

1. Company details

Name of entity:	Pengana Capital Group Limited
ABN:	43 059 300 426
Reporting period:	For the half-year ended 31 December 2017
Previous period:	For the half-year ended 31 December 2016

2. Results for announcement to the market

On 1 June 2017, Pengana Capital Group Limited (previously known as Hunter Hall International Limited ('Hunter Hall')) acquired Pengana Holdings Pty Ltd ('the legal subsidiary' or 'Pengana Holdings'). For accounting purposes, the transaction has been accounted for by applying the principles of reverse acquisition accounting.

These financial statements represent a continuation of Pengana Holdings since that entity is deemed the accounting acquirer pursuant to accounting standards, and therefore the comparative results represent that of Pengana Holdings' operations and not that of Hunter Hall. Hence, the comparatives will not compare to the consolidated financial statements of Hunter Hall International Limited published in the prior financial half-year. The current half-year financial statements represent those of the consolidated entity comprising Pengana Capital Group Limited. The comparative statement of profit or loss represents the results of Pengana Holdings only.

			\$'000
Revenues from ordinary activities	up	47.9% to	31,130
Profit from ordinary activities after tax attributable to the owners of Pengana Capital Group Limited	up	58.6% to	5,008
Profit for the half-year attributable to the owners of Pengana Capital Group Limited	up	58.6% to	5,008

Comments

The profit for the group after providing for income tax and non-controlling interest amounted to \$5,008,000 (31 December 2016: \$3,158,000).

The underlying profit for the group is \$7,902,000, which includes income of \$1,411,000 not reported on the statement of profit or loss, being interest income of \$1,063,000 attributable to the group's Loan Funded Share Plan and unrealised investment gains of \$348,000, and excludes amortisation expense on acquired relationships and the loan share plan of \$1,482,000. The underlying earnings per share calculated on all issued shares i.e. including treasury shares is 7.8 cents per share.

For a review of operations for the half year ended 31 December 2017, please refer to the letter from the Chief Executive Officer accompanying this report.

Dividends

	Amount per security Cents	Franked amount per security Cents
Interim dividend for the half-year ended 31 December 2017, declared on 27 February 2018. The interim dividend will be paid on 15 March 2018 to shareholders registered on 1 March 2018.	6.5	6.5
Final dividend for the year ended 30 June 2017, declared on 30 August 2017. The final dividend was paid on 28 September 2017 to shareholders registered on 14 September 2017.	4.5	4.5

Previous period

Dividends paid by Pengana Holdings prior to the reverse acquisition:

Final dividend for the year ended 30 June 2016 of \$10.74 per ordinary share fully franked paid on 18 October 2016.

Dividends paid by Hunter Hall prior to the reverse acquisition:

Final dividend for the year ended 30 June 2016 of 14.6 cents per ordinary share fully franked with a record date of 12 September 2016 and payment date of 26 September 2016.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	33.53	29.47

The net tangible assets per ordinary security for both periods is calculated based on 78,623,370 ordinary shares on issue (excluding 22,853,722 treasury shares).

The net tangible assets per ordinary security are negatively impacted by the accounting treatment of the Company's loan share plan whereby shares issued under the plan (treasury shares) will not be recognised in equity and associated loans will not be recorded as an asset until the associated loans are repaid. Repayment is due on or before March 2024. The underlying net tangible assets per ordinary security recognising the treasury shares in equity and associated loans as assets is 52.51 cents (30 June 2017: 49.66 cents).

4. Dividend reinvestment plans ('DRP')

The following dividend or distribution plans are in operation:

The DRP will not be in operation for the dividend declared on 27 February 2018.

5. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
	Reporting period %	Previous period %	Reporting period \$'000	Previous period \$'000
Pengana Asia Special Events (Offshore) Fund	2.39%	21.84%	63	279
Pengana Global Small Companies Fund	1.41%	14.48%	123	123
Pengana International Equities Fund	1.76%	11.58%	65	24
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>				
Profit/(loss) from ordinary activities before income tax			251	426

6. Audit qualification or review

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

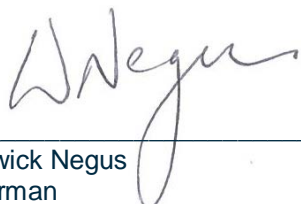
The financial statements were subject to a review by the auditors and the unqualified review report is attached as part of the Interim Report.

7. Attachments

Details of attachments (if any):

The Interim Report of Pengana Capital Group Limited for the half-year ended 31 December 2017 is attached.

8. Signed



Warwick Negus
Chairman



Russel Pillemer
Managing Director

27 February 2018
Sydney