

Primewest Group Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Primewest Group Limited (including Primewest Property Fund as a stapled group)
ABN:	58 636 344 137
Reporting period:	For the year ended 30 June 2020
Previous period:	For the year ended 30 June 2019

2. Results for announcement to the market

					\$'000
Revenues from ordinary activities	up	76.4%	to		32,184
Profit from ordinary activities after tax attributable to the owners of the stapled group	up	34.9%	to		11,435
Profit for the year attributable to the owners of the stapled group	up	7.4%	to		9,338

Dividends

Dividends of \$5,180,404 (2018: \$8,572,846) were paid to pre-existing shareholders of Primewest Funds Limited prior to 8 November 2019, the date of the IPO. No dividends have been paid or declared since 8 November 2019.

On 13 August 2020 the directors declared a distribution of 2.8 cents per stapled security with a record date of 1 July 2020 that was paid on 25 August 2020.

Comments

The profit of the stapled group after providing for income tax amounted to \$9,337,661 (30 June 2019: \$8,476,215).

Details of listing

Primewest is structured as a stapled group comprising Primewest Group Limited and Primewest Property Fund (a unit trust established on 24 September 2019) and their controlled entities. Primewest Management Ltd (ACN 091 415 833) (AFSL 250963) is the responsible entity of Primewest Property Fund.

Shares in Primewest Group Limited and Units in Primewest Property Fund are stapled together to form a stapled security such that a Unit in Primewest Property Fund and a Share in Primewest Group Limited must be purchased and sold together. The stapled group's securities are traded on the Australian Securities Exchange (ASX: PWG), having listed on 8 November 2019. The stapled group raised \$85 million through an IPO of 85 million securities at an Offer Price of \$1.00 per security.

Details of business combination

This report comprises Primewest Group Limited and its controlled entities and Primewest Property Fund (together referred to as "Primewest" or "stapled group"). Primewest was formed on 1 October 2019 through the acquisition of Primewest Funds Ltd, Primewest Management Ltd, PWG Property Pty Ltd, Primewest P/Q Pty Ltd and Primewest (USA) Trust and certain other corporate trustee entities as part of a corporate restructure. For the purposes of the business combination, Primewest Funds Ltd has been treated as the acquiring entity, as such comparative information has been presented for Primewest Funds Ltd.

Acquisition of goFARM Asset Management Pty Ltd

On 18 June 2020 Primewest Group Limited acquired 100% of the ordinary shares of goFARM Asset Management Pty Ltd, an entity which holds the asset management rights to the Vital Harvest Freehold Trust (ASX:VTH). VTH is an ASX listed real estate investment trust which owns seven agricultural properties with a value at 30 June 2020 of \$281 million. goFARM Asset Management Pty Ltd has subsequently been renamed Primewest Agrichain Management Pty Ltd.

On the same day the Primewest Property Fund acquired 11.8% of the issued units of the Vital Harvest Freehold Trust as well as a First Right of Refusal (FROR) over a further 6.2% interest. Subsequent to the end of the financial year, a further 2.1% was acquired and the FROR was reduced to 6.0%

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Appendix 4E
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Management discussion of operations

Primewest operates in the real estate funds management sector managing 83 separate funds across 7 different asset classes. The management of these funds and syndicates involves sourcing, acquiring, managing and disposing of real estate assets on behalf of investors.

During the year, Primewest increased its unlisted Assets Under Management (AUM) by \$377 million with acquisitions of retail, industrial and office assets on behalf of investors in the funds it manages. During the year Primewest established its first Agricultural fund to acquire high quality agricultural assets leased to established producers.

Primewest secured an institutional investment mandate to manage up to \$300 million of daily needs retail centres. Primewest Property Fund has committed to co-invest 5% of the equity required for the mandate. The first two assets under this mandate were acquired prior to 30 June 2020 and the third asset was acquired subsequent to 30 June 2020.

The stapled group has adopted Accounting Standard AASB 16 'Leases' for the year ended 30 June 2020 using the modified retrospective approach and as such the comparatives have not been restated.

3. Net tangible assets

	30 June 2020 \$	30 June 2019 \$
Net tangible assets per stapled security	<u>0.23</u>	<u>308.43</u>

4. Control gained over entities

Name of entities	Primewest Group Limited Primewest Management Ltd PWG Property Pty Ltd Primewest P/Q Pty Ltd Primewest (USA) Trust Primewest Agrichain Management Pty Ltd.
Date control gained	1 October 2019 except for Primewest Agrichain Management Pty Ltd, control was acquired 18 June 2020
	\$'000
Contribution of such entities to the stapled group's profit from ordinary activities before income tax during the period which includes initial listing expenses and restructuring costs \$2,371,662	946
Profit from ordinary activities before income tax of the controlled entities for the whole of the previous period	5,713

5. Audit qualification or review

The financial statements have been audited and an unqualified opinion has been issued.

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6. Attachments

The Annual Report of Primewest Group Limited for the year ended 30 June 2020 is attached.

7. Signed

Signed  _____

John Bond
Director
Perth

Date: 27 August 2020