

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 2018

Previous corresponding period

is the financial year ended 30 June 2018

and half year ended 31 December 2017

2. Results for announcement to the market

Revenues (<i>item 2.1</i>)*	up/down	6%	to	A\$'000s 19,343
Net Profit after tax attributable to members (<i>item 2.2</i>)	up/down	55%	to	47,884
Net Profit for the period attributable to members of the parent (<i>item 2.3</i>)	up/down	55%	to	47,642
Dividends (<i>item 2.4</i>)				
The directors of the Company declared an interim dividend of \$0.10 per ordinary share in respect of the half-year ended 31 December 2018.				
Record date for determining entitlements to the dividend (<i>item 2.5</i>)	7 March 2019			

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 \$47.9 million for the half year ended 31 December 2018. The corresponding profit for the prior period was \$107.2m. The comparatives were restated as a result of the tax basis adjustment for the US investments which created an income tax benefit for the Company as the ultimate taxpayer in the US. The Company became the ultimate entity liable to tax in the US when it acquired all the units in Aurora in April 2017. In October 2018, the Aurora trust was dissolved from a US tax perspective and as a result management have worked on resetting the tax basis of assets.

The reported profit of the Company for the period ended 31 December 2018 included number of abnormal items as disclosed in following table.

	31 December 2018	31 December 2017 (restated)
	\$'000	\$'000
Net profit after tax attributable to the members of the Group	47,884	107,208
Add/(deduct):		
<i>Non-cash items</i>		
- Impairment of investments	6,052	-
- Amortisation of identifiable intangible assets	1,713	610
- Share-based payment expenses	503	649
- Fair value adjustments of financial assets/liabilities	155	442
- Share of non-controlling interests	(242)	(219)
- Income tax (benefit)	-	(19,778)
	8,181	(18,296)
<i>Extraordinary items</i>		
- Gain on sale of investments	(71,395)	(104,293)
- Income tax expense on the sale of investments	12,938	17,923
- Provision for estimated liability for Nereus Holdings LP (Nereus)	7,688	-
- Agency and brokerage fees	1,294	-
- Take-up of liability relating to S class shares issued by Aperio Group, LLC (Aperio)	-	2,848
- Foreign currency losses	822	1,968
- Loss on redemption and cancellation of X-RPUs	-	844
- Legal and consulting expenses	474	714
- Other expenses	-	427
	(48,179)	(79,569)
Total underlying profit attributable to members of the parent	7,886	9,343
Underlying earnings per share (in cents)	16.55	19.61
Statutory earnings per share (in cents)	100.00	224.57

3. Net tangible assets per security (item 3)

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	659¢	525¢

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
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Date(s) of loss of control (<i>item 4.2</i>)	
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 (<i>item 4.3</i>).	-
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 (<i>item 4.3</i>).	-
Contribution to net profit from discontinuing operations after tax of the controlled entities for the whole of the previous corresponding period (<i>item 4.3</i>)	-

5. Dividends (*item 5*)

	Date of payment	Total amount of dividend
Final dividend – year ended 30 June 2018	15 October 2018	\$10,423,997

Amount per security

	Amount per security	Franked amount per security at % tax	Amount per security of foreign sourced dividend
Interim dividend: Current period	10.00¢	100%	-
Previous period	0.00¢	-	-

Interim dividend on all securities

	Current period \$A'000	Previous corresponding Period - \$A'000
Ordinary securities (<i>each class separately</i>)	\$4,764,237	-
Preference securities (<i>each class separately</i>)	-	-
Other equity instruments (<i>each class separately</i>)	-	-
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

7. **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).**

8. **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 2018 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 2018, 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 2019
(Chief Operating Officer/Chief Financial Officer)