



# RAPTIS GROUP LIMITED

ABN 43 010 472 858

ASX CODE: (RPG)

## APPENDIX 4D

Half Year report for the 6 months ended 31 December 2017

Results for announcement to the market

\$A			
Revenues from ordinary activities.			Nil
Profit from ordinary activities after tax attributable to members	Up	From a loss of (\$54,848)	466,283
Net Profit for the period attributable to members	Up	From a loss of (\$54,848)	463,283
Dividends (distributions)		Amount per security	Franked amount per security
Final dividend		Nil	Nil
Previous corresponding period		Nil	Nil
Record date for determining entitlements to the dividend		N/A	

Earnings per security (EPS)	Current period	Previous corresponding period
Basic and Diluted EPS (loss per security)	0.305 cents	(.035) cents

Net Tangible Assets Per Security	Current period	Previous corresponding Period
Net Tangible Assets	1.27 cents	0.98 cents

Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 19 of AASB 133: *Earnings Per Share* are as follows.

<u>Earnings reconciliation:</u>	<b><u>2017</u></b>	<b><u>2016</u></b>
	<b>\$</b>	<b>\$</b>
Net profit (loss) for basic earnings	466,283	(54,848)
<u>Weighted average number of shares used as the denominator:</u>	Number	Number
Ordinary shares for basic EPS	152,842,427	152,842,427

## Dividends

Date the dividend is payable

N/A

+Record date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHESS approved)

N/A

If it is a final dividend, has it been declared?  
(*Preliminary final report only*)

N/A

## Comments on Half-Year Results

Raptis Group Limited has completed the development of 57 townhouses at Springwood in Brisbane. Contracts of sale have settled for 56 of the units.

The company has earned a profit of \$466,283 up from a 2016 half year loss of \$54,848.

The company continues to research other future development opportunities on the Gold Coast and in Brisbane.



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# **RAPTIS GROUP LIMITED**

## **Condensed Financial Report 31 December 2017**

## **DIRECTORS' REPORT**

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The directors present their report on the entity of Raptis Group Limited ("the Company") for half-year ended 31 December 2017 and the Auditor's review report thereon.

### **Principal Activities**

During the period the company completed construction of "Serenity", a 57 unit townhouse project at Springwood in Brisbane. Construction was completed in November 2017 and by 31 December 2017, 56 of the units had settled.

### **Result**

A profit of \$466,283 was recognised in the current half year to 31 December 2017. (2016: loss of (\$54,848)).

### **Dividends Paid or Recommended**

No dividends were paid or declared in the period.

### **Review of Operations**

The company completed the construction of 57 townhouses at Springwood in Queensland

### **After Balance Date Events**

The Directors are not aware of any significant events since the end of the interim period that might materially affect the financial position or results from operations in future periods.

### **Auditor's Independence Declaration**

The auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 5, and forms part of the Directors' Report for the half-year ended 31 December 2017.

### **Directors**

The directors of the Company in office during or since the end of the half-year are, James Raptis, OBE; Helen Raptis; and Malcolm Cory.

Dated at Surfers Paradise this 28th day of February 2018

Signed in accordance with a resolution of directors.



James Raptis, OBE  
*Director*

To the Board of Directors of Raptis Group Limited

**Auditor's Independence Declaration under section 307C of the Corporations Act 2001**

As lead audit director for review of the financial statements of Raptis Group Limited for the half-year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

Yours sincerely

**Nexia Sydney Audit Pty Limited**



**Gregory Ralph M.Com., FCA**  
Director

Date: 28 February 2018

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
for the half-year ended 31 December 2017

	Note	1 July 2017 to 31 December 2017 \$	1 July 2016 to 31 December 2016 \$
<b>Revenue</b>			
Revenue from Property Sales		25,544,427	-
Other revenue Interest		11,300	-
<b>Total revenue</b>		25,555,727	-
Cost of properties sold		20,932,939	-
Borrowing Costs		3,496,787	-
Marketing expenses		632,106	-
Administration and other expenses		27,612	54,848
Profit (loss)		466,283	(54,848)
Income tax expense	2	-	-
Profit (loss) attributable to members of the entity		466,283	(54,848)
Other comprehensive income for the year		-	-
<b>Total comprehensive income (loss) for the year attributable to members of the entity</b>		466,283	(54,848)
Basic and diluted earnings per share (cents per share)		0.305	(0.035)

The Condensed Statement of Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements.

## CONDENSED BALANCE SHEET

As at 31 December 2017

	31 December 2017 \$	30 June 2017 \$
<b>Current Assets</b>		
Cash and cash equivalents	4,665,447	125,387
Accounts Receivable	932,933	160,541
Inventories	-	18,353,822
<b>TOTAL ASSETS</b>	<b>5,598,380</b>	<b>18,639,750</b>
<b>Current Liabilities</b>		
Trade and other payables	3,654,618	4,270,534
Interest bearing loans and borrowings	-	12,891,737
<b>TOTAL LIABILITIES</b>	<b>3,654,618</b>	<b>17,162,271</b>
<b>Equity</b>		
Issued capital	29,811,518	29,811,518
(Accumulated losses)	(27,867,756)	(28,334,039)
<b>Total equity</b>	<b>1,943,762</b>	<b>1,477,789</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>5,598,380</b>	<b>18,639,750</b>

The Condensed Balance Sheet is to be read in conjunction with the Notes to the Financial Statements.

**CONDENSED CASH FLOW STATEMENT**  
for the half-year ended 31 December 2017

	Notes	1 July 2017 to 31 December 2017 \$	1 July 2016 to 31 December 2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		27,089,620	-
Interest received		11,300	-
Interest paid		(3,496,787)	-
Payments to suppliers		(4,481,622)	(3,296,398)
<b>Net cash flows from / (used in) operating activities</b>		<b>19,122,511</b>	<b>(3,296,398)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Repayment) proceeds from borrowings		(12,891,737)	2,688,209
(Repayment) proceeds from loans - director related entities		(1,690,714)	669,569
<b>Net cash from / (used in) financing activities</b>		<b>(14,582,451)</b>	<b>3,357,778</b>
<b>Net increase in cash held</b>		<b>4,540,060</b>	<b>61,380</b>
<b>Cash at the beginning of the half year</b>		<b>125,387</b>	<b>42,588</b>
<b>Cash at the end of the half year</b>		<b>4,665,447</b>	<b>103,968</b>

The Condensed Cash Flow Statement is to be read in conjunction with the Notes to the Financial Statements.



**CONDENSED STATEMENT OF CHANGES IN EQUITY**  
for the half-year ended 31 December 2017

	\$ Issued Capital	\$ Accumulated Losses	\$ Total
<b>Balance at 1 July 2016</b>	29,811,518	(28,256,372)	1,555,146
Loss attributable to members of the entity	-	(54,848)	(54,848)
<b>Balance at 31 December 2016</b>	<u>29,811,518</u>	<u>(28,311,220)</u>	<u>1,500,298</u>
<b>Balance at 1 July 2017</b>	29,811,518	(28,334,039)	1,477,479
Profit attributable to members of the entity	-	466,283	466,283
<b>Balance at 31 December 2017</b>	<u>29,811,518</u>	<u>(27,867,756)</u>	<u>1,943,762</u>

The Condensed Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements.

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS**  
for the half-year ended 31 December 2017

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**1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL REPORT**

The interim financial report does not include all of the information normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

The half-year report should be read in conjunction with the Annual Financial Report of Raptis Group Limited at 30 June 2017. It is also recommended that the interim financial report be considered together with any public announcements made by Raptis Group Limited during the half year ended 31 December 2017 and subsequently up to the time of signing this financial report in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

**(a) Basis of Accounting**

The interim financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements.

The half-year financial report has been prepared in accordance with the historical cost convention. For the purpose of preparing the interim financial report, the half-year has been treated as a discrete reporting period.

**(b) Going Concern**

The net assets of the company comprise cash and a receivable amounting to \$1,943,762. Mr James Raptis has agreed to continue to arrange support, should this be necessary, to set in place development funding finance adequate to undertake the next development project in the coming year.

Accordingly, the Directors are confident the company will be able to continue as a going concern and believe it appropriate this report is prepared on that basis.

**(c) Summary of Significant Accounting Policies**

The accounting policies for the results for the half-year ended 31 December 2017 and the comparative half year have been prepared as they apply on a going concern basis.

**(i) Income Tax**

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit and loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

**(ii) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

**CONDENSED NOTES TO THE FINANCIAL STATEMENTS**  
for the half-year ended 31 December 2017

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**(b) Summary of Significant Accounting Policies (continued)**

Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(iii) Estimates**

The preparation of the half-year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In relation to the Condensed Statement of Comprehensive Income the significant judgements made by management in applying the entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 30 June 2017.

**(iv) Comparative Figures**

When required by Accounting Standards, comparative figures are adjusted to conform to changes in presentation for the current financial year.

**2. INCOME TAX****Unrecognised Tax Losses**

At the time of signing this Half-Year Financial Report the company is not able to accurately determine the quantum of its carry forward losses. This results from the restructuring of former debt where certain assets are still being held in previously controlled entities with security documentation still in effect in respect of the secured creditors or their assignors. Whilst the disposal of these assets will have no impact on the current or future accounting results due to the effect of the restructuring, the treatment of the associated debt is anticipated to have tax loss implications, which may materially affect the calculation of carry forward losses from prior years.

The interim tax loss calculation indicates a potential future income tax benefit from carry forward losses of \$47,369,648 (at the current tax rate of 30%). However, the security positions that have not yet been resolved are material and may substantially reduce this interim calculation.

**3. EVENTS SUBSEQUENT TO BALANCE DATE**

No matter or circumstance has arisen since 31 December 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial periods.

## **DIRECTORS' DECLARATION**

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In the opinion of the directors of Raptis Group Limited:

1. the financial statements and notes set out on pages 6 to 11:-
  - a) give a true and fair view of the financial position of the entity as at 31 December 2017 and of its performance, for the half-year ended on that date; and
  - b) comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and

Dated at Brisbane this 28th day of February 2018.

Signed in accordance with a resolution of directors.



James Raptis  
Director

## Independent Auditor's Review Report to the Members of Raptis Group Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Raptis Group Limited, which comprises the Condensed Consolidated Statement of Financial Position as at 31 December 2017, the Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated statement of Cash Flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, of the group comprising Raptis Group Limited and the entities it controlled at the half-year's end or from time to time during the 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 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 31 December 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 Raptis 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been given to the directors of Raptis Group Limited.

## 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 Raptis Group Limited and its controlled entities is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

## Nexia Sydney Audit Pty Ltd



**Gregory Ralph M.Com., FCA**  
Director

Sydney  
Dated: 28 February 2018