

Skydive the Beach Group Limited and Controlled Entities
ACN: 167 320 470

Appendix 4D
for the 31 December 2016

Results for announcement to the market

	Half-year ended 31-Dec-16 \$'000	Half-year ended 31-Dec-15 \$'000	Variance %
Revenue from ordinary activities	39,098	24,575	59.1%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)*	8,173	4,486	82.2%
Net profit before tax	5,133	2,791	83.9%
Net Profit after tax attributable to members of the parent entity	3,626	2,640	37.4%
Net cash provided by operating activities	6,539	2,239	192.1%

Significant events

On 1 July 2016, the Group completed the acquisition of Skydive Wanaka Limited, being a skydiving operation in Wanaka, New Zealand. Consideration for the acquisition was NZ\$10.4 million (of which AUD 9.98M was paid as a deposit with the company's solicitors prior to 30 June 2016).

On 3 October 2016, the Group acquired Performance Aviation Limited, an aircraft and helicopter maintenance business, based in Wanaka New Zealand. Consideration for the acquisition was NZ\$ 500,000.

On 28 September 2016 the Group announced a fully underwritten accelerated non renounceable entitlement offer to raise \$19.6M. As a result of this capital raise 37,742,986 shares were issued at \$0.52 each on the basis of 2 shares for every 21 shares held.

On 31 October 2016 the Group acquired Raging Thunder Adventures (and its associated subsidiaries), an adventure eco-tourism company, located in Far North Queensland, adding white water rafting, hot air ballooning, canyoning, sea kayaking and tours to the Great Barrier Reef to the company's adventure tourism portfolio. Consideration for the acquisition was \$15.4M.

Commentary on the Results

Skydive the Beach Group Limited operates 18 skydiving drop zones throughout Australia and 3 in New Zealand, and a leading eco-tourism adventure business in Far North Queensland offering white water rafting, hot air ballooning, canyoning, sea kayaking and tours to the Great Barrier Reef.

Presented in the directors' report is a summary of historical and current financial performance information which shows that revenue increased by 59.1% compared to the same period last year and EBITDA increased by 82.2% compared to the same period last year. These results are partly due to a full 6 months from our New Zealand operations, two months contribution from Raging Thunder Adventures operations and the continued growth and improvement on operational efficiencies for the Australian skydiving drop zones.

* EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ("AAS") and represents the profit under AAS adjusted for specific non-cash and significant items. The directors consider EBITDA to reflect the core earnings of the consolidated entity. A reconciliation between EBITDA and profit after income tax for the half year ended 31 December 2016 is included in the directors' report.

Dividends

On 30 September 2016, a fully franked dividend of \$0.01 per share was paid out of retained profits at 30 June 2016, amounting to \$3,963,013.

There have been no other dividends paid or declared during the period.

Net Tangible Assets

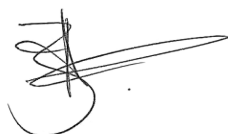
	31-Dec-16	30-Jun-16
Net assets per share	\$0.20	\$0.18
Net tangible assets per share	\$0.12	\$0.13

Half Year Report

The half year report of Skydive the Beach Group Limited for the half year ended 31 December 2016 is attached.

Audit Status

The accounts were reviewed by the Group's auditors whose report is attached as part of the half year report for the half year ended 31 December 2016.



Anthony Boucaut
Managing Director



Anthony Ritter
Chief Executive Officer

20 February 2017