders	335,067	669,757	53,569	30,479
Payments for redemptions by unitholders	(378,152)	(262,533)	(49,148)	(2,149)
Distributions paid	(70,081)	(162,294)	(1,309)	(576)
Net cash inflow/(outflow) from financing activities	(113,166)	244,930	3,112	27,754
Net increase/(decrease) in cash and cash equivalents	(128,490)	(310,910)	(1,872)	880
Cash and cash equivalents at the beginning of the half-year	330,552	357,585	3,569	333
Cash and cash equivalents at the end of the half-year	202,062	46,675	1,697	1,213
Non-cash financing and operating activities	1,638	–	32	7

The above condensed statements of cash flows should be read in conjunction with the accompanying notes to the condensed financial reports.

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1 General information

These condensed financial reports cover the following managed investment schemes (the "Funds"). The Funds are registered managed investment schemes under the *Corporations Act 2001*. The Funds may be terminated in accordance with the provisions of the Funds' Constitutions. The Funds are domiciled in Australia.

Fund name	Referred to in this document as	Date commenced operations
Bennelong Australian Equities Fund	Australian Equities Fund	30 January 2009
Bennelong Concentrated Australian Equities Fund	Concentrated Australian Equities Fund	30 January 2009
Bennelong Emerging Companies Fund	Emerging Companies Fund	1 November 2017
Bennelong ex-20 Australian Equities Fund	ex-20 Australian Equities Fund	2 November 2009
Bennelong Twenty20 Australian Equities Fund	Twenty20 Australian Equities Fund	25 November 2015

The Responsible Entity of the Funds is Bennelong Funds Management Ltd (ABN 39 111 214 085) (AFSL 296806) (the "Responsible Entity"). The Responsible Entity's registered office is Bennelong House, Level 1, 9 Queen Street, Melbourne, VIC 3000.

The Investment Manager of the Funds is Bennelong Australian Equity Partners Pty Ltd.

The principal activity of each Fund during the half-year was the investment of unitholders' funds as per the objectives stated in the Funds' Product Disclosure Statement ("PDS") and in accordance with the provisions in the Funds' Constitutions. There has been no significant change in the nature of these activities during the half-year.

COVID-19 Pandemic and situation in Ukraine

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organisation. The outbreak and the response of Governments in dealing with the pandemic has continued to evolve over the course of time. In February 2022, a conflict broke out in Ukraine leading to an increased level of global uncertainty. The long-term impacts of the Ukraine conflict are not yet known but are likely to result in increased market and economic volatility. Due to these situations, the prior year and the current year saw an increase in financial market volatility and corresponding fluctuations in the fair value of the Funds' investment portfolios.

The Responsible Entity and the Investment Manager are monitoring these situations closely, noting that with the ongoing developments, there is still a degree of uncertainty; therefore it is not possible at this time to predict the extent and nature of the overall impact on the Funds. The Investment Manager however, actively manages the financial risks that the Funds are exposed to, and the Net Asset Value of the Funds continues to be valued in accordance with the frequency set out in the Funds' offer documents, applying valuation policies reflective of the prevailing market conditions.

The financial reports of the Funds were authorised for issue by the directors on 8 March 2023.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial reports are set out below. These policies have been consistently applied, unless otherwise stated in the following text.

(a) Basis of preparation

The half-year financial reports are general purpose financial reports prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year reports do not include notes of the type normally included in annual financial reports and should be read in conjunction with the most recent annual financial reports, as well as all public information on the Funds.

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

The condensed financial reports have been prepared on the basis of historical cost, except for the revaluation of financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial reports are consistent with those adopted and disclosed in the Funds' annual financial reports for the year ended 30 June 2022. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

There are no standards that are not yet effective and that are expected to have a material impact on the Funds in the current or future reporting periods and on foreseeable future transactions.

(b) Rounding of amounts

The Funds are entities of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* relating to the "rounding off" of amounts in the financial reports. Amounts in the financial reports have been rounded off to the nearest thousand Australian dollar (AUD) in accordance with that Instrument, unless otherwise indicated.

(c) Single set of condensed financial reports

The Funds are entities of the kind referred to by ASIC Corporations (Related Scheme Reports) Instrument 2015/839 and in accordance with that Instrument, Funds with a common Responsible Entity (or related Responsible Entities) can include their financial reports in adjacent columns in a single set of financial reports.

3 Net gains/(losses) on financial instruments at fair value through profit and loss

	Concentrated Australian Equities					
	Australian Equities Fund		Fund		Emerging Companies Fund	
	Half-year ended 31 December 2022 \$'000	31 December 2021 \$'000	Half-year ended 31 December 2022 \$'000	31 December 2021 \$'000	Half-year ended 31 December 2022 \$'000	31 December 2021 \$'000
Financial instruments						
Net realised gains/(losses) on financial instruments at fair value through profit and loss	(47,443)	26,674	(45,555)	86,687	(1,653)	(393)
Net unrealised gains/(losses) on financial instruments at fair value through profit and loss	34,759	54,833	24,969	85,328	9,290	14,211
Total net gains/(losses) on financial instruments at fair value through profit and loss	(12,684)	81,507	(20,586)	172,015	7,637	13,818

3 Net gains/(losses) on financial instruments at fair value through profit and loss (continued)

	ex-20 Australian Equities Fund		Twenty20 Australian Equities Fund	
	Half-year ended		Half-year ended	
	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Financial instruments				
Net realised gains/(losses) on financial instruments at fair value through profit and loss	(51,643)	48,867	(5,144)	146
Net unrealised gains/(losses) on financial instruments at fair value through profit and loss	(97,766)	355,263	5,630	373
Total net gains/(losses) on financial instruments at fair value through profit and loss	(149,409)	404,130	486	519

4 Fair value measurements

(a) Fair value estimation

The carrying amounts of the Funds' assets and liabilities at the end of each reporting period approximate their fair values.

Financial assets and liabilities at fair value through profit and loss are measured initially at fair value including any transaction costs that are attributable to the acquisition or issue of the financial asset or financial liability. Subsequent to initial recognition, all instruments at fair value through profit and loss are measured at fair value with changes in their fair value recognised in the condensed statements of profit and loss and other comprehensive income.

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

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

For the majority of its investments, the Funds rely on information provided by independent pricing services for the valuation of its investments.

The quoted market price used for financial assets and liabilities held by the Funds is the last traded price. When the Funds hold derivatives with offsetting market risks, they use last traded prices as a basis for establishing fair values for the offsetting risk positions and apply this last traded price to the net open position, as appropriate.

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.

4 Fair value measurements (continued)

(a) Fair value estimation (continued)

(ii) Fair value in an inactive or unquoted market (Level 2 and Level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

(b) Fair value hierarchy

AASB 13 requires the Funds to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making these measurements. The fair value hierarchy has the following levels:

- 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 (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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 that 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.

The tables below set out the Funds' financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy as at 31 December 2022 and 30 June 2022.

Australian Equities Fund	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	31 December	31 December	31 December	31 December	30 June	30 June	30 June	30 June
	2022	2022	2022	2022	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Financial assets at fair value through profit and loss:								
Listed equity securities	904,523	–	–	904,523	934,142	–	–	934,142
Total	904,523	–	–	904,523	934,142	–	–	934,142

Notes to the condensed financial reports
For the half-year ended 31 December 2022
(continued)

4 Fair value measurements (continued)

(b) Fair value hierarchy (continued)

Concentrated Australian Equities Fund

	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	31 December	31 December	31 December	31 December	30 June	30 June	30 June	30 June
	2022	2022	2022	2022	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Financial assets at fair value through profit and loss:								
Listed equity securities	1,317,633	–	–	1,317,633	1,442,286	–	–	1,442,286
Total	1,317,633	–	–	1,317,633	1,442,286	–	–	1,442,286

Emerging Companies Fund

	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	31 December	31 December	31 December	31 December	30 June	30 June	30 June	30 June
	2022	2022	2022	2022	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Financial assets at fair value through profit and loss:								
Listed equity securities	82,833	–	–	82,833	71,938	–	–	71,938
Total	82,833	–	–	82,833	71,938	–	–	71,938

4 Fair value measurements (continued)

(b) Fair value hierarchy (continued)

ex-20 Australian Equities Fund

	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	31 December	31 December	31 December	31 December	30 June	30 June	30 June	30 June
	2022	2022	2022	2022	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Financial assets at fair value through profit and loss:								
Listed equity securities	2,858,899	-	-	2,858,899	3,035,475	-	-	3,035,475
Total	2,858,899	-	-	2,858,899	3,035,475	-	-	3,035,475

Twenty20 Australian Equities Fund

	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	31 December	31 December	31 December	31 December	30 June	30 June	30 June	30 June
	2022	2022	2022	2022	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Financial assets at fair value through profit and loss:								
Listed equity securities	69,408	-	-	69,408	63,341	-	-	63,341
Total	69,408	-	-	69,408	63,341	-	-	63,341

5 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 Funds classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions. The Funds' puttable instruments meet the definition to be classified as equity.

The movement in the number of units and net assets attributable to unitholders during the half-year was as follows.

	Australian Equities Fund				Concentrated Australian Equities Fund			
	31 December 2022 Units'000	31 December 2021 Units'000	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 Units'000	31 December 2021 Units'000	31 December 2022 \$'000	31 December 2021 \$'000
Balance as at 1 July	420,682	302,411	946,036	917,058	665,160	574,303	1,383,912	1,668,881
Applications	40,691	79,525	96,881	260,403	52,490	111,347	116,753	348,273
Redemptions	(50,497)	(19,522)	(118,835)	(63,696)	(71,913)	(26,629)	(156,517)	(82,927)
Units issued upon reinvestment of distributions	1,083	256	2,399	841	1,208	178	2,469	561
Distribution paid and payable	-	-	(9,371)	(3,910)	-	-	(14,734)	(3,466)
Profit/(loss) for the half-year	-	-	(4,681)	83,020	-	-	(9,184)	151,681
Closing balance as at 31 December	411,959	362,670	912,429	1,193,716	646,945	659,199	1,322,699	2,083,003

	Emerging Companies Fund				ex-20 Australian Equities Fund			
	31 December 2022 Units'000	31 December 2021 Units'000	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 Units'000	31 December 2021 Units'000	31 December 2022 \$'000	31 December 2021 \$'000
Balance as at 1 July	48,418	36,527	85,905	82,234	1,450,943	1,224,177	3,233,612	3,812,267
Applications	2,566	15,289	5,001	33,408	142,220	199,966	333,731	668,086
Redemptions	(3,952)	(3,771)	(7,674)	(4,674)	(161,204)	(77,652)	(373,070)	(258,084)
Units issued upon reinvestment of distributions	-	-	-	-	772	-	1,638	-
Distribution paid and payable	-	-	-	-	-	-	(14,413)	-
Profit/(loss) for the half-year	-	-	8,966	10,189	-	-	(139,547)	366,676
Closing balance as at 31 December	47,032	48,045	92,198	121,157	1,432,731	1,346,491	3,041,951	4,588,945

5 Net assets attributable to unitholders (continued)

	Twenty20 Australian Equities Fund			
	31 December 2022 Units'000	31 December 2021 Units'000	31 December 2022 \$'000	31 December 2021 \$'000
Balance as at 1 July	47,236	8,456	65,164	14,497
Applications	36,433	17,009	53,686	30,623
Redemptions	(33,957)	(1,177)	(49,258)	(2,098)
Units issued upon reinvestment of distributions	22	4	32	7
Distribution paid and payable	-	-	(1,405)	(131)
Profit/(loss) for the half-year	-	-	2,025	676
Closing balance as at 31 December	49,734	24,292	70,244	43,574

Capital risk management

The Funds consider their net assets attributable to unitholders as capital. Net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of unitholders.

Applications and redemptions are reviewed relative to the liquidity of the Funds' underlying assets on a daily basis by the Investment Manager. Under the terms of the Funds' Constitutions, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

6 Financial assets at fair value through profit and loss

	Australian Equities Fund		Concentrated Australian Equities Fund		Emerging Companies Fund	
	As at		As at		As at	
	31 December 2022	30 June 2022	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit and loss						
Listed equity securities	904,523	934,142	1,317,633	1,442,286	82,833	71,938
Total financial assets at fair value through profit and loss	904,523	934,142	1,317,633	1,442,286	82,833	71,938

	ex-20 Australian Equities Fund		Twenty20 Australian Equities Fund	
	As at		As at	
	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit and loss				
Listed equity securities	2,858,899	3,035,475	69,408	63,341
Total financial assets at fair value through profit and loss	2,858,899	3,035,475	69,408	63,341

7 Events occurring after the reporting date

No significant events have occurred since the reporting date which would impact on the financial positions of the Funds disclosed in the condensed statements of financial position as at 31 December 2022 or on the results and cash flows of the Funds for the half-year ended on that date.

8 Contingent assets and liabilities and commitments

In accordance with the Funds' Constitutions, the Responsible Entity is entitled to be reimbursed for all operating and administration expenses that have been incurred on behalf of the Funds. The Funds' PDSs outline in Section 6 that the Responsible Entity caps this amount at 0.05% per annum of the Net Asset Value (NAV) of the Funds.

As at 31 December 2022, the Responsible Entity has incurred the following reimbursable expenses in excess of the amount charged to the Funds:

Funds	Half-year ended	
	31 December 2022	31 December 2021
	\$	\$
Australian Equities Fund	–	–
Concentrated Australian Equities Fund	–	–
Emerging Companies Fund	445,424	293,636
ex-20 Australian Equities Fund	–	–
Twenty20 Australian Equities Fund	650,389	526,143

The following table reflects the movements in deferred funds expenses for the half-year:

	Australian Equities Fund		Concentrated Australian Equities Fund		Emerging Companies Fund	
	Half-year ended		Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$	\$	\$	\$	\$	\$
Opening balance at 1 July	22,577	6,160	120,348	327,925	439,484	287,120
New expenses for which payment has been deferred	67,979	163,703	80,791	253,672	32,499	38,388
Deferred expenses reimbursed during the half-year	(90,556)	(169,863)	(201,139)	(581,597)	(26,559)	(31,872)
Closing balance	–	–	–	–	445,424	293,636

8 Contingent assets and liabilities and commitments (continued)

	ex-20 Australian Equities Fund		Twenty20 Australian Equities Fund	
	Half-year ended 31 December 2022	31 December 2021	Half-year ended 31 December 2022	31 December 2021
	\$	\$	\$	\$
Opening balance at 1 July	-	-	637,845	498,453
New expenses for which payment has been deferred	73,192	192,387	34,625	35,507
Deferred expenses reimbursed during the half-year	(73,192)	(192,387)	(22,081)	(7,817)
Closing balance	-	-	650,389	526,143

There were no other contingencies for the Funds at the reporting date.

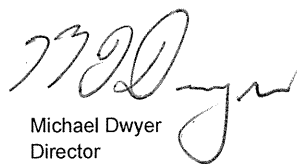
Directors' declaration

The directors of the Responsible Entity declare in respect of the following Funds:

Bennelong Australian Equities Fund
Bennelong Concentrated Australian Equities Fund
Bennelong Emerging Companies Fund
Bennelong ex-20 Australian Equities Fund
Bennelong Twenty20 Australian Equities Fund

- (a) in the directors' opinion, there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable;
- (b) in the directors' opinion, the attached condensed financial reports are in compliance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board interpretations and International Financial Reporting Standards as stated in Note 2 to the condensed financial reports;
- (c) in the directors' opinion, the attached condensed financial reports and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Funds.

Signed in accordance with a resolution of the directors of the Responsible Entity made pursuant to section 303(5) of the *Corporations Act 2001*.



Michael Dwyer
Director
Sydney
8 March 2023

Independent Auditor's Review Report to the Unitholders of the BAEP Funds

Conclusion

We have reviewed the half-year financial reports of the Bennelong Australian Equities Fund, Bennelong Concentrated Australian Equities Fund, Bennelong Emerging Companies Fund, Bennelong ex-20 Australian Equities Fund and Bennelong Twenty20 Australian Equities Fund (collectively the "BAEP Funds" or the "Funds") which comprises the condensed statements of financial position as at 31 December 2022, the condensed statements of profit or loss and other comprehensive income, the condensed statements of cash flows and the condensed statements of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 8 to 28.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial reports of the Funds are not in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the Funds' financial position as at 31 December 2022 and of their 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.

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. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Half-year Financial Reports section of our report. We are independent of the BAEP Funds in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual 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 Bennelong Funds Management Ltd (the "Responsible Entity"), would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Reports

The directors of the Responsible Entity are responsible for the preparation of the half-year financial reports 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 reports 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 Reports

Our responsibility is to express a conclusion on the half-year financial reports 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 reports are not in accordance with the Corporations Act 2001 including giving a true and fair view of the Funds' financial positions as at 31 December 2022 and their 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.



DELOITTE TOUCHE TOHMATSU



Adam Kuziow
Partner
Chartered Accountants

Melbourne, 8 March 2023