

APPENDIX 4E

Preliminary final report

1. Name of entity

SCHAFFER CORPORATION LIMITED

ABN 008 675 689

Financial year ended ('current period') 30 JUNE 2018
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Previous corresponding period 30 JUNE 2017
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2. Results for announcement to the market

					\$'000
2.1	Revenues from continuing operations	up	20%	to	227,036
2.2	Net profit for the period attributable to members	up	298%	to	23,292
2.3	Dividends (see note 11)				
	Final – Ordinary Dividend	up	114%	to	30¢
	Interim – Ordinary Dividend	up	25%	to	15¢
	Total	up	73%	to	45¢
			Amount per security		Franked amount per security
			30¢		30¢
			15¢		15¢
			45¢		45¢
2.4	Record date for determining entitlements to the dividend				31 August 2018

3. Consolidated Statement of Comprehensive Income for the year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
Revenue			
Sale of goods		204,135	166,930
Construction services		17,033	16,251
Rental income	3.1(a)	5,559	5,275
Finance income	3.1(b)	272	46
Distributions from managed funds		37	-
Revenue		<u>227,036</u>	188,502
Cost of sales and services rendered		<u>(164,413)</u>	(160,105)
Gross profit		<u>62,623</u>	28,397
Impairment of property, plant & equipment		<u>(4,500)</u>	-
Other income/(losses)	3.1(c)	240	(992)
Marketing expenses		<u>(613)</u>	(563)
Administrative expenses		<u>(21,374)</u>	(12,098)
Profit before tax and finance costs		<u>36,376</u>	14,744
Finance costs	3.1(b)	<u>(2,112)</u>	(2,860)
Profit before income tax		<u>34,264</u>	11,884
Income tax expense		<u>(10,349)</u>	(3,057)
Profit after income tax from continuing operations		<u>23,915</u>	8,827
Profit/(loss) after tax from discontinued operations	8(c)	<u>4,245</u>	(1,281)
Net profit for the period		<u><u>28,160</u></u>	<u><u>7,546</u></u>
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Net fair value gains on available-for-sale financial assets		620	2,152
Income tax on items of other comprehensive income		<u>(209)</u>	(732)
		411	1,420
Foreign currency translation gain/(loss) attributable to parent		<u>711</u>	(98)
		<u>1,122</u>	1,322
<i>Items that may not be reclassified subsequently to profit or loss:</i>			
Net fair value gains on available-for-sale financial assets attributable to non-controlling interest		78	288
Foreign currency translation gain/(loss) attributable to non-controlling interest		<u>144</u>	(21)
Other comprehensive income for the period, net of tax		<u>1,344</u>	1,589
Total comprehensive income for the period		<u><u>29,504</u></u>	<u><u>9,135</u></u>
Profit for the period is attributable to:			
Non-controlling interest		4,868	1,690
Owners of the parent		<u>23,292</u>	5,856
		<u>28,160</u>	7,546
Total comprehensive income for the period is attributable to:			
Non-controlling interest		5,089	1,957
Owners of the parent		<u>24,415</u>	7,179
		<u>29,504</u>	9,136
Earnings per share (EPS)			
Basic EPS	12	166.7¢	41.8¢
Diluted EPS	12	166.5¢	40.6¢
Dividends paid per share		45.0¢	26.0¢

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

3.1 Significant Revenue, Other Income and Expenses

	2018 \$'000	2017 \$'000
Revenue and expenses from continuing operations		
(a) Net rental income		
Rental property income	5,559	5,275
Rental property expenses	<u>(2,828)</u>	<u>(2,841)</u>
Net rental income	<u>2,731</u>	<u>2,434</u>
(b) Finance (costs)/income		
Bank and other loans and overdrafts – interest	(1,954)	(2,670)
Finance charges payable under finance leases and hire purchase	<u>(158)</u>	<u>(190)</u>
Total finance costs	<u>(2,112)</u>	<u>(2,860)</u>
Bank interest received	272	46
Total finance income	<u>272</u>	<u>46</u>
(c) Other income/(losses)		
Gain/(loss) on sale of property, plant and equipment	-	(337)
Net loss on derivatives	(153)	(622)
Net foreign currency gain/(loss)	393	(144)
Realised gains on available-for-sale investments	-	110
Other	-	1
	<u>240</u>	<u>(992)</u>
(d) Depreciation and amortisation included in Statement of Comprehensive Income		
Depreciation and amortisation included in:		
Cost of sales	3,973	3,343
Rental property expenses	559	591
Marketing and administrative expenses	<u>278</u>	<u>172</u>
	<u>4,810</u>	<u>4,106</u>
(e) Lease payments included in Statement of Comprehensive Income		
Included in cost of sales:		
Minimum lease payments – operating lease	3,651	3,376
Included in marketing and administrative expenses:		
Minimum lease payments – operating lease	<u>575</u>	<u>9</u>
	<u>4,226</u>	<u>3,385</u>
(f) Employee benefit expense		
Wages, salaries and bonuses	43,606	35,346
Post-employment benefit provision	5,627	9
Long service leave provisions	(65)	122
Worker's compensation costs	343	301
Superannuation costs	1,004	1,165
Expense of share-based payments	<u>40</u>	<u>62</u>
	<u>50,555</u>	<u>37,005</u>
(g) Other expenses		
Allowance for doubtful debts	8	194
	<u>8</u>	<u>194</u>

4. Consolidated Statement of Financial Position as at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Assets			
Current Assets			
Cash and cash equivalent		25,938	11,417
Trade and other receivables		42,762	44,630
Inventories		39,604	49,415
Prepayments and deposits		2,065	2,127
Derivative financial instruments		1,413	-
Other financial assets		6,000	-
		<u>117,782</u>	<u>107,589</u>
Assets classified as held for sale		-	4,254
Total Current Assets		<u>117,782</u>	<u>111,843</u>
Non-Current Assets			
Receivables		-	216
Property, plant and equipment		27,645	37,290
Investment properties		28,678	25,406
Deferred income tax asset		6,076	2,284
Goodwill		1,299	1,299
Other financial assets		13,733	6,620
Total Non-Current Assets		<u>77,431</u>	<u>73,115</u>
Total Assets		<u>195,213</u>	<u>184,958</u>
Liabilities			
Current Liabilities			
Trade and other payables		28,894	32,435
Interest bearing loans and borrowings		2,356	15,355
Income tax payable		9,992	1,361
Provisions		10,600	7,892
Derivative financial instruments		46	895
		<u>51,888</u>	<u>57,938</u>
Liabilities classified as held for sale		-	5
Total Current Liabilities		<u>51,888</u>	<u>57,943</u>
Non-Current Liabilities			
Interest bearing loans and borrowings		30,894	39,859
Deferred income tax liabilities		2,390	2,186
Provisions		7,455	1,265
Total Non-Current Liabilities		<u>40,739</u>	<u>43,310</u>
Total Liabilities		<u>92,627</u>	<u>101,253</u>
Net Assets		<u>102,586</u>	<u>83,705</u>
Equity			
Equity attributable to equity holders of the parent			
Issued capital		14,540	16,583
Reserves		4,221	4,935
Retained earnings	11	72,101	52,867
Total parent entity interest in equity		<u>90,862</u>	<u>74,385</u>
Non-controlling interests		11,724	9,320
Total Equity		<u>102,586</u>	<u>83,705</u>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

5. Consolidated Statement of Changes in Equity for the year ended 30 June 2018

	Attributable to Equity Holders of the Parent							Total \$'000	Non-Controlling Interest \$'000	Total Equity \$'000
	Issued Capital \$'000	Retained Earnings \$'000	Asset Re-valuation \$'000	Reserves			Foreign Currency Translation \$'000			
				Share Based Payment EPU's \$'000	Share Based Payment SFC Options \$'000	Net Unrealised Gains/(Losses) \$'000				
At 1 July 2016	16,583	50,512	2,585	709	115	111	31	70,646	8,541	79,187
Profit for the year	-	5,856	-	-	-	-	-	5,856	1,690	7,546
Other comprehensive income	-	-	-	-	-	1,420	(98)	1,322	267	1,589
Total comprehensive income for the year	-	5,856	-	-	-	1,420	(98)	7,178	1,957	9,135
Transactions with owners in their capacity as owners:										
Share-based payments	-	-	-	62	-	-	-	62	-	62
Equity dividends	-	(3,501)	-	-	-	-	-	(3,501)	(1,178)	(4,679)
At 30 June 2017	16,583	52,867	2,585	771	115	1,531	(67)	74,385	9,320	83,705
At 1 July 2017	16,583	52,867	2,585	771	115	1,531	(67)	74,385	9,320	83,705
Profit for the year	-	23,292	-	-	-	-	-	23,292	4,868	28,160
Other comprehensive income	-	-	-	-	-	411	711	1,122	221	1,343
Total comprehensive income for the year	-	23,292	-	-	-	411	711	24,414	5,089	29,503
Transactions with owners in their capacity as owners:										
Shares acquired under buy-back scheme	(2,043)	-	-	-	-	-	-	(2,043)	-	(2,043)
Share-based payments	-	-	-	23	17	-	-	40	-	40
Change in estimated settlement of EPU's (refer note 7)	-	-	-	(1,876)	-	-	-	(1,876)	(194)	(2,070)
Equity dividends	-	(4,058)	-	-	-	-	-	(4,058)	(2,491)	(6,549)
At 30 June 2018	14,540	72,101	2,585	(1,082)	132	1,942	644	90,862	11,724	102,586

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

6. Consolidated Statement of Cash Flows for the year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
Cash Flows from Operating Activities			
Receipts from customers		241,347	215,292
Payments to suppliers and employees		(188,024)	(184,674)
Other revenue		81	15
Interest paid		(2,113)	(2,869)
Income taxes paid		(5,204)	(4,204)
Goods and services tax paid		(1,066)	(1,316)
Net Cash Flows From Operating Activities	6.1	<u>45,021</u>	<u>22,244</u>
Cash Flows from Investing Activities			
Interest income		282	56
Net proceeds on sale of building materials business and assets	8(a)	17,377	-
Investment in term deposits		(6,000)	-
Acquisition of property, plant and equipment		(5,575)	(3,430)
Proceeds on sale of property, plant and equipment		5	590
Acquisition and improvement of investment properties		(549)	(820)
Acquisition of available-for-sale investments		(6,416)	(250)
Distribution from realised gain on available-for-sale investments		-	302
Capital distribution from available-for-sale investment		-	260
Net Cash Flows Used in Investing Activities		<u>(876)</u>	<u>(3,292)</u>
Cash Flows from Financing Activities			
Finance lease principal payments		(1,741)	(2,134)
Dividends paid		(6,549)	(4,679)
Proceeds from borrowings		7,920	5,049
Repayment of borrowings		(28,143)	(13,008)
Shares acquired under share buy-back scheme		(2,043)	-
Net Cash Flows Used in Financing Activities		<u>(30,556)</u>	<u>(14,772)</u>
Net Increase In Cash and Cash Equivalents		13,589	4,180
Net foreign exchange differences		932	169
Cash and cash equivalents at the beginning of the period		11,417	7,068
Cash and Cash Equivalents at the End of the Period	6.2	<u>25,938</u>	<u>11,417</u>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

6.1 Reconciliation of the net profit after tax to the net cash flows from operations

	2018 \$'000	2017 \$'000
Net profit	28,160	7,546
Adjustment for:		
Depreciation, amortisation and impairment	4,810	5,306
Impairment of assets	4,500	2,327
Interest received	(282)	(56)
Profit on sale of Building Materials business	(5,037)	-
Share-based payments expense	40	62
(Profit)/loss on sale of property, plant and equipment	(2)	338
Realised gains on available-for-sale investments	-	(110)
Unrealised foreign currency translation loss/(gain)	119	(65)
Changes in assets and liabilities:		
Decrease/(increase) in trade and other receivables	1,825	(4,463)
Decrease in inventories	4,241	9,814
(Decrease)/increase in trade and other payables	(3,884)	2,734
Increase in employee entitlement provisions through net profit	7,097	553
Increase/(decrease) in income tax payable	8,631	(1,401)
Increase in deferred tax liability through net profit	881	9
Increase in deferred income tax asset	(3,792)	(301)
Increase in prepayments	(24)	(414)
(Increase)/decrease in derivatives	(2,262)	365
Net cash flows from operating activities	45,021	22,244

6.2 Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

Cash on hand and at bank	16,423	11,417
Short-term deposits (under three months to maturity)	9,515	-
Total cash at end of period	25,938	11,417

6.3 Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows.

\$Nil (2017 - \$Nil) for plant acquired under finance lease.

During the financial year plant costing \$2,940,000 (2017 - \$3,328,000) was subject to sale and leaseback finance.

6.4 Financing facilities available

The consolidated entity had financing facilities available at balance date to the extent of \$61,961,000 (2017 - \$78,239,000). The unutilised facility for the consolidated entity at balance date was \$21,542,000 (2017 - \$15,363,000).

7. Provisions

	CONSOLIDATED	
	Jun 2018	Jun 2017
	\$'000	\$'000
Provisions - current	10,600	7,892
Provisions - non-current	7,455	1,265
	18,055	9,157

During the year the Company changed its accounting for employee participation units (EPUs).

A controlled entity, Howe Automotive Limited (Howe), may grant EPUs in accordance with its Employee Incentive Plan adopted by Howe shareholders on 20 December 2001.

An EPU provides an employee with a right on termination of employment under certain conditions and in certain other circumstances to receive a cash payment from Howe. Schaffer Corporation Limited (SFC) has the option to compel the employee to use the whole or part of that cash payment to subscribe for SFC shares.

Prior to the change, the cost of these SFC equity-settled transactions with employees was measured by reference to the fair value at the date at which they are granted. The fair value was determined using a binominal model. In valuing the equity-settled transactions, no account was taken of any performance conditions, other than conditions linked to the price of the SFC shares (market conditions).

The cost of equity-settled transactions was recognised, together with a corresponding increase in equity, over the period in which the performance conditions were fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date).

The cumulative expense recognised for SFC equity-settled transactions at each reporting date until vesting date reflected (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment was made for the likelihood of market performance conditions being met as the effect of these conditions was included in the determination of fair value at grant date. The Consolidated Statement of Comprehensive Income charge or credit for a period represented the movement in cumulative expense recognised as at the beginning and end of that period.

On 1 November 2017, a change in accounting was implemented based on the higher probability that in the future SFC would not equity settle these transactions by compelling employees to use the whole or part of the cash payment received on termination to subscribe for SFC shares. However, this accounting judgment does not limit the existing option for SFC to compel employees in the future to use the whole or part of the cash payment to subscribe for SFC shares.

Immediately following the accounting change, the Consolidated Entity recorded a provision for EPU termination entitlements calculated using estimates of the probable future EPU cash payments for issued EPUs discounted based on the estimated period until payment using a risk-free rate of return. The amount estimated for EPU cash payments on termination is calculated in accordance with an equity valuation formula based on the three-year average, including one full year following termination, of 5.5 times Howe Automotive Limited's estimated earnings before interest and tax minus debt.

The change in accounting is applied prospectively. On the date SFC changed its estimated settlement method for these EPU's, the provision for employee termination entitlements was recorded and equity attributable to the holders of the parent was decreased through the share-based payments reserve.

After initial recognition, changes in the valuation of the provision for EPU termination entitlements are recorded in the profit or loss for the period. The increase to the provision for EPU termination payments from 1 November 2017 to 30 June 2018 was \$5,500,000.

8. Discontinued Operations

During the financial period the Building Products division was sold in two transactions. The limestone quarry tenements and production assets on 15 August 2017 and the Urbanstone paving, masonry and natural stone manufacturing and distribution business on 22 November 2017. In accordance with AASB 5 - *Non-Current Assets Held for Sale and Discontinued Operations*, the financial results of the Building Products division sold during the year have been classified as "discontinued operations". There was no minority interest associated with this division.

(a) Proceeds on sale of Building Products division

	Limestone quarry assets \$000's	Urbanstone business \$000's	Total \$000's
Proceeds on sale	4,883	13,318	18,201
Costs incurred	(33)	(791)	(824)
Net proceeds on sale	<u>4,850</u>	<u>12,527</u>	<u>17,377</u>

(b) Profit on sale of Building Products division

Assets sold:			
Leasehold land	875	-	875
Leasehold quarries	2,920	-	2,920
Leasehold improvements	170	2	172
Plant and equipment	397	3,813	4,210
Total property, plant and equipment	<u>4,362</u>	<u>3,815</u>	<u>8,177</u>
Inventory	644	4,926	5,570
Prepayments	24	62	86
Sundry debtors (supplier deposits paid)	-	259	259
Total assets sold	<u>5,030</u>	<u>9,062</u>	<u>14,092</u>
Employee entitlements transferred to purchaser	(167)	(993)	(1,160)
Creditors (customer deposits received)	-	(592)	(592)
Net assets sold	<u>4,863</u>	<u>7,477</u>	<u>12,340</u>
Net proceeds on sale	4,850	12,527	17,377
Less net assets sold	(4,863)	(7,477)	(12,340)
(Loss)/profit on sale	<u>(13)</u>	<u>5,050</u>	<u>5,037</u>
Tax expense			(644)
Profit on sale after tax			<u>4,393</u>

8. Discontinued Operations (continued)

(c) Financial performance of the discontinued operations

	2018 \$'000	2017 \$'000
Revenue	8,668	26,472
Expenses	<u>(8,883)</u>	<u>(28,290)</u>
Operating loss	(215)	(1,818)
Finance costs	<u>(1)</u>	<u>(9)</u>
Loss before tax from discontinued operations before sale	(216)	(1,827)
Tax benefit related to loss before tax from discontinued operations before sale	68	546
Loss after tax from discontinued operations before sale	(148)	(1,281)
After tax profit on sale (refer note 8(b))	<u>4,393</u>	<u>-</u>
Profit after tax from discontinued operations	<u><u>4,245</u></u>	<u><u>(1,281)</u></u>

(d) Net cash flows of discontinued operations

Cash flow from/(used in)		
Operating activities	2,516	976
Investing activities	(78)	(340)
Net proceeds on sale (refer note 8(a))	<u>17,377</u>	<u>-</u>
Net cash flow from discontinued operations	<u><u>19,815</u></u>	<u><u>636</u></u>

(e) Discontinued operations earnings per share information

	2018	2017
Basic earnings cents per share - discontinued operations	30.4¢	(9.1¢)
Diluted earnings cents per share - discontinued operations	30.3¢	(8.9¢)

9. Impairment of Assets

The carrying values of cash generating units are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate the carrying value may be impaired. The Delta precast cash-generating unit, included in the building material segment incurred a loss for the half-year to 31 December 2017, so an impairment assessment was conducted.

The recoverable amount of a cash generating unit is the greater of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The Delta value in use model is a 5-year model and assumes revenue growth excluding CPI of 1.8%, pre-tax discount rate of 14% (June 2017: 14%) and a termination multiple of 6 times EBITDA. An oversupply created by competitors in the West Australian precast market has intensified competition and eroded margins, so the anticipated gross margin assumption has been reduced.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. The outcome of the Delta impairment assessment was that the carrying value of the Delta precast cash generating unit assets exceeded the recoverable value of \$11,418,000 by \$4,500,000. The Delta cash-generating unit property, plant and equipment were written down by this amount at 31 December 2017. At 30 June 2018, no additional impairment triggers were identified.

10. Dividends

Date the dividend is payable

14 September 2018

Record date to determine entitlements to the dividend (i.e. on the basis of security holding balances established by 5:00pm or such later time permitted by SCH Business Rules - securities are CHESS approved).

31 August 2018

If it is a final dividend, has it been declared?

YES

10.1 Amount per security

	Amount per security	Franked amount per security at 30% tax
Final dividend:		
Current year	30¢	30¢
Previous year	14¢	14¢
Final special dividend:		
Current year	-	-
Previous year	-	-
Interim dividend:		
Current year	15¢	15¢
Previous year	12¢	12¢
Interim special dividend:		
Current year	-	-
Previous year	-	-

10.2 Total dividend per security (interim *plus* final and special)

	Current year	Previous year
Ordinary securities	45¢	26¢
Preference securities	-	-

10.3 Preliminary final report – dividend on all securities

	Current period \$'000	Previous corresponding period \$'000
Ordinary securities - Final	4,152	1,961
- Interim	2,097	1,680
Preference securities	-	-
Other equity instruments	-	-
Total	6,249	3,641

10. Dividends (continued)

10.4. Dividend Plans

The company does not have a dividend reinvestment plan.

11. Consolidated retained profits

	Current period \$'000	Previous corresponding period \$'000
Retained profits at the beginning of the financial period	52,867	50,512
Net profit attributable to members	23,292	5,856
Dividends and other equity distributions paid or payable	(4,058)	(3,501)
Retained profits at end of financial period	72,101	52,867

12. Earnings per security (EPS)

Details of basic and diluted EPS reported separately in accordance with <i>AASB 133: Earnings Per Share</i> are as follows.	Current period	Previous corresponding period
	\$'000	\$'000
The following reflects the income and share data used in the calculation of basic and diluted EPS:		
Basic Earnings	23,292	5,856
Diluted Earnings	23,292	5,856
	<u>Number</u>	<u>Number</u>
Weighted average number of ordinary shares used in the calculation of basic EPS	13,971,077	14,005,373
Weighted average number of ordinary shares used in the calculation of diluted EPS	13,988,577	14,427,617
Basic EPS	166.7¢	41.8¢
Diluted EPS	166.5¢	40.6¢

13. NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$6.47	\$5.22

14. Foreign entities

For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).

International Financial Reporting Standards (IFRS).

15. Controlled gained/lost over entities having material effect

N/A

16. Significant events after balance date

The company will pay a fully franked final dividend of 30¢ per share on 14 September 2018.
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17. Non-IFRS financial information

Non-recurring items after tax – continuing operations	2018 \$'000	2017 \$'000
Asset impairment – Building Materials	(3,150)	-
Restructuring costs – Automotive Leather	(568)	(578)
Redundancy payments – Building Materials	-	(65)
Asset disposals and write-downs – Automotive Leather	-	(54)
Profit on sale of trust assets after tax	-	77
Total net non-recurring (expenses)/income – continuing operations	(3,718)	(620)

18. Segment information

For the Year Ended 30 June 2018

	Notes									
	Automotive Leather		Building Materials		SFC - Investments Property & Other		Gosh Investments		Consolidated	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Revenue from external customers	203,382	170,906	17,039	11,515	5,012	4,719	1,358	1,352	226,791	188,492
Unallocated interest and dividend revenue									245	10
Total revenue from continuing operations									227,036	188,502
Underlying net profit/(loss) after tax – continuing operations	29,053	10,187	(982)	(561)	1,073	734	436	411	29,580	10,771
Non-recurring items -continuing operations:										
Impairment of assets after tax	17	-	-	(3,150)	-	-	-	-	(3,150)	-
Restructuring costs after tax	17	(568)	(632)	-	(65)	-	-	-	(568)	(697)
Profit of sale of trust assets after tax	17	-	-	-	-	-	-	77	-	77
Net profit/(loss) after tax—continuing operations	28,485	9,555	(4,132)	(626)	1,073	734	436	488	25,862	10,151
Less profit attributable to non-controlling interests									(4,794)	(1,690)
Profit/(loss) attributable to owners of the parent	23,691	7,947	(4,132)	(626)	1,073	734	362	406	20,994	8,461
Unallocated items										
Discontinued operations after tax	8								4,245	(1,281)
Finance income and dividends									245	12
Finance costs									(42)	(74)
Corporate overheads									(3,069)	(2,290)
Income tax expense – continuing operations									919	1,028
Net profit for the period attributable to owners of the parent									23,292	5,856
Segment assets	115,080	107,227	17,074	41,029	24,321	15,929	19,920	18,839	176,395	183,024
Unallocated items:										
Cash									9,891	27
Property, plant and equipment									756	730
Other financial assets – term deposits									6,000	-
Prepayments									18	10
Receivables									88	499
Deferred income tax assets									2,065	668
Total segment assets									195,213	184,958

19. Other significant information

All other significant information other than in this Appendix 4E, is disclosed in the press release and letter to shareholders released on the same date as this Appendix 4E.

20. Commentary on results

For a commentary on the results see the press release and letter to shareholders released on the same date as this 4E.

21. Status of audit or review

This report is based on accounts to which one of the following applies.

- | | | | |
|-------------------------------------|--|--------------------------|--|
| <input type="checkbox"/> | The accounts have been audited. | <input type="checkbox"/> | The accounts have been subject to review. |
| <input checked="" type="checkbox"/> | The accounts are in the process of being audited or subject to review. | <input type="checkbox"/> | The accounts have <i>not</i> yet been audited or reviewed. |

22. Dispute or qualification – accounts not yet audited or subject to review

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.

N/A

23. Dispute or qualification – accounts audited or subject to review

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.

N/A

Sign here:  Date: 15 AUGUST 2018
Company Secretary

Print Name: JASON MARK CANTWELL