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ASX Release

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Half Year ended 30 June 2016 – Presentation of Impairment Expense

Frontier Capital Group Limited (ASX: FCG) (**FCG** or **Company**) advises that the presentation of the impairment expense reported in the Financial Report of the Company for the Half Year ended 30 June 2016 (**Published Report**) has been changed.

The changes are reported in the following 2 pages using the page numbers of the Published Report.

The Company notes that there has been no change in the comprehensive loss reported in the Published Report.

For further information, please contact:

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Consolidated Statement of Profit or Loss and other Comprehensive Income

for the Half-Year Ended 30 June 2016

	Notes	Consolidated Group		
		Half-year ended 30 Jun 2016 Revised \$	Half-year ended 30 Jun 2016 Previously Reported \$	Half-year ended 30 Jun 2015 \$
Revenue	3	13,580,668	13,580,668	1,026,535
Other income	3	182,242	182,242	25,774
Cost of providing services and administration expenses	3	(12,372,775)	(12,372,775)	(1,376,326)
Acquisition goodwill impairment	6	(7,965,389)	-	-
Finance expenses		(1,939,429)	(1,939,429)	(79,502)
PROFIT/(LOSS) FROM OPERATIONS BEFORE INCOME TAX EXPENSE		(8,514,683)	(549,294)	(403,519)
Income tax expense		(172,158)	(172,158)	-
NET PROFIT/(LOSS) FOR THE PERIOD		(8,686,841)	(721,452)	(403,519)
Other Comprehensive Income				
Other comprehensive income before income tax				
Acquisition goodwill impairment	6	-	(7,965,389)	-
Income tax expense		-	-	-
		-	(7,965,389)	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		(8,686,841)	(8,686,841)	(403,519)
Comprehensive income attributable to non-controlling interests		-	-	-
TOTAL COMPREHENSIVE INCOME /(LOSS) ATTRIBUTABLE TO MEMBERS OF PARENT ENTITY		(8,686,841)	(8,686,841)	(403,519)
EARNINGS / (LOSS) PER SHARE				
		Cents	Cents	Cents
Basic earnings/(losses) per share (cents per share)		(3.55)	(3.55)	(0.72)
Diluted earnings/(losses) per share (cents per share)		(2.86)	(2.86)	(0.41)

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS continued

4. CASH AND CASH EQUIVALENTS

	Consolidated	
	30 Jun 2016	31 Dec 2015
	\$	\$
Cash at bank and on deposit	1,907,752	633,141
Cash held in trust-tenement guarantee	10,000	860,000
	1,917,752	1,493,141

5. FINANCIAL ASSETS

	Consolidated	
	As at 30 Jun 2016	As at 31 Dec 2015
	\$	\$
Investment and deposits in other entities	-	2,824,681
	-	2,824,681

2015: Investment in Monvest Group – partial acquisition of Mongolian National Lottery

6. INTANGIBLE ASSETS

	Consolidated	
	30 Jun 2016	31 Dec 2015
	\$	\$
Goodwill on acquisition	39,093,645	7,965,389
Provision for impairment	(7,965,389)	-
	31,128,256	7,965,389

Acquisition of Controlled Entities

On February 2016, the Company acquired 100% interest in Stotsenberg Leisure Park and Hotel Corporation resulted in FCG obtaining control of Stotsenberg Leisure Park and Hotel Corporation

	Fair Value Revised	Fair Value Previously Reported
	\$	\$
Purchase consideration:		
154.05M FCG shares @ 0.2377	36,617,685	36,617,685
28.44M FCG shares @ 0.2377	6,760,188	6,760,188
	43,377,873	43,377,873
Less:		
Cash and cash equivalents	735,201	
Trade and other receivables	9,932,620	
Stock	234,717	
Plant, Equipment, Vehicle and fixtures – net of depreciation	12,626,027	
Trade and other payables	(10,830,109)	
Provisions	(448,839)	
	12,249,617	12,249,617
Identifiable assets acquired and liabilities assumed		
	31,128,256	31,128,256
Acquisition Goodwill		