

Autosports Group Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Autosports Group Limited
ABN:	54 614 505 261
Reporting period:	For the period ended 31 December 2017
Previous period:	For the period ended 31 December 2016

2. Results for announcement to the market

The Group's current period results are for the half-year ended 31 December 2017. The comparative results are for the Group's trading period from 18 November 2016 to 31 December 2016.

			\$'000
Revenues from ordinary activities	up	379.3% to	792,748
Profit from ordinary activities after tax attributable to the owners of Autosports Group Limited	up	491.1% to	12,080
Profit for the period attributable to the owners of Autosports Group Limited	up	491.1% to	12,080

Dividends

	Amount per security Cents	Franked amount per security Cents
Final dividend for the period ended 30 June 2017, declared on 29 August 2017 and paid on 31 October 2017 to shareholders registered on 17 October 2017.	4.600	4.600
Interim dividend for the year ending 30 June 2018, declared on 23 February 2018. The interim dividend will be paid on 31 May 2018 to shareholders registered on 17 May 2018.	4.200	4.200

Comments

The profit for the Group after providing for income tax and non-controlling interest amounted to \$12,080,000 (31 December 2016: loss of \$3,089,000).

The results for the half-year was impacted by one-off items associated with the acquisition during the current period and other items as detailed below:

	Consolidated Half-year ended 31 Dec 2017 \$'000	Period ended 31 Dec 2016 \$'000
Statutory profit/(loss) after tax attributable to the owners of Autosports Group Limited	12,080	(3,089)
Add: Non-controlling interest (1)	125	35
Add: Income tax expense	4,704	794
Profit before income tax expense	16,909	(2,260)
Add: IPO listing expenses (2)	-	5,812
Add: Acquisition expenses (3)	578	3,947
Add: Employee gift offer of shares (4)	-	503
Add: Director gift offer of shares (4)	-	250
Profit before tax excluding non-recurring items	<u>17,487</u>	<u>8,252</u>

Autosports Group Limited
Appendix 4D
Half-year report

- (1) Represents the 20% minority interest in New Centenary Mazda Pty Ltd held by the Dealer Principal.
- (2) Represents the amounts expensed to profit or loss in relation to IPO offer (fees payable to advisors, joint lead managers and tax, accounting and legal fees).
- (3) Relates to acquisition expenses on the BMW Melbourne acquisition during the half-year. Previous period relates to the stamp duty expense on Willims acquisition.
- (4) Share-based payment expense relating to the employee and Director gift offer.

Profit before tax excluding non-recurring items is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the statutory profit/(loss) under AAS adjusted for certain one-off items. The Directors consider Profit before tax excluding non-recurring items to reflect the core earnings of the Group.

Please refer to the ASX announcement accompanying this Appendix 4D for further commentary.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>(13.20)</u>	<u>(3.98)</u>

4. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

5. Attachments

Details of attachments (if any):

The Interim Report of Autosports Group Limited for the period ended 31 December 2017 is attached.

6. Signed



Signed _____

Date: 23 February 2018

Thomas Pockett
 Independent Chairman
 Sydney

Autosports Group Limited

ABN 54 614 505 261

Interim Report - 31 December 2017

Autosports Group Limited
Contents
31 December 2017

Directors' report	2
Auditor's independence declaration	4
Consolidated statement of profit or loss and other comprehensive income	5
Consolidated statement of financial position	6
Consolidated statement of changes in equity	7
Consolidated statement of cash flows	8
Notes to the consolidated financial statements	9
Directors' declaration	15
Independent auditor's review report to the members of Autosports Group Limited	16

Autosports Group Limited
Directors' report
31 December 2017

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Autosports Group Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the period ended 31 December 2017.

Directors

The following persons were Directors of Autosports Group Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Thomas 'Tom' Pockett - Chairman
 Nicholas 'Nick' Pagent
 Ian Pagent
 Robert Quant
 Marina Go
 Malcolm Tilbrook (resigned on 3 July 2017)

Principal activities

During the financial half-year, the Group's principal continuing activities were primarily focused on the retail automotive industry. The core business focuses on the sale of new and used motor vehicles, distribution of finance and insurance products on behalf of retail financiers and automotive insurers, the sale of aftermarket products and spare parts, motor vehicle servicing and collision repair services. There have been no significant changes in the nature of Group's principal activities.

Review of operations

The profit for the Group after providing for income tax and non-controlling interest amounted to \$12,080,000 (31 December 2016: loss of \$3,089,000).

The Group's current period results are for the half-year ended 31 December 2017. The comparative results are for the Group's trading period from 18 November 2016 to 31 December 2016.

The results for the half-year was impacted by one-off items associated with the acquisition during the current period and other items as detailed below:

	Consolidated Half-year ended 31 Dec 2017 \$'000	Period ended 31 Dec 2016 \$'000
Statutory profit/(loss) after tax attributable to the owners of Autosports Group Limited	12,080	(3,089)
Add: Non-controlling interest (1)	125	35
Add: Income tax expense	4,704	794
Profit before income tax expense	16,909	(2,260)
Add: IPO listing expenses (2)	-	5,812
Add: Acquisition expenses (3)	578	3,947
Add: Employee gift offer of shares (4)	-	503
Add: Director gift offer of shares (4)	-	250
Profit before tax excluding non-recurring items	<u>17,487</u>	<u>8,252</u>

(1) Represents the 20% minority interest in New Centenary Mazda Pty Ltd held by the Dealer Principal.

(2) Represents the amounts expensed to profit or loss in relation to IPO offer (fees payable to advisors, joint lead managers and tax, accounting and legal fees).

(3) Relates to acquisition expenses on the BMW Melbourne acquisition during the half-year. Previous period relates to the stamp duty expense on Willims acquisition.

(4) Share-based payment expense relating to the employee and Director gift offer.

Profit before tax excluding non-recurring items is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the statutory profit/(loss) under AAS adjusted for certain one-off items. The Directors consider Profit before tax excluding non-recurring items to reflect the core earnings of the Group.

**Autosports Group Limited
Directors' report
31 December 2017**

For further commentary on the results for the half-year ended 31 December 2017, please refer to the Australian Securities Exchange ('ASX') announcement accompanying this Report.

Significant changes in the state of affairs

On 1 November 2017, the Group acquired certain assets and liabilities of BMW and Mini Southbank, BMW and Mini Kingsway, Motorrad Southbank, Mini Melbourne, Mini Kingsway and BMW bodyshop from BMW Australia Limited. The total consideration transferred amounted to \$26,527,000. Refer to note 9 of the financial statements for further details.

There were no other significant changes in the state of affairs of the Group during the financial period.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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 immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



Thomas Pockett
Independent Chairman

23 February 2018
Sydney



Nicholas Pagent
Chief Executive Officer

The Directors
Autosports Groups Limited
565 Parramatta Road
Leichhardt NSW 2040

23 February 2018

Dear Directors

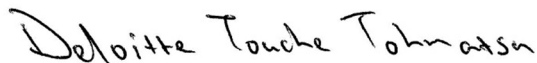
Autosports Group Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Autosports Group Limited.

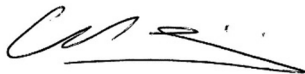
As lead audit partner for the review of the interim financial report of Autosports Group Limited for the half-year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (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



Carlo Pasqualini
Partner
Chartered Accountants

Autosports Group Limited
Consolidated statement of profit or loss and other comprehensive income
For the period ended 31 December 2017

		Consolidated	
		Half-year ended 31 Dec 2017 \$'000	Period ended 31 Dec 2016 \$'000
Revenue	4	792,748	165,389
Expenses			
Changes in inventories		30,165	22,487
Raw materials and consumables purchased		(699,565)	(158,850)
Employee benefits expense		(57,462)	(11,629)
Depreciation and amortisation expense		(4,080)	(977)
Occupancy costs		(13,741)	(2,946)
Acquisition expenses		(578)	(3,947)
Initial public offering ('IPO') listing expenses		-	(5,812)
Other expenses		(25,124)	(4,996)
Finance costs		(5,454)	(979)
Profit/(loss) before income tax expense		16,909	(2,260)
Income tax expense		(4,704)	(794)
Profit/(loss) after income tax expense for the period		12,205	(3,054)
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		<u>12,205</u>	<u>(3,054)</u>
Profit/(loss) for the period is attributable to:			
Non-controlling interest		125	35
Owners of Autosports Group Limited		12,080	(3,089)
		<u>12,205</u>	<u>(3,054)</u>
Total comprehensive income for the period is attributable to:			
Non-controlling interest		125	35
Owners of Autosports Group Limited		12,080	(3,089)
		<u>12,205</u>	<u>(3,054)</u>
		Cents	Cents
Basic earnings per share	10	6.01	(1.54)
Diluted earnings per share	10	5.98	(1.54)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Autosports Group Limited
Consolidated statement of financial position
As at 31 December 2017

	Note	Consolidated 31 Dec 2017 \$'000	30 Jun 2017 \$'000
Assets			
Current assets			
Cash and cash equivalents		10,560	14,903
Trade and other receivables		79,829	70,366
Inventories		329,356	256,213
Other assets		9,279	5,519
Total current assets		<u>429,024</u>	<u>347,001</u>
Non-current assets			
Property, plant and equipment		44,713	36,240
Intangibles	5	521,185	499,678
Deferred tax		5,668	3,897
Total non-current assets		<u>571,566</u>	<u>539,815</u>
Total assets		<u>1,000,590</u>	<u>886,816</u>
Liabilities			
Current liabilities			
Trade and other payables		71,358	65,361
Borrowings		366,532	287,477
Income tax payable		4,871	4,980
Employee benefits		10,586	7,530
Deferred revenue		2,553	3,724
Total current liabilities		<u>455,900</u>	<u>369,072</u>
Non-current liabilities			
Borrowings	6	48,585	23,536
Employee benefits		1,447	2,534
Total non-current liabilities		<u>50,032</u>	<u>26,070</u>
Total liabilities		<u>505,932</u>	<u>395,142</u>
Net assets		<u>494,658</u>	<u>491,674</u>
Equity			
Issued capital		475,637	475,637
Share-based payments reserve		657	392
Retained profits		15,032	12,198
Equity attributable to the owners of Autosports Group Limited		<u>491,326</u>	<u>488,227</u>
Non-controlling interest		3,332	3,447
Total equity		<u>494,658</u>	<u>491,674</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Autosports Group Limited
Consolidated statement of changes in equity
For the period ended 31 December 2017

Consolidated	Issued capital \$'000	Share-based payments reserve \$'000	Accumulated losses \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 29 August 2016	-	-	-	-	-
Profit/(loss) after income tax expense for the period	-	-	(3,089)	35	(3,054)
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	(3,089)	35	(3,054)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	475,683	-	-	-	475,683
Share-based payments	-	48	-	-	48
Non-controlling interest arising on business combinations	-	-	-	3,257	3,257
Balance at 31 December 2016	475,683	48	(3,089)	3,292	475,934

Consolidated	Issued capital \$'000	Share-based payments reserve \$'000	Retained profits \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2017	475,637	392	12,198	3,447	491,674
Profit after income tax expense for the period	-	-	12,080	125	12,205
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	12,080	125	12,205
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	-	265	-	-	265
Dividends paid to non-controlling interest	-	-	-	(240)	(240)
Dividends paid (note 7)	-	-	(9,246)	-	(9,246)
Balance at 31 December 2017	475,637	657	15,032	3,332	494,658

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Autosports Group Limited
Consolidated statement of cash flows
For the period ended 31 December 2017

	Note	Consolidated Half-year ended 31 Dec 2017 \$'000	Period ended 31 Dec 2016 \$'000
Cash flows from operating activities			
Profit/(loss) before income tax expense for the period		16,909	(2,260)
Adjustments for:			
Depreciation and amortisation		4,080	977
Net loss on disposal of property, plant and equipment		15	-
Share-based payments		265	801
Provision for impairment of trade receivables		-	(192)
Interest received		(31)	(5)
Interest and other finance costs		5,454	979
		<u>26,692</u>	<u>300</u>
Change in operating assets and liabilities:			
Increase in trade and other receivables		(9,463)	(12,655)
Increase in inventories		(30,165)	(22,487)
Increase in other operating assets		(4,277)	(2,492)
Increase in trade and other payables		5,920	8,549
Increase/(decrease) in other provisions		359	(129)
Decrease in deferred revenue		(1,171)	(267)
Increase in bailment finance		42,962	20,492
(Decrease)/increase in other operating liabilities		(687)	8,061
		<u>30,170</u>	<u>(628)</u>
Interest received		31	5
Interest and other finance costs paid		(5,454)	(979)
Income taxes paid		(6,818)	(3,929)
		<u>17,929</u>	<u>(5,531)</u>
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired	9	(26,527)	(87,313)
Payments for property, plant and equipment		(6,013)	(1,399)
Proceeds from release of security deposits		517	-
		<u>(32,023)</u>	<u>(88,712)</u>
Cash flows from financing activities			
Proceeds from issue of shares		-	159,380
Share issue transaction costs		-	(9,595)
Amounts received from related parties		-	31
Proceeds from borrowings		21,899	-
Repayment of borrowings		(2,902)	(1,218)
Dividends paid	7	(9,246)	-
	7	<u>-</u>	<u>(25,774)</u>
Net cash from financing activities		<u>9,751</u>	<u>122,824</u>
Net increase/(decrease) in cash and cash equivalents		(4,343)	28,581
Cash and cash equivalents at the beginning of the financial period		14,903	-
Cash and cash equivalents at the end of the financial period		<u><u>10,560</u></u>	<u><u>28,581</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Autosports Group Limited
Notes to the consolidated financial statements
31 December 2017

Note 1. General information

The financial statements cover Autosports Group Limited as a consolidated entity consisting of Autosports Group Limited (the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year (collectively referred to as the 'Group'). The financial statements are presented in Australian dollars, which is Autosports Group Limited's functional and presentation currency.

Autosports Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

565 Parramatta Road
Leichhardt
NSW 2040

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The Group's current period results are for the half-year ended 31 December 2017. The comparative results are for the Group's trading period from 18 November 2016 to 31 December 2016.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 23 February 2018. The Directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2017 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2017 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial half-year ended 31 December 2017 and are not expected to have any significant impact for the full financial year ending 30 June 2018.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Net current asset deficiency

The financial statements have been prepared on the going concern basis which assumes the Group will have sufficient funds to pay its debts as and when they become payable for a period of at least 12 months from the date the financial report was authorised for issue.

As at 31 December 2017, the Group had net current liabilities of \$26,876,000 (30 June 2017: \$22,071,000). The Directors have reviewed the operating results and cash flows and have concluded that it is appropriate to prepare the financial statements on a going concern basis, as the Directors believe that the Group will be able to realise and settle its liabilities and commitments in the normal course of business and at amounts stated in the financial statements.

Autosports Group Limited
Notes to the consolidated financial statements
31 December 2017

Note 3. Operating segments

The Group's operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The Directors have determined that there is only one operating segment identified and located in Australia, being motor vehicle retailing. The information reported to the CODM is the consolidated results of the Group. The segment results are therefore shown throughout these financial statements and not duplicated here.

Note 4. Revenue

	Consolidated	
	Half-year ended 31 Dec 2017 \$'000	Period ended 31 Dec 2016 \$'000
<i>Sales revenue</i>		
New and demonstrator vehicles	462,094	101,305
Used vehicles	212,798	41,509
Parts	47,187	7,259
Service	45,589	7,998
Aftermarket accessories	6,180	1,408
Finance and insurance revenue	12,082	3,434
	<u>785,930</u>	<u>162,913</u>
<i>Other revenue</i>		
Interest	31	5
Other revenue	6,787	2,471
	<u>6,818</u>	<u>2,476</u>
Revenue	<u><u>792,748</u></u>	<u><u>165,389</u></u>

Note 5. Non-current assets - intangibles

	Consolidated	
	31 Dec 2017 \$'000	30 Jun 2017 \$'000
Goodwill - at cost	503,457	482,125
Customer relationships - at cost	22,065	19,824
Less: Accumulated amortisation	(4,337)	(2,271)
	<u>17,728</u>	<u>17,553</u>
	<u><u>521,185</u></u>	<u><u>499,678</u></u>

Autosports Group Limited
Notes to the consolidated financial statements
31 December 2017

Note 5. Non-current assets - intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

Consolidated	Goodwill \$'000	Customer relationships \$'000	Total \$'000
Balance at 1 July 2017	482,125	17,553	499,678
Additions through business combinations (note 9)	21,332	2,214	23,546
Amortisation expense	-	(2,039)	(2,039)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	<u>503,457</u>	<u>17,728</u>	<u>521,185</u>

Note 6. Non-current liabilities - borrowings

	Consolidated	
	31 Dec 2017 \$'000	30 Jun 2017 \$'000
Capital loans	44,163	21,531
Hire purchase	4,422	2,005
	<hr/>	<hr/>
	<u>48,585</u>	<u>23,536</u>

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	31 Dec 2017 \$'000	30 Jun 2017 \$'000
Total facilities		
Bailment finance	379,625	305,700
Capital loans	57,489	39,033
Hire purchase	5,736	2,789
	<hr/>	<hr/>
	<u>442,850</u>	<u>347,522</u>
Used at the reporting date		
Bailment finance	356,843	271,736
Capital loans	52,538	36,488
Hire purchase	5,736	2,789
	<hr/>	<hr/>
	<u>415,117</u>	<u>311,013</u>
Unused at the reporting date		
Bailment finance	22,782	33,964
Capital loans	4,951	2,545
Hire purchase	-	-
	<hr/>	<hr/>
	<u>27,733</u>	<u>36,509</u>

Autosports Group Limited
Notes to the consolidated financial statements
31 December 2017

Note 7. Equity - dividends

Dividends paid during the financial period were as follows:

	Consolidated	
	Half-year	Period ended
	ended	31 Dec 2016
	31 Dec 2017	31 Dec 2016
	\$'000	\$'000
Final dividend for the period ended 30 June 2017 of 4.6 cents per ordinary share	<u>9,246</u>	<u>-</u>

On 23 February 2018, the directors declared a fully franked interim dividend for the year ending 30 June 2018 of 4.2 cents per ordinary shares, to be paid on 31 May 2018 to eligible shareholders on the register as at 17 May 2018. This equates to a total estimated distribution of \$8,401,000, based on the number of ordinary shares on issue as at 31 December 2017. The financial effect of dividends declared after the reporting date are not reflected in the 31 December 2017 financial statements and will be recognised in subsequent financial reports.

Previous period dividend

During the previous period, \$25,774,000 was paid to the pre-IPO Autosports Group shareholders to settle the dividend liability acquired by the Company.

Note 8. Fair value measurement

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Note 9. Business combinations

BMW Melbourne

On 1 November 2017, the Group acquired certain assets and liabilities of BMW and Mini Southbank, BMW and Mini Kingsway, Motorrad Southbank, Mini Melbourne, Mini Kingsway and BMW bodyshop from BMW Australia Limited. The total consideration transferred amounted to \$26,527,000. The goodwill of \$21,332,000 represents profitability of the acquired business and the synergistic opportunities it offers and cross-selling opportunities that will arise from the acquisition. The acquired business contributed revenues of \$32,154,000 and profit before tax of \$478,000 to the Group for the period from 1 November 2017 to 31 December 2017. The values identified in relation to the acquisition are subject to a final completion adjustment and therefore provisional as at 31 December 2017.

Autosports Group Limited
Notes to the consolidated financial statements
31 December 2017

Note 9. Business combinations (continued)

Details of the acquisition are as follows:

	Fair value \$'000
Inventories	42,978
Plant and equipment	4,516
Customer relationships	2,214
Trade payables	(524)
Deferred tax liability	(234)
Employee benefits	(1,477)
Other provisions	(133)
Bailment finance	(42,145)
	<hr/>
Net assets acquired	5,195
Goodwill	21,332
	<hr/>
Acquisition-date fair value of the total consideration transferred	<u>26,527</u>
Representing:	
Cash paid or payable to vendor	<u>26,527</u>
Acquisition costs expensed to profit or loss	<u>578</u>
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	<u>26,527</u>

Note 10. Earnings per share

	Consolidated	
	Half-year ended 31 Dec 2017 \$'000	Period ended 31 Dec 2016 \$'000
Profit/(loss) after income tax	12,205	(3,054)
Non-controlling interest	(125)	(35)
	<hr/>	<hr/>
Profit/(loss) after income tax attributable to the owners of Autosports Group Limited	<u>12,080</u>	<u>(3,089)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	201,000,000	201,000,000
Adjustments for calculation of diluted earnings per share:		
Performance rights over ordinary shares	935,089	-
	<hr/>	<hr/>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>201,935,089</u>	<u>201,000,000</u>
	Cents	Cents
Basic earnings per share	6.01	(1.54)
Diluted earnings per share	5.98	(1.54)

Autosports Group Limited
Notes to the consolidated financial statements
31 December 2017

Note 11. Events after the reporting period

On 23 February 2018, the Group announced that it had entered into an agreement with Baldacchino 888 Prestige Autohaus Pty Ltd to purchase an Original Equipment Manufacturer ('OEM') authorised new vehicle dealerships and a financial service business operating in Canterbury, NSW, for the consideration of approximately \$15,600,000 plus fixed assets at valuation plus or minus industry standard adjustments. The acquisition will be funded by a combination of cash drawn from reserves and new debt facilities. The transaction, subject to a number of conditions, is expected to complete in the final quarter of the financial year ending 30 June 2018

Apart from the dividend declared as disclosed in note 7, no other matter or circumstance has arisen since 31 December 2017 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Autosports Group Limited
Directors' declaration
31 December 2017

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2017 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors



Thomas Pockett
 Independent Chairman



Nicholas Pagent
 Chief Executive Officer

23 February 2018
 Sydney

Independent Auditor's Review Report to the members of Autosports Group Limited

We have reviewed the accompanying half-year financial report of Autosports Group Limited (the "Entity"), and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement 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 of the consolidated entity comprising the Group and the entities it controlled at the end of the half-year or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 consolidated entity's financial position as at 31 December 2017 and 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*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

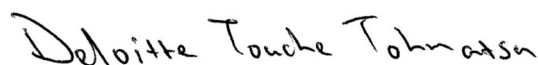
Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Group, would be in the same terms if given to the Directors as at the time of this auditor's review report.

Conclusion

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 report of the Group is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its 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*.



DELOITTE TOUCHE TOHMATSU



Carlo Pasqualini
Partner
Chartered Accountants
Sydney, 23 February 2018

Liability limited by a scheme approved under Professional Standards Legislation.