



# A Better Way to Move Money

HALF YEAR PROFIT RESULTS 2018



## Appendix 4D

For the half year ended 30 September 2017

### OFX Group Limited

ABN 12 165 602 273

Results for announcement to the market

For the half year ended 30 September 2017 ("current period")

		30 September 2017	% Change from 6 months ended 30 September 2016	30 September 2016
		A\$'000		A\$'000
<b>Revenue</b> from ordinary activities	Up	58,680	0%	58,638
<b>Net profit</b> for the period attributable to members	Down	8,273	(14%)	9,665
<b>Net profit</b> for the period attributable to members of parent (before non-controlling interest)	Down	8,273	(14%)	9,665

The Group achieved net profit of \$8.3 million for the half year. This was 14% lower than the \$9.7 million of the prior comparative period.

Dividend information	Amount per share (cents)	Franked amount per share (cents)	Tax rate for franking credit
2017 final dividend (paid 23 June 2017)	2.90	2.90	30%
2018 interim dividend (determined 13 November 2017)	2.40	2.40	30%

#### 2018 Interim dividend dates

Ex-Dividend date	30 November 2017
Record date	1 December 2017
Payment date	15 December 2017

	30 September 2017 (Cents)	31 March 2017 (Cents)
<b>Net tangible asset backing</b> per ordinary security <sup>1</sup>	21.75	21.34

Additional Appendix 4D disclosure requirements can be found in the notes to the Interim Financial Report and the Directors' Report for the half year ended 30 September 2017. Information should be read in conjunction with OFX Group Limited's 2017 Annual Report and the attached Interim Financial Report.

This report is based on the consolidated Interim Financial Report for the half year ended 30 September 2017 which has been reviewed by PricewaterhouseCoopers with the Independent Auditor's Review Report included in the Interim Report.

<sup>1</sup> Assumes that 243,803,088 shares on issue at 30 September 2017 were on issue at 31 March 2017.

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OFX Group Limited

ABN 12 165 602 273

Interim Financial Report

Half Year Ended 30 September 2017



The Company's registered office is:  
Level 19  
60 Margaret Street  
Sydney NSW 2000  
Australia

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# OFX Group Limited

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**Directors' Report ..... 3**

**Auditor's Independence Declaration..... 6**

**Consolidated Statement of Comprehensive Income..... 7**

**Consolidated Statement of Financial Position ..... 8**

**Consolidated Statement of Changes in Equity ..... 9**

**Consolidated Statement of Cash Flows ..... 10**

Note 1. Basis of preparation..... 11

Note 2. Segment Information..... 12

Note 3. Other operating expenses ..... 14

Note 4. Income tax expense ..... 14

Note 5. Fair values of assets and liabilities ..... 15

Note 6. Ordinary share capital ..... 15

Note 7. Dividends paid and distributions paid or provided for ..... 15

Note 8. Events occurring after balance sheet date ..... 16

**Directors' Declaration ..... 17**

**Independent auditor's review report to the members of OFX Group Limited..... 18**

**Corporate Information ..... 20**

# OFX Group Limited

## Directors' Report

The Directors present their report together with the financial statements of the consolidated entity (the "Group"), being OFX Group Limited (the "Company") and its controlled entities, for the half year ended 30 September 2017 and the Independent Auditor's Review Report thereon.

### Directors

The names of the Directors of the Group in office during the half year up to the date of the report unless otherwise stated are as follows:

Steven Sargent	Chairman and Non-Executive Director
Skander Malcolm	Managing Director and Chief Executive Officer
Melinda Conrad	Non-Executive Director
Douglas Snedden	Non-Executive Director
Grant Murdoch	Non-Executive Director

### Principal activities

The Group's principal activity during the half year was the provision of international payments and foreign exchange services.

### Dividend and distributions

Dividends paid or determined by the Company during and since the end of the half year are set out in Note 7 to the Financial Statements.

	2018 interim dividend	2017 final dividend
Per Share (cents)	2.40	2.90
Total amount (\$'000)	5,851	6,960
Franked <sup>1</sup>	100%	100%
Payment date	15 December 2018	23 June 2017

### Operating and financial review

The half year ended 30 September 2017 commenced a period of consolidation and refocus for OFX, following several senior management changes in the previous financial year. In response, OFX appointed a new CEO in February 2017, Skander Malcolm, and made a conscious shift to intensify focus, and drive execution of the critical few priorities to deliver sustainable growth. In the half year ended 30 September 2017, OFX has done that; improving operating metrics, managing the cost base, efficiently executing marketing campaigns, enhancing the client experience and delivering to a technology roadmap. It has been a record half for transaction volumes, active clients and transactions per client, delivering a net operating income of \$53.6m.

A summary of financial results for the half year ended 30 September 2017 is below:

	Half year 30 September 2017 \$'000	Half year 31 March 2017 \$'000	Half year 30 September 2016 \$'000
Net operating income <sup>2</sup>	53,638	51,523	53,592
EBTDA <sup>3</sup>	13,377	14,263	13,489
EBTDA margin	24.9%	27.7%	25.2%
Net profit (after tax)	8,273	9,931	9,665
Earnings per share (cents)	3.45	4.14	4.03

<sup>1</sup> All dividends are fully franked based on the corporate tax rate of 30%.

<sup>2</sup> Net operating income is the combination of interest income and net income.

<sup>3</sup> The Group actively uses its cash balances as part of its hedging strategy making the interest income integral to its earnings. For this reason, the Group regularly uses EBTDA (earnings before taxation, depreciation and amortisation) as a measure of performance. EBTDA is a non-IFRS unaudited measure

# OFX Group Limited

In addition to the appointment of Skander, OFX has made recent important senior management appointments. Mike Kennedy was appointed President of North America, a strategic appointment in a growth region for the company, and Selena Verth was appointed as Chief Financial Officer, to support secure and sustainable growth.

An area of focus for OFX during the first half of the financial year has been restoring and enhancing client focus. Clients value a trusted and guiding hand through what is a very important and sensitive process. Supporting clients through this process is critical. Focusing on the client experience resulted in growth in fundamentals of OFX's business, with active clients increasing 5.1%, transactions increasing 12.2% and turnover increasing 8.1% at 30 September 2017.

OFX has re-positioned its marketing strategy. This half OFX focused in North America using targeted programmatic and "out of home" campaigns. This generated record registrations in the region and revenue growth of 11.9%. Under the leadership of Mike Kennedy, newly appointed President of North America, OFX's North American business is expected to continue its successful growth path.

OFX has continued to remain committed to investment in technology, sustaining investment in the half year ended 30 September 2017. This is a 3-year journey that began in the 2017 financial year and good progress has been made, upgrading the core-payments system and delivering new product features and benefits, on time and in budget. Investment and execution in growth enabling technology projects is on-going.

Financial performance in the half year ended 30 September 2017 remained broadly stable in terms of Net Operating Income (NOI) of \$53.6m. NPAT of \$8.3m decreased by \$1.4m, in due to the normalisation of the effective tax rate to 25% following the implementation of the Offshore Banking Unit (OBU) where revenue from foreign exchange transactions with clients outside of Australia, not buying or selling AUD, is taxable at a reduced rate of 10%. Depreciation and amortisation costs increased compared to prior period due to investment in technology over the last twelve months.

OFX's business is subject to external influences of macro-economic events and conditions. The half year ended 30 September 2017 saw challenging macro-economic conditions. The AUD appreciated against major currencies and adversely impacted the translation of revenue being repatriated. Despite this, OFX achieved strong growth in lead revenue indicators, with transactions and turnover increasing 12.2% and 8.1% respectively, when compared to a volatile prior period that included Brexit.

	<b>Half year 30 September 2017 \$'000</b>	Half year 31 March 2017 \$'000	Half year 30 September 2016 \$'000
<b>EBTDA</b>	<b>13,377</b>	14,263	13,489
Less income tax expense	<b>(2,766)</b>	(2,243)	(2,148)
Less depreciation and amortisation	<b>(2,338)</b>	(2,089)	(1,676)
<b>NPAT</b>	<b>8,273</b>	9,931	9,665

	<b>As at 30 September 2017 \$'000</b>	As at 31 March 2017 \$'000	As at 30 September 2016 \$'000
Cash and cash equivalents	157,437	148,459	129,414
Deposits due from financial institutions	10,129	10,114	26,576
<b>Total cash</b>	<b>167,566</b>	<b>158,573</b>	<b>155,990</b>
Cash held for subsequent settlement of client liabilities	(122,651)	(115,924)	(114,484)
<b>Net cash held</b>	<b>44,915</b>	<b>42,649</b>	<b>41,506</b>

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# OFX Group Limited

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## Directors' Report (continued)

### Operating and financial review (continued)

The Group's financial position remains strong. The balance sheet consists predominantly of cash and client liabilities, with the cash position net of client liabilities increasing to \$44.9 million at 30 September 2017 from \$41.5 million at 30 September 2016. The Group currently has no external debt. The financial position provides a good platform to pursue future growth opportunities and, coupled with our regulatory record, provides our banking partners with assurance on our ability and diligence.

### Rounding amounts

The Group is of the kind referred to in Australian Securities and Investments Commission Legislative Instrument 2016/191, and in accordance with that Instrument amounts in the Directors' Report and the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

### Chief Executive Officer/Chief Financial Officer declaration

The Chief Executive Officer and the Chief Financial Officer have given the declarations to the Board concerning the Group's Financial Statements and other matters as required under section 295A(2) of the Corporations Act 2001.

### Auditors' independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 in relation to the review for the half year ended 30 September 2017 is on page 6 of this report.

This report is made in accordance with a resolution of Directors.

On behalf of the Board



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Steven Sargent  
Chairman



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Skander Malcolm  
Chief Executive Officer and Managing Director

13 November 2017





## Auditor's Independence Declaration

As lead auditor for the review of OFX Group Limited for the half-year ended 30 September 2017, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of OFX Group Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'CPG Cooper', with a horizontal line underneath.

CPG Cooper  
Partner  
PricewaterhouseCoopers

Sydney  
13 November 2017

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# OFX Group Limited

## Consolidated Statement of Comprehensive Income For the half year ended 30 September 2017

	Notes	Half year 30 September 2017 \$'000	Half year 30 September 2016 \$'000
Fee and trading income		58,064	57,958
Fee and commission expense		(5,042)	(5,046)
<b>Net income</b>		<b>53,022</b>	<b>52,912</b>
Interest and other income		616	680
<b>Net operating income</b>		<b>53,638</b>	<b>53,592</b>
Employment expenses		(23,569)	(21,813)
Occupancy expenses		(2,585)	(2,834)
Promotional expenses		(7,780)	(9,282)
Other operating expenses	3	(8,665)	(7,850)
<b>Total operating expenses</b>		<b>(42,599)</b>	<b>(41,779)</b>
<b>Net profit before income tax</b>		<b>11,039</b>	<b>11,813</b>
Income tax expense	4	(2,766)	(2,148)
<b>Net profit attributable to ordinary shareholders</b>		<b>8,273</b>	<b>9,665</b>
<b>Other comprehensive income</b>			
<i>Other comprehensive income that may be reclassified to profit and loss</i>			
Exchange differences on translation of foreign operations net of hedging		(64)	79
<b>Total comprehensive income attributable to ordinary shareholders</b>		<b>8,209</b>	<b>9,744</b>
<b>Earnings per share attributable to ordinary shareholders:</b>			
Basic		3.45	4.03
Diluted		3.41	3.98

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

# OFX Group Limited

## Consolidated Statement of Financial Position As at 30 September 2017

	Notes	As at 30 September 2017 \$'000	As at 31 March 2017 \$'000
<b>Assets</b>			
Cash and cash equivalents		157,437	148,459
Deposits due from financial institutions		10,129	10,114
Derivative financial instruments		19,509	14,154
Prepayments		2,489	2,402
Other receivables		1,010	1,163
Property, plant and equipment		4,605	5,473
Intangible assets		6,050	5,456
Prepaid current income tax		813	2,238
Deferred income tax assets		273	219
<b>Total assets</b>		<b>202,315</b>	<b>189,678</b>
<b>Liabilities</b>			
Client liabilities		122,651	115,924
Derivative financial instruments		9,622	7,351
Other creditors and accruals		6,628	7,047
Employee provisions		3,403	1,763
Deferred income tax liabilities		945	120
<b>Total liabilities</b>		<b>143,249</b>	<b>132,205</b>
<b>Net assets</b>		<b>59,066</b>	<b>57,473</b>
<b>Equity</b>			
Ordinary share capital	6	24,360	24,360
Retained earnings		32,949	31,636
Foreign currency translation reserve		149	213
Share based payments reserve		1,608	1,264
<b>Total equity attributable to shareholders</b>		<b>59,066</b>	<b>57,473</b>

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

# OFX Group Limited

## Consolidated Statement of Changes in Equity For the half year ended 30 September 2017

	Notes	Contributed equity \$'000	Retained earnings \$'000	Foreign currency translation reserve \$'000	Share- based payments reserve \$'000	Total equity \$'000
<b>Balance at 1 April 2016</b>		24,360	26,293	278	2,298	53,229
Net profit		–	9,665	–	–	9,665
Other comprehensive income		–	–	79	–	79
<b>Total comprehensive income</b>		–	9,665	79	–	9,744
Transactions with equity holders in their capacity as equity holders:						
Dividends paid		–	(7,440)	–	–	(7,440)
Expenses related to share based payments		–	–	–	(93)	(93)
		–	(7,440)	–	(93)	(7,533)
<b>Balance at 30 September 2016</b>		24,360	28,518	357	2,205	55,440
<b>Balance at 1 April 2017</b>		24,360	31,636	213	1,264	57,473
Net profit		–	8,273	–	–	8,273
Other comprehensive income		–	–	(64)	–	(64)
<b>Total comprehensive income</b>		–	8,273	(64)	–	8,209
Transactions with equity holders in their capacity as equity holders:						
Dividends and distributions paid	7	–	(6,960)	–	–	(6,960)
Expenses related to share based payments		–	–	–	344	344
		–	(6,960)	–	344	(6,616)
<b>Balance at 30 September 2017</b>		24,360	32,949	149	1,608	59,066

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

# OFX Group Limited

## Consolidated Statement of Cash Flows For the half year ended 30 September 2017

Notes	Half year 30 September 2017 \$'000	Half year 30 September 2016 \$'000
<b>Cash flows from operating activities</b>		
Cash inflows from clients	10,296,200	9,575,040
Cash outflows to clients, suppliers and employees	(10,280,217)	(9,572,889)
Income tax paid	(571)	(1,472)
Interest and other income received	616	680
<b>Net cash flows from operating activities</b>	<b>16,028</b>	<b>1,359</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(70)	(764)
Payments for intangible assets	(1,994)	(1,953)
Cash deposited with financial institutions	(15)	(5,774)
<b>Net cash flows from investing activities</b>	<b>(2,079)</b>	<b>(8,491)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	7	(7,440)
<b>Net cash flows from financing activities</b>	<b>(6,960)</b>	<b>(7,440)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>6,989</b>	<b>(14,572)</b>
Cash and cash equivalents at the beginning of the half year	148,459	142,088
Exchange gains on cash and cash equivalents	1,989	1,898
<b>Cash and cash equivalents at the end of the half year</b>	<b>157,437</b>	<b>129,414</b>

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

## Note 1. Basis of preparation

This consolidated interim financial report for the half year ended 30 September 2017 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 March 2017 and any public announcements made by OFX Group Limited during the half year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

### Compliance with IFRS as issued by the IASB

Compliance with Australian Accounting Standards ensures that the financial report complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Consequently, this financial report has also been prepared in accordance with and complies with IFRS as issued by the IASB.

# OFX Group Limited

## Note 2. Segment Information

The operating segments presented below reflect how senior management and the board of directors (the chief operating decision makers) allocate resources to the segments and review their performance.

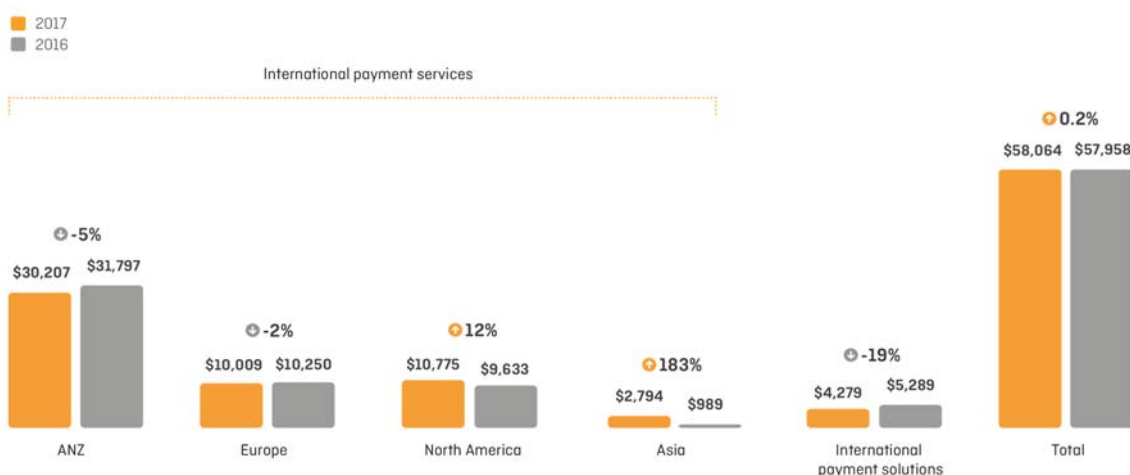
The chief operating decision makers examine the performance both from a product and geographic perspective and have identified five reportable segments.

The two products are international payment services and international payment solutions:

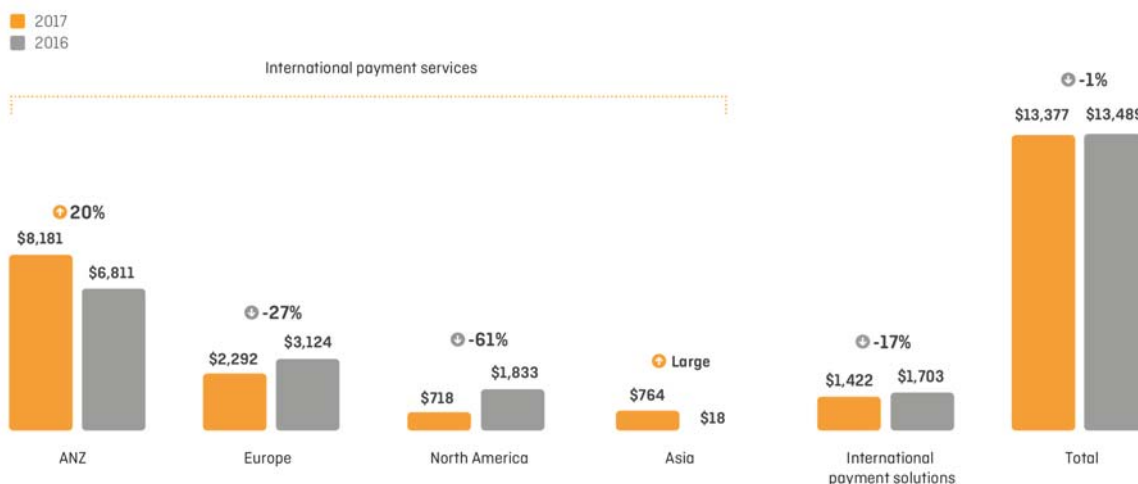
- International payment services are monitored by geographic region (based on client location) and provide bank to bank currency transfers servicing businesses and consumers.
- International payment solutions are monitored globally and provide strategic partners with a package which includes: OFX technology platform; client service; compliance sophistication; banking relationships; and payments capabilities.

EBTDA (earnings before taxation, depreciation and amortisation) has been presented as the measure of segment profitability in the current reporting period, replacing EBITDA (earnings before interest, taxation, depreciation and amortisation) presented in prior reporting periods. The Group actively uses its cash balances as part of its hedging strategy making interest income integral to its earnings. For this reason, the chief operating decision makers regularly use EBTDA as an effective measure of performance.

### Segment fee and trading income – Half year 30 September 2017 v Half year 30 September 2016 (\$'000)



### Segment EBTDA – Half year 30 September 2017 v Half year 30 September 2016 (\$'000)<sup>1</sup>



<sup>1</sup> Comparative information has been restated to conform with presentation in the current year.  
OFX Group Limited - Interim Report

# OFX Group Limited

## Note 2. Segment information (continued)

	Half year 30 September 2017 \$'000	Half year 30 September 2016 \$'000
<b>Group EBTDA<sup>2</sup></b>	<b>13,377</b>	13,489
Depreciation and amortisation	(2,338)	(1,676)
Net profit before income tax	11,039	11,813
Income tax expense	(2,766)	(2,148)
<b>Net profit</b>	<b>8,273</b>	9,665

	International payment services				International Payment Solutions	Consolidated
	Australia & New Zealand	Europe	North America	Asia		
<b>30 September 2017</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Segment assets	139,379	26,950	52,216	11,579	-	230,124
Intergroup eliminations	(27,898)	-	-	(184)	-	(28,082)
Deferred tax assets						273
<b>Total assets</b>						<b>202,315</b>
Segment liabilities	(96,785)	(23,481)	(45,006)	(5,114)	-	(170,386)
Intergroup eliminations	-	1,572	26,510	-	-	28,082
Deferred tax liabilities						(945)
<b>Total liabilities</b>						<b>(143,249)</b>
<b>31 March 2017</b>						
Segment assets	133,185	21,915	30,823	11,772	-	197,695
Intergroup eliminations	(1,934)	(6,302)	-	-	-	(8,236)
Deferred tax assets						219
<b>Total assets</b>						<b>189,678</b>
Segment liabilities	(91,454)	(19,277)	(24,197)	(5,393)	-	(140,321)
Intergroup eliminations	3	-	5,559	2,674	-	8,236
Deferred tax liabilities						(120)
<b>Total liabilities</b>						<b>(132,205)</b>

<sup>2</sup> Comparative information has been restated to conform with presentation in the current year.  
OFX Group Limited - Interim Report



# OFX Group Limited

## Note 3. Other operating expenses

	Half year 30 September 2017 \$'000	Half year 30 September 2016 \$'000
<b>Other operating expenses</b>		
Professional fees <sup>1</sup>	(1,224)	(1,355)
Information technology <sup>1</sup>	(2,558)	(1,965)
Depreciation and amortisation <sup>1</sup>	(1,693)	(1,012)
Communication <sup>1</sup>	(343)	(456)
Compliance <sup>1</sup>	(934)	(905)
Insurance	(383)	(428)
Travel	(424)	(603)
Bad and doubtful debts	(374)	(310)
Non-recoverable GST	(152)	(137)
Other expenses	(580)	(679)
<b>Total other operating expenses</b>	<b>(8,665)</b>	<b>(7,850)</b>

## Note 4. Income tax expense

	Half year 30 September 2017 \$'000	Half year 30 September 2016 \$'000
<b>Income tax expense</b>		
Current tax expense	1,995	2,326
Adjustments to current tax of prior years <sup>2</sup>	-	(580)
Total current tax expense	1,995	1,746
Deferred income tax expense	771	402
<b>Total income tax expense</b>	<b>2,766</b>	<b>2,148</b>
<b>Reconciliation of income tax expense to prima facie tax payable</b>		
Net profit before income tax	11,039	11,813
Prima facie income tax expense at 30% (2016: 30%)	3,312	3,544
Decrease in tax expense as a result of operating as an OBU in the current period	(577)	(650)
Decrease in tax expense as a result of operating as an OBU in a prior period <sup>2</sup>	-	(580)
Other items	31	(166)
<b>Total income tax expense</b>	<b>2,766</b>	<b>2,148</b>

<sup>1</sup> Comparative information has been restated to conform with presentation in the current year.

<sup>2</sup> The prior period tax adjustment reflected relates to OBU transactions within the period from 10 October 2015 to 31 March 2016.

# OFX Group Limited

## Note 5. Fair values of assets and liabilities

A financial instrument's categorisation within the valuation hierarchy is based on the lowest level input that is significant to the fair value measurement:

Level	Instruments	Valuation process
Level 1 - Traded in active markets and fair value is based on recent unadjusted quoted prices.	Cash and cash equivalents, amounts due from financial institutions, client liabilities, creditors and receivables.	These instruments are held at amortised cost. Fair values are considered to approximate to their carrying amounts as they are short term in nature.
Level 2 - Not actively traded and fair value is based on valuation techniques which maximise the use of observable market prices.	Over the counter derivatives.	Foreign currency forward contract valuations are based on observable spot exchange rates and the yield curves of the respective currencies.
Level 3 – Not actively traded and fair value is based on at least one input which is not observable in the market due to illiquidity or complexity.	None – the Group does not hold any of these instruments.	Not applicable.

All derivative financial instruments held by the Group at fair value are categorised within Level 2.

## Note 6. Ordinary share capital

Ordinary shares are classified as equity and measured based on the proceeds from issuing the shares less the directly attributable incremental costs, net of tax.

There are 240,000,000 fully paid ordinary shares (2016: 240,000,000). Ordinary shares entitle the holder to vote and to receive dividends and the proceeds of the company if it is liquidated in proportion to the number of shares held.

There are 3,803,088 (2016: 3,455,895) restricted ordinary shares issued to KMP in connection with the Executive Share Loan Plan.

## Note 7. Dividends paid and distributions paid or provided for

Dividends are recognized as a liability and a reduction to retained earnings when declared. All dividends recognized in the year were fully franked (2017: all).

	<b>Half Year 30 September 2017 \$'000</b>	Half Year 30 September 2016 \$'000
Final dividend from the preceding year \$0.029 (2016: \$0.031) per share	<b>(6,960)</b>	(7,440)
<b>Total dividends recognised and paid</b>	<b>(6,960)</b>	(7,440)

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# OFX Group Limited

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## Note 7. Dividends paid and distributions paid or provided for (continued)

On 13 November 2017, the Board determined a dividend of \$0.024 per share (\$5,760,000) as the interim dividend for 2018. This dividend was determined after 30 September 2017 and so is not reflected in this financial report. As the Company is a holding company with no trading profits, this dividend will be funded through the profits of the subsidiaries.

Ex-dividend date	30 November 2017
Record date	1 December 2017
Payment date	15 December 2017

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	2017 \$'000	2016 \$'000
<b>Franked dividends</b>		
Franking credits available for subsequent financial years based on a tax rate of 30% (2016: 30%)	4,111	6,081

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The above amounts represent the balance of the franking account as at the end of the financial period, adjusted for the franking credits that will arise from paying the current tax liability, but before taking account of the interim declared dividend for 2018.

## Note 8. Events occurring after balance sheet date

Other than the dividends presented in Note 7, there were no other material post balance sheet events occurring after the reporting date requiring disclosure in these financial statements.

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# OFX Group Limited

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## Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes for the half year ended 30 September 2017 are in accordance with the Corporations Act 2001, including;

(i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 September 2017 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that OFX Group Limited will be able to pay its debts as and when they become due and payable, and

(c) Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board:



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Steven Sargent  
Chairman



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Skander Malcolm  
Chief Executive Officer and Managing Director

13 November 2017



## **Independent auditor's review report to the members of OFX Group Limited**

### ***Report on the Half-Year Financial Report***

We have reviewed the accompanying half-year financial report of OFX Group Limited (the company), which comprises the consolidated statement of financial position as at 30 September 2017, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for OFX Group Limited (the consolidated entity). The consolidated entity comprises the company and the entities it controlled during that half-year.

### ***Directors' responsibility for the half-year financial report***

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

### ***Auditor's responsibility***

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 30 September 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of OFX Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Independence***

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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**PricewaterhouseCoopers, ABN 52 780 433 757**

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*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of OFX Group Limited is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the consolidated entity's financial position as at 30 September 2017 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

*CPG Cooper*

CPG Cooper  
Partner

Sydney  
13 November 2017

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# OFX Group Limited

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## Corporate Information

Directors	Mr Steven Sargent (Chairman and Non-Executive Director) Mr Skander Malcolm (Chief Executive Officer and Managing Director) Mr Douglas Snedden Ms Melinda Conrad Mr Grant Murdoch
Company Secretaries	Ms Freya Smith Ms Naomi Dolmatoff
Principal registered office in Australia	Level 19 60 Margaret Street Sydney NSW 2000 Australia  Ph +61 2 8667 8000 Fax +61 2 8667 8080 Email <a href="mailto:investors@ofx.com.au">investors@ofx.com.au</a>
Share register	<u>Current</u> Link Market Services Level 12 680 George Street Sydney NSW 2000  Ph +61 1300 554 474 (toll free within Australia)  <u>Prior</u> Computer Registry Services Pty Limited 60 Carrington Street Sydney NSW 2000 Australia  Ph +61 3 9415 4000 Ph 1300 850 505 (Australian shareholders)
Auditor	PricewaterhouseCoopers One International Towers Sydney Watermans Quay Barangaroo NSW 2000 Australia
Stock Exchange Listing	OFX Group shares are listed on the Australian Securities Exchange: OFX
Website address	<a href="http://www.ofx.com">www.ofx.com</a>