

**PACIFIC CURRENT GROUP LIMITED**  
**ABN 39 006 708 792**

**AND CONTROLLED ENTITIES**

**FINANCIAL INFORMATION**  
**FOR THE YEAR ENDED 30 JUNE 2017**  
**PROVIDED TO THE ASX UNDER LISTING RULE 4.3A**

## Appendix 4E Preliminary Final Report

Name of entity

Pacific Current Group Limited

ABN : 39 006 708 792

### 1. Reporting period

Report for the financial year ended	30 June 2017
Previous corresponding period is the financial year ended	30 June 2016

### 2. Results for announcement to the market

Revenues from ordinary activities ( <i>item 2.1</i> )	Up	186%	to	<u>A\$'000s</u> 16,040
Net income from ordinary activities after tax attributable to members ( <i>item 2.2</i> )	Up	122%	to	10,629
Net income for the period attributable to members ( <i>item 2.3</i> )	Up	122%	to	10,629
<b>Dividends (<i>item 2.4</i>)</b>		<b>Amount per security</b>		<b>Franked amount per security</b>
Interim dividend		-		100%
Final dividend		18 cents		100%
Record date for determining entitlements to the dividend ( <i>item 2.5</i> )	8 September 2017			
Brief explanation of any of the figures reported above necessary to enable the figures to be understood ( <i>item 2.6</i> ):				

## Results Commentary

A copy of the financial report for the year ended 30 June 2017 is attached. Pacific Current Group Limited (PAC) and its controlled entities (Group) reflect the consolidation of results of the following entities:

Pacific Current Group Limited (head company)	
Aurora Investment Management Pty Ltd (Trustee of Aurora Trust)	(100%)
Aurora Trust <sup>1</sup>	(100%)
Treasury Group Investment Services Ltd	(100%)
Global Value Investors Ltd	(100%)
Northern Lights MidCo, LLC	(100%)
Northern Lights Capital Group, LLC	(100%)
NLCG Distributors, LLC	(100%)
Northern Lights Capital Partners (UK) Ltd	(100%)
Aether Investment Partners, LLC	(100%)
Seizert Capital Partners, LLC	(100%)
Strategic Capital Investments, LLP	(54%)
AR Capital Management Pty Ltd <sup>2</sup>	(100%)

<sup>1</sup> On 13 April 2017, the Company acquired 34.85% of the Trust by the issue of 13,675,677 Company shares to the Class B and B-1 unitholders. Accordingly, the Trust became a wholly owned subsidiary of the Company effective as at that date.

<sup>2</sup> This Company was wound up during the year.

The Company generated net profit after tax attributable to members of the Group of \$10.6m for the year ended 30 June 2017 (2016: net loss after tax of \$48.2m). The net profit after tax of the Company as reported in the current year compared to the 30 June 2016 comparative result is shown in the table below reconciling the underlying profit. The financial report of the Company reflects the consolidation of the Aurora Trust from 13 April 2017. The impact was to reflect the results of Aether, Seizert and a number of smaller entities in the profit or loss.

During the year, the results were impacted by one-off non-cash items as listed in the table below. Some of these were the result of the restructure for example, gain on revaluation of X-RPUs amounting to \$12.8m.

	<b>CONSOLIDATED</b>	
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Net profit/(loss) after tax	10,584,997	(48,240,448)
Add/(deduct): Items that are non-recurring/non-cash		
- Impairment of AFS investments, associates and goodwill	8,121,787	77,498,371
- Gain on disposal of a joint venture	(4,496,157)	-
- Gain on sale of investments	(740,239)	(8,650,287)
- Gain on non-cash acquisition of additional shares/units in associates	(12,305)	(1,177,425)
- Loss/(gain) on revaluation of investment held at FVTPL	5,001,823	(466,356)
- Net (gain)/loss recognised on X and Y-RPUs	(11,688,796)	4,198,398
- Amortisation of identifiable intangibles	2,131,814	1,903,881
- Prepayment penalty on loan debts including loan origination costs write off	1,289,160	1,528,714
- Deal costs	39,147	440,487
- Loss on lease abandonment	224,131	-
- Long term incentives amortisation	1,121,655	228,025
- Transaction costs at the Trust for simplification	1,202,463	-
- Adjustment in deferred commitments	(1,498,567)	-
- Employee restructuring	98,000	887,460
- Costs in relation to responsible entity and other legals	255,427	-
- Write off of receivables	-	2,363,977
- Transaction costs at the Trust for RARE	-	4,653,797
- Back out income tax expense/(benefit) for non-recurring/non-cash items	4,984,499	(23,546,053)
Total	<u>6,033,842</u>	<u>59,862,989</u>
Underlying profit	<u>16,618,839</u>	<u>11,622,541</u>
Underlying earnings per share	<u>53.3</u>	<u>41.5</u>
Statutory earnings/(losses) per share	<u>34.1</u>	<u>(172.1)</u>

**3. Income Statement (item 3)**

Refer to the attached statement

**4. Balance Sheet (item 4)**

Refer to the attached statement

**5. Statement of Cash Flows (item 5)**

Refer to the attached statement

**6. Dividends (item 6)**

	<b>Date of payment</b>	<b>Total amount of dividend</b>
Interim dividend – year ended 30 June 2017	-	
Final dividend – year ended 30 June 2017	28 September 2017	\$8,575,619

**Amount per security**

	<b>Amount per security</b>	<b>Franked amount per security at 30% tax</b>	<b>Amount per security of foreign sourced dividend</b>
<b>Total dividend:</b> Current year	18 cents	100%	n/a
Previous year	25 cents	100%	n/a

**Total dividend on all securities**

	<b>Current period \$A'000</b>	<b>Previous corresponding Period - \$A'000</b>
Ordinary securities <i>(each class separately)</i>	8,576	7,031
Preference securities <i>(each class separately)</i>	n/a	n/a
Other equity instruments <i>(each class separately)</i>	n/a	n/a
<b>Total</b>	<b>8,576</b>	<b>7,031</b>

**7. Details of dividend or distribution reinvestment plans in operation are described below (item 7):**

Not applicable.

The last date(s) for receipt of election notices for participation in the dividend or distribution reinvestment plan

Not applicable

**8. Statement of retained earnings (item 8)**

Refer Note 26 in the attached 30 June 2017 Annual Report.

**9. Net tangible assets per security (item 9)**

	Current period	Previous corresponding period (restated)
Net tangible asset backing per ordinary security	495¢	668¢

**10. Details of entities over which control has been gained or lost during the period: (item 10)**

**Control gained over entities**

Name of entities (item 4.1)

NA

Date(s) of gain of control (item 4.2)

**Loss of control of entities**

Name of entities (item 4.1)

AR Capital Management Pty Ltd

Date(s) of loss of control (item 4.2)

6 July 2016

Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was lost (item 4.3).

Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 4.3)

## 11. Details of joint venture/associates

Name of associates	% Securities held
Investors Mutual Ltd	45.44
Roc Partners Pty Ltd	17.59
Roc Management Services Trust	17.59
Roc Partners (Cayman) Limited	17.59
Celeste Funds Management Limited	27.48
Freehold Investment Management Limited	30.89
AlphaShares, LLC	31.03
Aperio Group, LLC	23.38
Blackcrane Capital, LLC	25.0
Goodhart Partners, LLP (UK)	18.81
Northern Lights Alternative Advisors Ltd	20.0
Aether GPs	24.0

The Company acquired the remaining 34.85% in the Trust on 13 April 2017. The Trust was treated as joint venture before it became a 100% wholly owned subsidiary of PAC.

### Aggregate share of profits of joint venture/associates

	2017 \$'000	2016 \$'000
<b>Group's share of associates/joint venture:</b>		
Profit/(loss) from ordinary activities before tax	12,610	(118,508)
Income tax on ordinary activities <sup>1</sup>	(1,216)	(1,975)
<b>Net profit/(loss) from ordinary activities after tax</b>	11,394	(120,483)
Adjustments	-	-
<b>Share of net profit/(loss) of associates/joint ventures:</b>	11,394	(78,495)

<sup>1</sup> Income tax expense of the Australian associates of the Company.

**12. Significant information relating to the entity's financial performance and financial position.**

Refer note on results commentary.

**13. The financial information provided in the Appendix 4E is based on the annual financial report (attached), which has been prepared in accordance with Australian accounting standards (item 13).**

**14. Commentary on the results for the period.**

NA

**15. Audit of the financial report**

The financial report has been audited and an unqualified opinion has been issued.



Joseph Ferragina

COO/CFO

31 August 2017