

Pengana Capital Group Limited
Appendix 4D
Half-year report



1. Company details

Name of entity:	Pengana Capital Group Limited
ABN:	43 059 300 426
Reporting period:	For the half-year ended 31 December 2018
Previous period:	For the half-year ended 31 December 2017

2. Results for announcement to the market

The group has adopted Accounting Standards AASB 9 'Financial Instruments' and AASB 15 'Revenue from Contracts with Customers' for the half-year ended 31 December 2018. The Accounting Standards were adopted from 1 July 2018 using transitional rules that allow for comparatives not be restated.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group and therefore there was no impact on opening retained earnings.

			\$'000
Revenues from ordinary activities	down	24.5% to	23,514
Profit from ordinary activities after tax attributable to the owners of Pengana Capital Group Limited	down	81.3% to	935
Profit for the half-year attributable to the owners of Pengana Capital Group Limited	down	81.3% to	935

Comments

Revenues from ordinary activities are down predominantly due to a reduction in performance fee revenue, which is volatile by nature and significant short-term fluctuations are not considered unusual. Management fee revenue for the same period is up slightly.

Profit after tax is down due to the performance fee impact.

For a comprehensive review of operations, including underlying profit, for the half-year ended 31 December 2018 please refer to the letter from the Chief Executive Officer accompanying this report.

Dividends

	Amount per security Cents	Franked amount per security Cents
On 28 August 2018, a final dividend was declared for the year ended 30 June 2018 and paid on 28 September 2018 to shareholders registered on 14 September 2018.	6.5	6.5
On 22 February 2019, an interim dividend was declared for the year ending 30 June 2019 to be paid on 15 March 2019 to shareholders registered on 27 February 2019.	4.0	-

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>27.35</u>	<u>33.53</u>

The net tangible assets per ordinary security is calculated based on 79,818,440 (31 December 2017: 78,623,370) ordinary shares on issue excluding 23,458,720 (31 December 2017: 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) are not recognised in equity and the associated loans are not recorded as an asset until the associated loans are repaid. Repayment is due on or before October 2025. The underlying net tangible assets per ordinary security recognising the treasury shares in equity and associated loans as assets is 49.35 cents (31 December 2017: 52.51 cents).

4. Control gained over entities

On 21 August 2018, the group acquired 100% of the shares in PT Private Capital Pty Ltd. Refer to note 10 in the attached Interim Report for further details.

5. Dividend reinvestment plans ('DRP')

The following dividend or distribution plans are in operation:

The company has a dividend reinvestment plan ('DRP'). The DRP will not be operative for the dividend declared on 22 February 2019.

6. 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%	1	63
Pengana Global Small Companies Fund	-	1.41%	(32)	123
Pengana International Equities Fund	1.10%	1.76%	(10)	65
Global Credit Investments Pty Ltd	34.65%	-	(42)	-
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>				
Profit/(loss) from ordinary activities before income tax			(83)	251

7. 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.

8. Attachments

Details of attachments (if any):

The Interim Report of Pengana Capital Group Limited for the half-year ended 31 December 2018 is attached.

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9. Signed

A handwritten signature in black ink, appearing to read "Russel Pillemer", written over a horizontal line.

Signed _____

Date: 22 February 2019

Russel Pillemer
Chief Executive Officer
Sydney