

Primewest Group Limited
Appendix 4D
Half-year report for the half year ended 31 December 2019

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 half-year ended 31 December 2019
Previous period:	For the half-year ended 31 December 2018

2. Results for announcement to the market

					\$'000
Revenues from ordinary activities	up	22%	to		12,475
Profit for the half-year attributable to the owners of the stapled group	down	38%	to		3,078

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.

There were no dividend reinvestment plans active for the period ended 31 December 2019.

Comments

The profit of the stapled group after providing for income tax for the half-year ended 31 December 2019 amounted to \$3,077,838 (31 December 2018: \$4,965,395).

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.

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Management discussion of operations

Primewest operates in the real estate funds management sector managing over 76 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 half-year Primewest increased its net Assets Under Management (AUM) by \$98 million through acquisitions of \$141 million and a disposal of \$43 million. A further \$65 million of assets were contracted and settled subsequent to 31 December 2019.

Adoption of Accounting Standard

The stapled group has adopted Accounting Standard AASB 16 'Leases' for the half-year ended 31 December 2019 using the modified retrospective approach and as such the comparatives have not been restated.

3. Net tangible assets

	Reporting period*	Previous period*
	\$	\$
Net tangible assets per stapled security	<u>0.24</u>	<u>308.43</u>

* Following the initial public offering completed by the stapled group on 8 November 2019, the shares were stapled to a unit in the Primewest Property Fund to become a stapled security.

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	
Date control gained	1 October 2019	
		\$'000
Contribution of such entities to the stapled group's profit from ordinary activities before income tax during the period which includes initial listing costs of \$1,632,000		(247)
Profit from ordinary activities before income tax of the controlled entities for the whole of the previous period		1,702

5. Audit qualification or review

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

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6. Attachments

The Interim Financial Report of Primewest Group Limited for the half-year ended 31 December 2019 is attached.

7. Signed

Signed

A handwritten signature in black ink, appearing to be 'John Bond', written over a horizontal line.

John Bond
Director
Perth

Date: 20 February 2020