



RAPTIS GROUP LIMITED

ABN 43 010 472 858

ASX CODE: (RPG)

APPENDIX 4E

Preliminary Final Report

Year ended 30 June 2020

Results for announcement to the market

		\$A
Revenues from ordinary activities.	Increased by 72%	189,347
Profit from ordinary activities after tax attributable to members	Decreased by 8%	53,111
Net profit for the period attributable to members	Decreased by 8%	53,111
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	0.035 cents	0.038 cents

Net Tangible Assets Per Security	Current period	Previous corresponding Period
Net Tangible Assets	1.39 cents	1.35 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>	<u>2020</u>	<u>2019</u>
	\$	\$
Net profit (loss) for basic earnings	53,111	57,713
<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 Results

The result for the period was a profit of \$53,111 (2019 – profit of \$57,714).

The profit for the period reflects advisory activities, and one month of the operations of Waterpoint management rights.

The company does not have a dividend reinvestment plan. There are no entities which the control has been gained or lost during the period. There are no associate or joint venture entities.

Compliance Statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act 2001. No other standards were used.
2. This report, and the accounts upon which the report is based, use the same accounting policies.
3. This report does give a true and fair view of the matters disclosed.
4. The financial statements for the year ended 30 June 2020 are in the process of being audited.
5. Due to limitations of size, the entity does not have a formally constituted audit committee.
6. There are no expected modifications to the audit report.

Signed by James Raptis
Chairman
31 August 2020



RAPTIS GROUP LIMITED

Consolidated Preliminary Financial Statements for the year ended 30 June 2020



RAPTIS GROUP LIMITED ABN 43 010 472 858

**Consolidated statement of profit and loss and other comprehensive income
for the year ended 30 June 2020**

	Notes	2020 \$	2019 \$
Revenue from continuing operations	2	189,347	110,118
Cost of sales		(64,459)	-
Administrative expenses		(49,656)	(52,405)
Amortisation	2 & 9	(22,121)	-
Profit before income tax from continuing operations		53,111	57,713
Income tax expense	4	-	-
Net profit		53,111	57,713
Other comprehensive income net of tax		-	-
Total comprehensive income net of tax attributable to members of the company		53,111	57,713
Earnings per share		cents per share	cents per share
Basic and diluted, profit (loss) for the year attributable to ordinary equity holders of the parent (cents per share)	5	0.035	0.038
Dividends per share (cents)		-	-

The consolidated statement of profit and loss should be read in conjunction with the accompanying notes.



RAPTIS GROUP LIMITED ABN 43 010 472 858

**Consolidated statement of financial position
as at 30 June 2020**

	Notes	2020 \$	2019 \$
Assets			
Current assets			
Cash and cash equivalents	6	462,551	2,055,402
Trade and other receivables	7	197,908	46,000
Total current assets		660,459	2,101,402
Non current assets			
Property at fair value	8	170,000	-
Intangible assets - management rights	9	5,817,879	-
Total non current assets		5,987,879	-
Total assets		6,648,338	2,101,402
Liabilities and equities			
Current liabilities			
Trade and other payables	10	296,217	37,010
Interest bearing borrowings	11	4,234,618	-
Total liabilities		4,530,835	37,010
Equity			
Issued capital	12	29,811,518	29,811,518
(Accumulated losses)		(27,694,015)	(27,747,126)
Total equity		2,117,503	2,064,392
Total liabilities and equity		6,648,338	2,101,402

The consolidated statement of financial position should be read in conjunction with the accompanying notes.



RAPTIS GROUP LIMITED ABN 43 010 472 858

**Consolidated statement of changes in equity
for the year ended 30 June 2020**

	Notes	Issued Capital	(Accumulated Losses)	Total equity
		\$	\$	\$
Raptis Group Limited balance at 1 July 2018		29,811,518	(27,804,839)	2,006,679
Profit attributable to the entity		-	57,713	57,713
Balance at 30th June 2019		<u>29,811,518</u>	<u>(27,747,126)</u>	<u>2,064,392</u>
Balance at 1st July 2019		29,811,518	(27,747,126)	2,064,392
Profit attributable to the entity		-	53,111	53,111
Balance at 30th June 2020		<u>29,811,518</u>	<u>(27,694,015)</u>	<u>2,117,503</u>

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.



RAPTIS GROUP LIMITED ABN 43 010 472 858

**Consolidated statement of cash flows
for the year ended 30 June 2020**

	Notes	2020 \$	2019 \$
Operating activities			
Receipts from customers		55,988	115,761
Interest received		8,142	20,118
Payments to suppliers and employees		(73,981)	(49,919)
Finance costs		(15,618)	-
Net cash (used in) provided by operating activities	6	(25,469)	85,960
Cash flow from investing activities			
Purchase of property		(170,000)	-
Acquisition of intangible assets		(5,840,000)	-
Deposit on sale of intangible assets		208,000	-
Net cash flow (used in) investing activities		(5,802,000)	-
Financing activities			
Increase in loan director related entity		4,234,618	-
Net cash flows from/(used) in financing activities		4,234,618	-
Net (decrease) increase in cash held		(1,592,851)	85,960
Cash at the beginning of the financial year		2,055,402	1,969,442
Cash and cash equivalents at the end of the financial year	6	462,551	2,055,402

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.



RAPTIS GROUP LIMITED ABN 43 010 472 858

**Notes to the consolidated preliminary financial statements
for the year ended 30 June, 2020**

Note 1: Statement of significant accounting policies adopted in the financial year.

Revenue

Company owned property management fees are generated from the management and caretaking of residential property on behalf of owner clients. This revenue stream generates earnings through body corporate fees from property caretaking and management rental fees based on a percentage of rental income. Management fees are invoiced and collected monthly.

Intangible assets

Intangible assets acquired are carried at cost less accumulated amortisation and accumulated impairment losses. The assets residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate at each reporting period. Management rights have been amortised over a period of 22 years.

Note 2: Revenue and expenses

Profit from continuing operations before income tax has been determined after charging/(crediting) the following items:

Revenue

	2020 \$	2019 \$
Management fees	131,205	-
Consulting fees	50,000	90,000
Interest revenue	8,142	20,118
Total revenue	189,347	110,118

Expenses

Cost of sales	64,459	-
Amortisation of management rights	22,121	-
Audit fees	16,368	21,103
Borrowing cost	15,618	-
Other administrative costs	17,670	31,302
Total expenses	136,236	52,405

Note 3: Financial Income

Finance income - interest	8,142	20,118
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Note 4: Income Tax

The prima facie tax on profit is reconciled to the income tax (expense)/benefit as follows:

Accounting profit before income tax	53,111	57,713
The prima facie tax expense calculated at the statutory income tax rate of 27.5% (2019: 27.5%) on the operating profit	14,606	15,871
Utilisation of previously unrecognised tax losses	(14,606)	(15,871)
Income tax expense reported in the statement of profit and loss	-	-



RAPTIS GROUP LIMITED ABN 43 010 472 858
Notes to the consolidated preliminary financial statements
for the year ended 30 June, 2020

Note 5: Earnings Per Share

Reconciliation of earnings to profit or loss

	2020 \$	2019 \$
Profit	53,111	57,713
Earnings used to calculate basic and diluted EPS	53,111	57,713

	No. of Shares	No. of Shares
Weighted average number of ordinary shares used in the calculation of earnings per share	152,842,427	152,842,427

	Cents	Cents
Basic and diluted earnings per share	0.035	0.038

	\$	\$
Operating profit after income tax used in the calculation of earnings per share	53,111	57,713

Note 6: Cash and cash equivalents

Cash at bank	462,551	2,055,402
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Cash flow reconciliation

Reconciliation of net profit after tax to net cash flows from operations:

Profit before tax	53,111	57,713
Adjustments to reconcile profit before tax to net cash flows:		
Changes in operating assets and liabilities:		
(Increase)/decrease in:		
Trade and other receivables	(143,337)	15,237
Increase in:		
Trade payables	78,580	13,010
Net cash flows from operating activities	(25,469)	85,960

Note 7: Trade and other receivables

Current		
Trade receivables	189,337	46,000
GST receivable	8,571	-
	197,908	46,000

Note 8 : Property

Real Property at fair value	170,000	-
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Note 9: Intangible assets

Non current		
Management rights at cost	5,840,000	-
Amortisation of management rigths	(22,121)	-
	5,817,879	-

Note 10: Trade and Other Payables

Current		
Trade payables	88,221	37,010
Deposit held on sale of management rights	208,000	-
	296,221	37,010



RAPTIS GROUP LIMITED ABN 43 010 472 858

Notes to the consolidated preliminary financial statements for the year ended 30 June, 2020

Note 11: Interest bearing borrowings

Loan from Related party	4,234,618	-
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Entities associated with Mr James Raptis provided finance at a rate of 5% per annum for a term of five years with a minimum repayment of \$200,000 per year. An Independent Experts report concluded that the arrangements were fair and reasonable. This report was provided to members to consider at a General Meeting where entering into this transaction was approved.

Note 12: Issued Equity

Issued and paid up capital

152,842,427 (2019:152,842,427) fully paid ordinary shares

Carrying value at end of the year	29,811,518	29,811,518
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	Number	Number
Balance of shares at the beginning of the reporting period	152,842,427	152,842,427
Shares issued during the reporting period	-	-
Balance of shares at the end of the reporting period	152,842,427	152,842,427

Terms and Conditions

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

Note 13: Related Parties

Entities associated with Mr James Raptis provided support to the company as indicated below.

The following transaction was approved at a General Meeting of shareholders on 2 June 2020. It was recommended as fair and reasonable by an Independent Experts Report. Entities associated with Mr James Raptis secured the income and capital of the Waterpoint Management Rights for the benefit of Raptis Group Limited, provided vendor finance and provided a potential onsale of the management rights. The loan term is five years, with interest at 5% and a minimum repayment of \$200,000 per year. The approved agreement provided that if the current sale negotiations proceeded to settlement that 25% of the profit after associated transaction costs would accrue to the company and a commission of 75% of the profit would be payable to entities associated with James Raptis.

Entities associated with Mr James Raptis will continue to provide development and administrative personnel at no cost to the Group up to 31 December 2020.

Entities associated with Mr James Raptis will provide office facilities and associated overhead costs to support the administration of the affairs of the Group at no cost up to 31 December 2020.

Note 14: Events Subsequent to Balance Date

The contract for the sale of management rights has progressed to an unconditional contract since balance date, subsequently the purchaser did not settle on the contracted date being 31 August 2020, and is currently scheduled to settle on 14 September 2020.

No other events have occurred subsequent to balance date that might materially affect the financial position or results from operations in future periods.