

Appendix 4D

1. Half yearly report

Name of entity

Pacific Current Group Limited

ABN:

39 006 708 792

Report for the half-year ended 31 December 2017

Previous corresponding period

is the financial year ended 30 June 2017

and half year ended 31 December 2016

2. Results for announcement to the market

| | | | | |
|---|---------|--------|----|--------------------|
| Revenues (<i>item 2.1</i>)* | up/down | 1.72% | to | A\$'000s 20,096 |
| Profit after tax attributable to members (<i>item 2.2</i>) | up/down | 2,201% | to | 89,292 |
| Net profit for the period attributable to members (<i>item 2.3</i>) | up/down | 2,201% | to | 89,292 |
| Dividends (<i>item 2.4</i>) | | | | |
| The directors of the Company did not declare an interim dividend on ordinary shares in respect of the half-year ended 31 December 2017. | | | | |
| Record date for determining entitlements to the dividend (<i>item 2.5</i>) | | | | |

Brief explanation of any of the figures reported above necessary to enable the figures to be understood (item 2.6):

The Company generated a net profit of \$89.5 million for the half year ended 31 December 2017. The corresponding profit for the prior corresponding period was \$6.1m. The results during the period reflected the consolidation of the Trust into the Company. The comparatives were restated to reflect consolidation as recommended by ASIC.

The underlying profit of the Company as reported in the 31 December 2017 half year report has increased compared to the 31 December 2016 half year result due to the following non-recurring and non-cash items as shown in the table below. The most significant item was the gain on sale of IML of \$104.3m which was based on the historic carrying value.

| | 31 December 2017 | 31 December 2016 (restated) |
|---|-----------------------------|--|
| | \$ | \$ |
| Net profit after tax attributable to the Group | 89,511,671 | 6,109,452 |
| Add/(deduct): Items that are non-recurring/non-cash | | |
| - Gain on sale of investments (IML)/(2016: Aubrey) | (104,292,732) | (486,917) |
| - Income tax expense on the sale of IML | 17,923,226 | 146,075 |
| - Take-up of liability relating to S class shares issued by Aperio | 2,847,823 | - |
| - Loss on redemption and cancellation of X-RPUs (2016: gain on revaluation of X-RPUs ¹) | 844,242 | (15,307,855) |
| - Foreign currency losses/(gains) | 1,968,185 | (356,894) |
| - Amortisation of identifiable intangible assets | 609,842 | 1,071,233 |
| - Fair value adjustments ² | 442,034 | 901,814 |
| - Long term incentives amortisation | 648,687 | 523,733 |
| - Legal and consulting expenses in relation to sale of IML, Simplification and X-RPU restructuring | 713,725 | - |
| - Other expenses | 426,957 | - |
| - Impairment of investments | - | 11,220,471 |
| - Loss on revaluation of investment held at FVTPL | - | 7,677,396 |
| - Deal costs | - | 60,089 |
| - Share of non-controlling interests on the non-recurring/non-cash items | (219,021) | (3,894,563) |
| - Back-out of net Income tax (benefit) | (2,081,474) | (1,821,298) |
| | (80,168,506) | (266,716) |
| Total underlying profit attributable to members of the parent | 9,343,165 | 5,842,736 |
| Underlying earnings per share | 19.61 | 20.77 |
| Statutory earnings per share | 187.42 | 13.80 |

¹This amount was the gain on revaluation of the X-RPU debt instrument which was required to be fair valued at 31 December 2016.

²These were the interest amortisation of debt instruments that were discounted to their net present value.

3. Net tangible assets per security (item 3)

| | Current period | Previous corresponding period |
|--|----------------|-------------------------------|
| Net tangible asset backing per ordinary security | 535¢ | 478¢ |

4. Details of entities over which control has been gained or lost during the period: (item 4)

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

| | |
|---|---|
| Contribution to net profit from discontinuing operations after tax by the controlled entities to the date(s) in the current period when control was lost (item 4.3). | - |
| Contribution to net profit from net gain on discontinued operation (net of transaction cost and income tax expense) in the current period when control was lost (item 4.3). | - |
| Contribution to net profit from discontinuing operations after tax of the controlled entities for the whole of the previous corresponding period (item 4.3) | - |

5. Dividends (item 5)

| | Date of payment | Total amount of dividend |
|--|-------------------|--------------------------|
| Final dividend – year ended 30 June 2017 | 30 September 2017 | 8,575,619 |

Amount per security

| | Amount per security | Franked amount per security at % tax | Amount per security of foreign sourced dividend |
|---|---------------------|--------------------------------------|---|
| Interim dividend: Current period | - | - | - |
| Previous period | 18.00¢ | 100% | -¢ |

Interim dividend on all securities

| | Current period \$A'000 | Previous corresponding Period - \$A'000 |
|--|---------------------------|--|
| Ordinary securities (each class separately) | - | - |
| Preference securities (each class separately) | - | - |
| Other equity instruments (each class separately) | - | - |
| Total | - | - |

6. Details of dividend or distribution reinvestment plans in operation are described below (item 6):

| |
|-----|
| N/A |
|-----|

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

| |
|-----|
| N/A |
|-----|

6. **The information provided in the Appendix 4D is based on the interim financial report (attached), which has been prepared in accordance with Australian accounting standards (item 8).**
7. **The interim financial report is not subject to audit dispute or qualification.**
(item 9)

Periodic Disclosure Requirements Compliance Statement

- 1 An interim report for the half-year ended 31 December 2017 is provided with the Appendix 4D information.
- 2 The interim report has been prepared in accordance with AASB 134 Interim Financial Reporting.
- 3 Except where noted in the report, the interim report and information provided in Appendix 4D uses the same accounting policies as those applied at 30 June 2017, except mandatory changes under the Australian equivalents to International Financial Reporting Standards (A-IFRS).
- 4 The Appendix 4D information gives a true and fair view of the matters disclosed in the interim financial report.
- 5 The Appendix 4D information is based on the interim financial report, which has been subject to review.
- 6 The audit report or review by the auditor is provided with the interim financial report.

Sign here:

Print name:



Joseph Ferragina

Date: 28 February 2017

(Chief Operating Officer/Chief Financial Officer)