

1 June 2022

Nicola Lombardi
Compliance Officer,
Listings Compliance (Sydney)
20 Bridge Street
Sydney 2000

Level 16
1 Market Street
Sydney NSW
2000



PO Box 25
Surfers Paradise
Queensland 4217
Australia
Tel (07) 56280474
Fax (07) 56464317

Dear Nicola

RE Media Release

The Board of Raptis Group Limited have authorised the attached document.

For any further information contact details are:

James Raptis
Chairman
0756280474

Thank you for your assistance.

Yours faithfully

Raptis Group Limited



Malcolm Cory
Company Secretary

Raptis Group Limited (ASX:RPG) Announcement

We are pleased to advise that the attached Notice of General Meeting package has been sent to all shareholders.

Raptis Group Limited is seeking to enter into development management agreements for the development of three residential towers in Broadbeach on the Gold Coast.

A resolution will be put to a General Meeting on 29 June 2022 to approve entering into these agreements. Non-associated shareholders will consider these resolutions to generate a fixed income this calendar year of \$528,000 and a subject to performance income over the period from June 2024 and July 2026, a potential further net income of \$7,288,000.

Raptis Group Limited has been researching a number of development opportunities. It has proposed entering into development management agreements as it allows the company to exercise and be rewarded for its development expertise and intellectual property within an acceptable risk framework.

An independent expert's opinion is provided with the notice of meeting that concludes that the proposed agreement is Fair and Reasonable to the non-associated shareholders.

Separately, Raptis Group Limited continues to research Build to Rent, Management Rights acquisitions, investment and development opportunities.

For further media enquiries

Ryan Ellem, Director

ryan@lmcommunications.com.au

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1 Market Street
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2000



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RAPTIS GROUP LIMITED

ACN 010 472 858

Notice of General Meeting

29 June 2022 2.30 pm

Level 3, 25 Elkhorn Avenue

Surfers Paradise 4217

ORDINARY BUSINESS

To consider and if thought fit, pass the following resolution as an ordinary resolution:

Resolution - To enter into a development management agreement for three residential towers

“That for the purposes of ASX Listing Rule 10.1 and all other purposes shareholders approve entering into a Development Management Agreement for three residential towers with entities associated with Mr James Raptis, to participate subject to performance in the sales proceeds of units at

1. Sterling Broadbeach, 8 George Avenue Broadbeach with the Trustee of the George Avenue Trust, a fixed fee of \$176,000 on 30 June 2022 and subject to performance a fee sunset date of 31 December 2024.
2. 7 Anne Avenue Broadbeach with the Trustee of the Raptis Anne Avenue Trust, a fixed fee of \$176,000 on 30 September 2022 and subject to performance a fee sunset date of 31 December 2025.
3. 42 Chelsea Avenue Broadbeach with the Trustee of the Berea Raptis Anne Avenue Trust a fixed fee of \$176,000 on 31 December 2022 and subject to performance a fee sunset date of 30 June 2026”

Electronic Attendance

Video conference access will be available at that time via the link.

<https://bit.ly/3lkOol6>

By order of the Board

Dated

Malcolm Cory

Company Secretary

31 May 2022

SAVE TIME & VOTE ONLINE:

 registrydirect.com.au/investor

**Present this QR code
at the meeting:**



Investor Name(s)
<designation>
C/O Example Ltd
PO BOX 0000
MELBOURNE VIC 3000

PROXY FORM

Please complete and return this form if you wish to appoint a proxy and/or direct how you want your votes cast at the General Meeting of Raptis Group Limited (ABN 43010472858) to be held at 2:30 p.m. AEST on Wednesday, 29 June 2022 at Level 3 25 Elkhorn Avenue, Surfers Paradise Qld 4217 and at any adjournment or postponement of the meeting. This form must be completed and returned by 2:30 p.m. AEST on Monday, 27 June 2022.

Alternatively, you can appoint a proxy and/or direct how you want your votes cast online at <https://www.registrydirect.com.au/investor/>.

Step 1 - Appoint your Proxy

I/We are or represent a member/s of Raptis Group Limited and entitled to attend and vote hereby appoint:

☐

the Chairman of the
Meeting (mark box
with 'X')

OR

Write here the name of the person (or body
corporate) you are appointing if this person is
someone other than the Chairman of the Meeting

or failing attendance at the meeting of the person or body corporate named above, or if no person is named, the Chairman of the Meeting, to act generally at the meeting on my/our behalf and to vote in accordance with the directions on this proxy form or, if no directions have been given and to the extent permitted by law, as he or she sees fit, at the General Meeting of Raptis Group Limited to be held at 2:30 p.m. AEST on Wednesday, 29 June 2022 at Level 3 25 Elkhorn Avenue, Surfers Paradise Qld 4217 and at any adjournment or postponement of the meeting.

This form authorises our proxy to vote on the lesser of

☐

all our securities

OR

☐

_____ securities

I/We acknowledge, if the Chairman of the Meeting is appointed as our proxy (or becomes our proxy by default), the Chairman of the Meeting intends to vote undirected proxies in the manner set out with each resolution below, even when the Chairman of the Meeting has a conflict of interest.

Step 2 - Direct how your votes are to be cast

Resolution 1

DEVELOPMENT MANAGEMENT
AGREEMENT

Resolution type: **Ordinary**

Board recommendation: **Not provided**

Chairman's voting intention: **Abstain**

FOR

☐

AGAINST

☐

ABSTAIN

☐

PROXY'S DISCRETION

☐

Step 3 - Sign this form

Shareholder 1 (individual)

Sole Director & Sole Company Secretary

Joint Shareholder 2 (individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (individual)

Director

Date

Contact name

Mobile number

Email

By providing an email you agree to receive future communications electronically

SIGNING INSTRUCTIONS FOR THE PROXY FORM

Individual:

Where the holder is an individual, the securityholder must sign.

Joint holding:

Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney:

If you are executing the Proxy Form under a Power of Attorney and have not previously supplied a copy, please attach a certified copy of the Power of Attorney to the Proxy Form when you return it.

Companies:

When the holder is a company, and the company has a sole director who is also the sole company secretary, the Proxy Form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a company secretary, a sole director can also sign alone. Otherwise the Proxy Form must be signed by a director jointly with either another director or a company secretary. Please sign in the appropriate place to indicate the office held and delete titles as applicable.

RETURNING THE PROXY FORM


Please note our preference is you appoint your proxy and direct how you require your vote/s be cast online. If you perform these actions online, you will not need to complete or return the Proxy Form. You can complete these actions by logging in to your account at www.registrydirect.com.au/investor.

You can return the Proxy Form by:

EMAIL:

 mail@nextregistries.com.au

POST:

 PO Box H195
Australia Square NSW 1215

FAX:

 +61 2 9251 7138

Explanatory Statement

This Explanatory Statement together with the Independent Expert's Report are intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of General Meeting ("Notice") of the Company. We note that Hall Chadwick Corporate (VIC) Pty Ltd have expressed their view that the transactions are Fair and Reasonable for the members of Raptis Group Limited.

APPROVAL OF DEVELOPMENT MANAGEMENT AGREEMENT RELATED PARTY DEALINGS

It is proposed that Raptis Group Limited enter into Development Management Agreements in respect of three residential tower developments in Broadbeach associated with Raptis Private Family interests. The arrangement provides for an initial payment and on completion of the development a more substantial fee dependent on performance.

The Corporations Act 2001 Sect 208 requires the approval of members for a financial benefit being given to a related party. To assist members, as required by Chapter 10 of the ASX Listing Rules an independent expert's report has been prepared by Hall Chadwick Corporate (VIC) Pty Ltd. Approval of this transaction is required in respect of Mr and Mrs Raptis under Listing Rules.

- 10.1.1, as they are related parties as directors of Raptis Group Limited
- 10.1.3, as they are substantial shareholders holding a joint indirect interest in 63.7% of fully paid ordinary shares. and
- 10.1.4 as certain associates of Mr and Mrs Raptis are involved in this transaction.

A voting exclusion statement is attached excluding Raptis Family Interests from voting.

DEVELOPMENT MANAGEMENT AGREEMENT

Entities developing the three projects listed below have offered to enter into a Development Management Agreement whereby Raptis Group Limited will provide marketing and development management services. Raptis Group Limited will receive a fixed return this calendar year, and a return depending on achieving performance hurdles being:

Performance Hurdles

- 1.5% of sales is payable for sales settled on or before the projected completion date
- 0.5% of sales is payable for sales settled within six months of the projected completion date.

Development and Projected Completion Date

1. Sterling Broadbeach, 8 George Avenue Broadbeach projected completion date of 31 December 2024.
2. Proposed tower at 42 Chelsea Avenue Broadbeach projected completion date 31 December 2025
3. Proposed tower at 7 Anne Avenue Broadbeach projected completion date 30 June 2026.

To assist shareholders, if the proposal is approved it provides for revenue of \$528,000 this calendar year and net income of \$7,288,000 may be booked in the period to 30 June 2026 depending on the capacity of the group to assist the project to be built and settle efficiently, and the gross sale proceeds of the three developments.

FINANCIAL POSITION OF RAPTIS GROUP LIMITED

Raptis Group Limited at 31 March 2021 disclosed cash of \$131,833. The total equity at 31 March 2022 was \$2,209,122. In the quarter to March 2022 the company secured a beneficial interest in the Caretaking Letting Agreements and associated assets of Gallery Management Pty Ltd. It also secured a Development Management Agreement with Pearl Residences at Main Beach and secured the proposed Caretaking, Letting and associated assets. (refer to the Notice of Meeting and Independent Experts Report approved by members on 24 March 2022). The company view is that the management and letting agreements that comprise management rights will provide a consistent income stream with a lower risk profile than property development. Entering into a Development Management Agreement allows the company to earn income from its development expertise while minimising the risk exposure. These proposals allow the opportunity to build up the capital base of the company to have the capacity to undertake larger development projects. In the three months to 31 March 2022 the company incurred development feasibility and other research costs of \$689,649. The company continues to research development opportunities generally and specifically in the build to rent sector.

DIRECTORS VOTING INTENTION

Mr James Mrs Helen Raptis and their associates will not vote on this resolution, refer to the voting exclusion statement.

Malcolm Cory a shareholder and director has no financial interest in these three projects.

I support and will vote in favour of the resolution. I am of the view that it is in the best interest of non-related shareholders for the following reasons.

Raptis Group Limited has demonstrated expertise in all aspects of the Gold Coast apartment development process allowing a quality product to be brought to the market in a short time frame.

The proposed agreement allows the company to exercise and be rewarded for its expertise with a minimal risk.

- (i) Mr James Raptis and Mrs Helen Raptis decline to make a recommendation to shareholders in relation to the Resolution due to their material personal interest in these developments.
- (ii) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass these Resolutions.

GLOSSARY

\$ means Australian Dollars or Cents.

Annual General Meeting means the meeting convened by the Notice of Meeting.

ASX means ASX Ltd, or the Australian Securities Exchange, as the context requires.

Board means the current board of directors of the Company.

Company means Raptis Group Limited ACN 010 472 858.

Corporations Act means the Corporations Act 2001 (Commonwealth).

Directors mean the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Independent Expert's Report means the report prepared by Hall Chadwick Corporate (VIC) Pty Ltd

Listing Rules means the ASX Listing Rules.

Notice of Meeting means the notice of meeting including the explanatory statement independent expert's report and attachments.

Raptis Private Family Interests means entities in which James and Helen Raptis have a beneficial interest but excluding controlled entities of Raptis Group Limited.

Sterling Broadbeach, is a development currently under construction at 8 George Avenue Broadbeach projected completion date of 31 December 2024.

Sunset Date is the projected completion date of the development project referred to in the Development Management Agreement determining the performance criteria

42 Chelsea Avenue Broadbeach is the proposed development of a high rise unit tower at 42 Chelsea Avenue Broadbeach with a projected completion date 31 December 2025

7 Anne Avenue is the proposed development of a high rise unit tower at 7 Anne Avenue Broadbeach with a projected completion date 30 June 2026.

Voting Exclusion Statement

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- Mr James Raptis and Mrs Helen Raptis who are excluded from voting; or
- an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Determination of entitlement to vote

For the purpose of the Meeting, the Directors have determined that shares will be taken to be held by persons registered as shareholders as at 7.00pm on, 24 June 2022.

Proxies

Each shareholder may appoint a proxy, who need not be a shareholder, to attend and vote at the AGM on the shareholder's behalf. A shareholder who is entitled to attend and cast two or more votes at the Meeting may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise on a poll. If the shareholder appoints two proxies and the appointment does not specify the proportion or number of the shareholder's votes that each may exercise, each may exercise half of the votes (disregarding fractions) on a poll. A proxy form and, if not signed by the shareholder, the power of attorney or other authority (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company at least 48 hours before the time for holding the Meeting – that is, by 2.30pm on 27 June 2022.

Proxy forms may be lodged with the Company by:

- (i) posting them to Raptis Group Limited PO Box 25 Surfers Paradise 4217, Australia; or
- (ii) email to NextRegistries share registry at mail@nextregistries.com.au
- (iii) delivering them by hand to the NextRegistries Share Registry located at, Level 16, 1 Market Street, Sydney NSW 2000.

Corporate representatives

A company wishing to appoint a person to act as its representative at the meeting must provide that person with a letter executed in accordance with the company's constitution and the Corporations Act authorising him or her to act as the member's representative.

Independent Expert Report per ASX Listing Rule 10.10.2

Fair & reasonableness assessment in respect of Raptis Group Limited (RPG) entering into service agreements to be the development manager of:

- 6-8 George Avenue, Broadbeach QLD 4218
- 5,7 and 9 Anne Avenue, Broadbeach Queensland
- 42,44 and 46 Chelsea Avenue, Broadbeach Queensland

with land owners that are associates of RPG Directors.

23 May 2022

The Independent Directors
Raptis Group Limited
Nexia Sydney Level 16
1 Market Street Sydney
New South Wales 2000

Dear Sir(s)/Madam(s)

Independent Expert's Report on the proposal to enter into project management agreements with associates of the Directors.

1. Introduction

1.1 Background

Raptis Group Limited (RPG) is a property business including property development, management and investment activities in Australia.

RPG is seeking approval from Non-Associated Shareholders to enter into the development management services agreements (the **DMAs**) (collectively the **Proposed Transactions**) for RPG to provide development management services (the **Services**) to entities owned by or controlled by Mr James Raptis and Mrs Helen Raptis, Directors of RPG:

- Patmos Development Holdings Pty Ltd ACN 600 760 370 in its own capacity and as trustee for the George Avenue Trust (**Patmos**) in respect of the residential tower development of 6-8 George Avenue, Broadbeach, QLD 4218
- Chelsea Developments Pty Ltd ACN 620 957 208 in its own capacity and as trustee for the Chelsea Avenue Raptis Trust (**Chelsea**) in respect of the residential tower development of 42, 44 and 46 Chelsea Avenue, Broadbeach QLD 4218
- Berea Pty Ltd ACN 649 843 167 in its own capacity and in its capacity as trustee of the Berea Raptis Anne Avenue Trust (**Berea**) in respect of the residential tower development of 5,7 and 9 Anne Avenue, Broadbeach QLD 4218

In consideration for RPG providing the Services, it is to be remunerated by way of:

- An initial development fee; and
- Further performance based fees.

1.2 Purpose of Report

You have requested Hall Chadwick Corporate (Vic) Pty Ltd (**HCC**) to prepare an Independent Expert's Report to advise the shareholders of RPG other than those associated with the ownership of Patmos,

Chelsea and Berea (**Non-Associated Shareholders**), whether the Proposed Transactions are fair and reasonable when considered in the context of the interests of Non-Associated Shareholders and to set out the reasons for our conclusions.

HCC understands and has agreed that this report will accompany the notice to convene a meeting of RPG shareholders, to assist the Non-Associated Shareholders in their consideration of the Proposed Transactions.

1.3 Opinion Summary

In our opinion, the Proposed Transactions are fair and reasonable to the shareholders of RPG whose votes are not to be disregarded, being the Non-Associated Shareholders.

The basis of our evaluation and reasoning of our conclusions are detailed in this report. Our opinion is based solely on information available as at the date of this report. The principal factors that we have considered in forming our opinion are summarised below.

1.4 Fairness Opinion

According to RG 111, for the Proposed Transactions to be fair, the value of the assets being acquired must be equal to or greater than the value of the consideration. The fairness of the Proposed Transactions are considered as follows:

Opinion Summary - Fair (\$)

	Low Rate Performance Revenue	High Rate Performance Revenue	Opinion
Fixed Fees	528,000	528,000	
Potential Performance Revenue	3,108,000	8,268,000	
less Estimated Expenses	(980,000)	(980,000)	
Estimated Net Cash Flow before Tax	2,656,000	7,816,000	Fair

Note: Revenue range per DMA and project forecasts, expenses per management estimates. Earnings are forecast over a 5 year period ending 30 June 2026. Performance fees are not guaranteed and are contingent upon the sale of units in the projects and the settlement within the prescribed time frames. In a worst case situation performance revenue could be \$nil

As the estimated expenses are materially less than the potential performance revenue the Proposed Transactions are considered fair.

To evaluate the Proposed Transactions it is necessary to evaluate RPG's forward looking statements and financial projections.

Although forward-looking statements contained in this report are based upon what management of RPG believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

The forward looking statements have been reviewed by HCC for reasonableness and nothing has come to our attention that would indicate that the statements are unreasonable. However, undue reliance should not be placed on the forward looking statements. No representation or warranty of the financial performance of RPG is made by HCC whatsoever.

1.5 Reasonableness Opinion

ASIC Regulatory Guide 111 states that a transaction is reasonable if:

- the transaction is fair; or
- despite not being fair the expert believes that there are sufficient reasons for Non Associated Shareholders to accept the Transaction.

We have concluded that Proposed Transactions are fair and therefore the Proposed Transactions are reasonable.

In forming our opinion we have also considered the following advantages:

Advantages of the Proposed Transactions

Advantage	Explanation
Efficient Capital Management	The DMAs provide for access to potential positive earnings and cash inflows for no capital outlay
Opportunity to build experience	The DMAs provide opportunities for RPG to further build its credibility in the property development market
Expected net profit and net cash flow	Each of the DMAs are expected to generate positive earnings and cash flows to RPG at levels material to current earnings and net cash flows
Opportunity to further build the property business	The DMAs will provide a material scaling up of RPG's operations

Source: HCC Analysis

We have also considered the following disadvantages in respect of the Transactions:

Disadvantages of the Proposed Transactions

Disadvantage	Explanation
Client concentration risk	Each of the DMAs are with parties associated with Mr J Raptis.
Key person risk	The provision of the services per the DMAs rely on the skills and knowledge of Mr James Raptis who has pledged to provide his services at no charge until 30 June 2026. Should Mr Raptis not be able to provide the services RPG may need to employ a suitably qualified person at a market salary to fulfill RPG's obligations under the DMA.
Potential not guaranteed	Despite the potential of the assets subject to the Transactions, there are no guarantees that the potential will ever be realised by RPG and lead to an increase to the value of the shares of RPG.
COVID-19	COVID-19 continues to create uncertainty globally. Further protracted COVID-19 uncertainty and outbreaks may cause deeper adverse impacts on asset values, construction costs, supply disruption and project completion delays.
Rising Interest Rates	The downward interest rate cycle has reversed in 2022. Rising interest rates create downward pressure on asset values and can mean it takes longer to sell assets, noting that the performance revenue is based on a percentage of project sales values and contingent on the timing of settlements.
Supply disruption and cost escalation	The construction industry is currently experiencing heightened issues in respect of escalating costs and supply disruption that impact the profitability of projects and the timing of completion, noting that the DMA performance fees are contingent on timing.
Operational Risk	The DMAs will expose RPG to the risk of providing the Services. The DMAs are for the provision of consulting services to major residential developments which will require RPG to fulfill its duties competently, at the required standard, with a duty of care and without negligence.
Material transactions	The impact of each of the DMAs are material relative to RPG's current earnings and balance sheet.
Lack of geographic diversity	The DMAs if approved, will expose RPG shareholders to risks associated with the Anne Avenue, Chelsea Avenue and George Avenue developments, each of which are located in one suburb, Broadbeach on the Gold Coast in Australia.
Transaction costs	RPG has engaged a number of advisers, lawyers and experts to facilitate and report on the DMAs. This work includes due diligence, preparation of notice of meeting and an independent expert's report. These are sunk costs that cannot be recovered if the Transactions do not proceed for any reason.

Source: HCC Analysis

In our opinion, the advantages of the Proposed Transactions outweigh the disadvantages to the Non Associated Shareholders of RPG.

1.6 Other Matters

An important part of the information used in forming an opinion of the kind expressed in this report is the opinions and judgement of management. This type of information has also been evaluated through analysis, enquiry and review to the extent practical. However, it must be recognised that such information is not always capable of external verification or validation.

- HCC are not the auditors of RPG. We have analysed and reviewed information provided by the Directors and management of RPG and made further enquiries where appropriate.
- This report has been prepared after taking into consideration the current economic and market climate. We take no responsibility for events occurring after the date of this report which may impact upon this report or which may impact upon the assumptions referred to in this report. To the extent we become aware of a material change in circumstances since the date of our report, we will issue a supplementary report at the request of RPG if so required.

This opinion should be read in conjunction with the Financial Services Guide attached to our opinion.

Shareholders should consider their own unique circumstances and how the Proposed Transactions may impact them individually before casting their vote in respect of the Resolutions. If in doubt, shareholders should seek professional advice in respect of the Resolutions and their unique circumstances.

Yours faithfully

Hall Chadwick Corporate (Vic) Pty Ltd



Mark Bailey

Authorised Representative (No. 001278596)

Encl.

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2. Outline of the Transactions

RPG proposes to enter into development management agreements (the **DMAs**) to act as the developer manager of three residential property tower development projects:

- **George Avenue**
Owned by Patmos Development Holdings Pty Ltd in its own capacity and as trustee for the George Avenue Trust (**Patmos**), an associate of Mr J Raptis, Director of RPG.
- **Chelsea Avenue**
Owned by Chelsea Developments Pty Ltd in its own capacity and as trustee for the Chelsea Avenue Raptis Trust (**Chelsea**) an associate of Mr J Raptis, Director of RPG.
- **Anne Avenue**
Owned by Berea Pty Ltd in its own capacity and in its capacity as trustee of the Berea Raptis Anne Avenue Trust (Berea) an associate of Mr J Raptis, Director of RPG.

where the owners of the land are associated entities of the Directors of RPG.

2.1 The Land Owners/Developers and Builders

The land owner, developer and builder of each project is part of the private Raptis group, private entities associated with Mr J Raptis. The group has a 50 year history of constructing residential towers on the Gold Coast. Recent projects include:

- Pearl Residences – 3,550 to 3,552 Main Beach Parade, Main Beach Queensland is due for completion by June 2023. The development comprises an 89 residential unit tower.
- Gallery Residences – 28-30 Second Avenue Broadbeach Queensland. Construction of the 22 residential levels and 3 basement levels of 108 residential lots and one manager's office was completed in September 2021.
- Waterpoint Residences – Harbour Side Court, Biggera Waters Queensland, 5 residential towers making up 664 units and 2 offices on 21,066m² of land have been completed and planning is approved for a sixth tower.

2.2 George Avenue

The George Avenue project is located at 6-8 George Avenue, Broadbeach, QLD 4218.

Approved plans for a 40 storey residential tower of 131 units above two levels of basement car parking. A mix of two, three and four bedroom apartments plus one five bedroom penthouse. A gross realisable value of approximately \$180 million is estimated per a recent valuation.

The project is in progress with demolition completed and site preparation underway.

Completion settlement for the project is expected by 31 December 2024.

2.3 Chelsea Avenue

The Chelsea Avenue project is located at 42, 44 and 46 Chelsea Avenue, Broadbeach QLD 4218. Planning application is lodged for a 40 level tower of 180 units. Planning approval is expected late in calendar year 2022 and project completion is expected by 31 December 2025.

Current feasibility and DMA forecasts in respect of performance fees are based on 132 units (88 three bedroom two bathroom units and 44 two bedroom two bathroom units) and a project valuation of \$156 million.

2.4 Anne Avenue

The Anne Avenue project is located at 5, 7 and 9 Anne Avenue, Broadbeach QLD 4218. Planning application is expected to be lodged in September of 2022 for a 35 storey residential tower comprising 224 units with an estimated project value of \$180 million.

Planning approval is estimated for mid calendar year 2023 and construction is estimated to start in in late calendar year 2023 with completion by 31 December 2026.

2.5 The Development Management Agreements

Each of the DMAs are materially the same and are summarised as follows in respect of the services, releases and indemnities:

DMAs' Key Terms

	Description
Works (Services)	<p>Co-ordinate the necessary council and other Approvals for the construction of the Project.</p> <p>Plan, manage and co-ordinate the design and development process such that the Project achieves the established objectives for design, quality and programme.</p> <p>Provide financial information based upon projected revenues, outgoings, capital expenditure, finance and other costs, and to ensure the financial objectives are achieved including responsibility for cost management.</p> <p>Arrange and ensure the currency of appropriate project insurance policies. For example, public liability, construction risk, destruction etc.</p> <p>Provide quality control.</p> <p>Co-ordinate construction management services, including tendering, progress claim review, project control group reporting review and regular site visitation.</p> <p>Procure the provision of legal advice with respect to titles, services, construction agreements and financing arrangements etc.</p>
Release & Indemnity	<p>The Owner bears the risk of loss or damage to the Property and the Works.</p> <p>As between the Owner and the Development Manager, the Owner assumes responsibility for and indemnifies the Development Manager to the maximum extent permitted by law from and against all losses, damages, liabilities, actions, suits, claims, demands, costs and expenses of every kind which may be incurred or sustained by any of them in respect of or arising from items actions and breaches as specified.</p> <p>The Owner releases, to the full extent permitted by law, the Development Manager from all losses, damages, liabilities, actions, suits, claims, demands, costs and expenses of every kind which arise from access to the Site, undertaking the Works, the undertaking of the Civil Works, except to the extent it is contributed by the negligence, fraud, wilful act or default of the Development Manager or the Development Manager's Associates demand, cost or expense is caused or contributed to by the negligence, fraud, wilful act or default on the part of the Development Manager or any Development Manager's Associates.</p>
Completion	Earlier of Final Completion; and The final amount of the Fee becoming payable

Source: DMAs

The Services are to be provided in return for a development fee and performance fees calculated at a rate that is determined by the timing of settlement and calculated on the sale price of development lots.

2.6 Development Management Fees

The DMAs provide for a fixed Development Management Fee payable on approval of the Proposed Transactions by shareholders, as follows:

Fixed Development Management Fees (\$)

Project	Estimated Fee
George Avenue	176,000
Chelsea Avenue	176,000
Anne Street	176,000
Total Fixed Development Management Fees	\$ 528,000

Source: DMAs

2.7 Performance Fees

The DMAs provide for performance related fees based on the value of gross sales and their timing of completion, pegged to before and after the expected project settlement dates for each project (**the Sunset Date**). The rates are:

- 1.5% of sales for sales settled prior to the Sunset Dates; and
- 0.5% of sales for sales settled within 6 months of the Sunset Dates.

Note, if sales do not settle within the prescribed period, no performance fee is payable.

The range of performance fees, based on current project valuation estimates, calculated at the two possible rates (that is 1.5% for pre Sunset Date settlements and 0.5% for six months post Sunset Date settlements) is as follows:

Estimated Performance Fees Ranges (\$)

Project	Estimated Sunset Date	Settlements Prior to Sunset Date	Settlements 6 months post Sunset Date
George Avenue	31 Dec 2024	2,700,000	900,000
Chelsea Avenue	31 Dec 2025	2,340,000	780,000
Anne Street	30 Jun 2026	2,700,000	900,000
Total Potential Revenue		\$ 7,740,000	\$ 2,580,000

Source: Management's development pricing estimates and the DMAs

There is no guarantee that the low range of the performance fee will be achieved.

The Sunset Dates may be reset based on the happening of Prescribed Events that are beyond the reasonable control of the Owner or the Development Manager such as:

- delays in planning approvals and consents of authorities; and
- other typical construction completion reset clauses.

3. Purpose of Report

The purpose of this report is to advise the Non-Associated Shareholders of RPG of the fairness and reasonableness of the Proposed Transactions. This report provides an opinion on whether or not the terms and conditions in relation to the Proposed Transactions are fair and reasonable to the RPG shareholders whose votes are not to be disregarded in respect of the Proposed Transactions (that is, the Non-Associated Shareholders).

The ultimate decision whether to accept the terms of the Proposed Transactions should be based on each shareholders assessment of their own circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt about the Proposed Transactions or matters dealt with in this report, shareholders should seek independent professional advice.

This report has been prepared to satisfy the requirements of the Corporations Act 2001 (Cth) (**Corporations Act**) and the ASX Listing Rules.

3.1 Corporations Act Requirements

Section 208 of the Corporations Act specifies that a public company must obtain approval from its shareholders for it to give a financial benefit (including acquisition of an asset) to a related party.

The Proposed Transactions are with related parties and therefore require shareholder approval in accordance with Section 208 of the Corporations Act.

ASIC Regulatory Guide 74 "Acquisitions Approved by Members" requires, amongst other things, that directors of a company need to provide shareholders with an analysis of whether a transaction is fair and reasonable, when considered in the context of the interests of the non-associated shareholders. Regulatory Guide 74 states that the directors may satisfy their obligation to provide this analysis by the independent directors commissioning an independent expert's report. The independent expert is required to state whether, in their opinion, the proposal is fair and reasonable having regard to the interests of non-associated shareholders and state the reasons for forming that opinion. This report provides such an opinion.

3.2 ASX Listing Rules

Chapter 10 of the ASX Listing Rules requires the approval from non-associated shareholders of a company if the company proposes to acquire or dispose a substantial asset from a related party or a substantial holder.

The ASX Listing Rule 10.2 states that an asset is substantial if its value, or the value of the consideration, is 5% or more of the equity interest of the entity as set out in the latest financial statements provided to the ASX (the "Substantial Asset").

Based on the ASX Listing Rule 10.1.3, a substantial holder is a person who has a relevant interest, or had a relevant interest at any time in the six months before a transaction, in at least 10% of the voting power of the company (the "Substantial Holder").

The ASX Listing Rule 10.10.2 requires that the Notice of Meeting and Explanatory Memorandum be accompanied by a report from an independent expert stating whether the transaction is fair and reasonable to the non-associated shareholders.

The Independent Directors of RPG have requested Hall Chadwick Corporate Finance to prepare the Independent Expert's Report stating whether, in its opinion, the Proposed Transactions are fair and reasonable to the Non-Associated Shareholders of the Company.

4. Basis of Evaluation

In our assessment of whether the Proposed Transactions are fair and reasonable to RPG's Non-Associated Shareholders, we have given due consideration to the Regulatory Guides issued by ASIC, in particular, Regulatory Guide 74 "Acquisitions Approved by Members", Regulatory Guide 111 "Content of Experts Reports" and Regulatory Guide 112 "Independence of Experts Reports".

ASIC Regulatory Guide 74 requires, amongst other things, that shareholders are provided with sufficient information to make an effective, informed decision on whether the Proposed Transactions are fair and reasonable.

Under Regulatory Guide 111, a transaction is "fair" if the value of the financial benefit being provided is equal to or greater than the value of the consideration being provided.

Additionally, under Regulatory Guide 111 an offer is "reasonable" if it is fair. It is possible for an offer to be reasonable despite being unfair. This would be after the expert considers that, based on non-financial factors, the shareholders should still approve the Transaction.

Our report has compared the likely advantages and disadvantages to the Non-Associated Shareholders if the Proposed Transactions are agreed to, with the advantages and disadvantages to those shareholders if it is not. Comparing the potential revenue and estimated costs in respect of the Proposed Transactions paid is only one element of this assessment.

In evaluating the Proposed Transactions we have reviewed and considered:

- The operational and financial position of RPG
- The terms conditions and pricing of the DMAs
- The potential revenue and expenses in respect of the DMAs
- The advantages and disadvantages associated with approving the Proposed Transactions

We consider that the Proposed Transactions will be reasonable if, on balance, the Non-Associated Shareholders in RPG will be better off if the Proposed Transactions are approved. We have also considered the Non-Associated Shareholders' interests should the Proposed Transactions not proceed.

The documents and information relied on for the purposes of this report are set out in Appendix A. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that material facts have been withheld. The information provided was evaluated through analysis, enquiry and review for the purpose of forming an opinion as to whether the Proposed Transactions are fair and reasonable. However, in assignments such as this, time is limited and we do not warrant that our enquiries have identified or verified all of the matters which an audit or more extensive examination might disclose. None of these additional tasks have been undertaken.

5. Raptis Overview

5.1 Raptis Operations

RPG is a property development services business. It has a board of experienced property development executives and is listed on the Australian Stock Exchange.

Since its 31 December 2021 (HY22) results it has acquired a property management business (a second one is approved for acquisition), real property and entered into a financing arrangement as approved by shareholders on 24 March 2022.

5.1 Statement of Financial Performance

The financial performance of RPG for FY20 to FY21 and for the six months to 31 December 2021 are summarised below:

RPG Condensed Consolidated Profit & Loss (\$)

	FY20	FY21	HY22
Revenue			
Management and caretaking fee	131,205	416,014	-
Consulting	50,000	-	-
Interest	8,142	-	-
Other revenue	-	461,275	311,835
Total Revenue	189,347	877,289	311,835
Expenses			
Administration and other expenses	56,159	97,803	44,280
Direct management rights costs	64,459	202,118	-
Feasibility and research costs	-	-	64,290
Finance costs	15,618	45,876	-
Total Expenses	136,236	345,797	108,570
Net Profit before Tax	53,111	531,492	203,265
Income Tax Expense	-	-	-
Net profit	53,111	531,492	203,265

Source: RPG 2021 Financial Statements and draft half year accounts to 31 December 2021

We note the following in respect of RPG's historical financial performance:

- Management and caretaking fees of \$0.416 million were reported in FY21. RPG had only one property under management, the Waterpoint Residences. The management rights and associated assets were sold on 24 September 2020 due to the then uncertainties surrounding the impact of the COVID19 pandemic on the Gold Coast high rise residential rental market. Since then management rights and associated assets have been acquired in respect of the Gallery and Pearl Residences.
- In FY20 consulting income was reported in respect of property development consulting services. No income has been reported for this service line since. As approved by shareholders on 24 March

2022, RPG entered into a development services agreement to provide consulting services for the development of the Pearl Residences at a fee.

- The finance costs reported in FY20 and FY21 relate to a related party loan from Zoe Finance Pty Ltd. This amount was fully repaid in FY21 from proceeds of the sale of the Waterpoint Residences' management rights and associated assets. Since then a financing arrangement has been entered into as approved by shareholders on 24 March 2022.

5.2 Statement of Financial Position

The financial position of RPG as at 30 June 2021 and 31 December 2021 is summarised below:

RPG Condensed Consolidated Financial Position (\$)

	30-Jun-21	31-Dec-21
Current Assets		
Cash at bank	2,665,694	2,901,325
Accounts receivable	801	4,153
Total Assets	2,666,495	2,905,478
Current Liabilities		
Accruals	17,500	53,218
Total Liabilities	17,500	53,218
Net Assets	2,648,995	2,852,260
Equity		
Issued capital	29,811,518	29,811,518
Accumulated losses	(27,162,523)	(26,959,258)
Total equity	2,648,995	2,852,260

Source: RPG 2021 Financial Statements and draft half year accounts to 31 December 2021

The following is noted in respect of Raptis' financial position:

- Reported cash at bank of \$2.9 million as at 31 December 2021 is post the sale and receipt of proceeds from the sale of the Waterpoint Residence management rights and associated assets. Since that time cash has been invested in the Pearl and Gallery management assets, operational expenses and investigating potential development sites as announced in RPG's Quarterly Activity Report to 31 March 2022.
- As at 31 December 2021 RPG did not have any material assets other than cash and no material liabilities. Since then assets have been acquired in respect of the Gallery Residences' management assets as approved by shareholders on 24 March 2022.

5.3 Outlook

RPG's financial performance for the second half of FY22 is expected to be materially different to the first half with:

- revenue from management and caretaking fees and consulting; and
- related expenses.

The 30 June 2022 balance sheet is expected to be materially different than the 31 December 2021 balance sheet with:

- a reduced cash position;
- an increase in intangible assets - the Gallery Management Rights, and
- an increase in real property - the Gallery manager's residence and office.

6. Evaluation

To evaluate the fairness of the Proposed Transactions we have considered management's expected net cash flows before tax scenarios, of each of the DMAs separately and as a group.

It is noted that the DMAs provide for both:

1. fixed development fees; and
2. performance fees that are calculated based on:
 - the sale price of units
 - the applicable performance fee rate
 - i. 1.5% for settlements prior to the Sunset Date;
 - ii. 0.5% for settlements within 6 months after the Sunset Date

For any settlements greater than 6 months after the Sunset Date of the respective project the performance fee is \$nil.

6.1 Net Cash Flow Scenarios

The following forward looking statements by management of RPG are not guarantees of future performance. Forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements.

Although forward-looking statements contained in this presentation are based upon what management of RPG believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

The forward looking statements have been reviewed by HCC for reasonableness and nothing has come to our attention that would indicate that the statements are unreasonable. However, undue reliance should not be placed on the forward looking statements. No representation or warranty of the financial performance of RPG is made by HCC whatsoever.

The following forward looking scenarios are presented to illustrate the range of likely scenarios of the expected net cash flows as estimated by management of RPG from the DMAs calculated based:

- **High Case – the high rate of 1.5% applies to all settlements and all sales are made at the current project valuation**

DMAs' Estimated Possible Net Cash Flow - High Case (\$):

	Year 1	Year 2	Year 3	Year 4	Year 5
Possible Cash Inflows					
Fixed Development Fees	528,000				
Performance Fees			2,700,000	2,340,000	2,700,000
Possible Total Cash Inflows	528,000	-	2,700,000	2,340,000	2,700,000
Estimated Cash Outflows					
Project Manager	(20,000)	(240,000)	(240,000)	(240,000)	(240,000)
Other DMA Expenses	-	-	-	-	-
Total Estimated Cash Outflows	(20,000)	(240,000)	(240,000)	(240,000)	(240,000)
High Case - Estimated Possible Net Cash Flow before Tax	508,000	(240,000)	2,460,000	2,100,000	2,460,000

Note: RPG management estimates of possible net cash flows before tax. Possible high case revenue is based on all units selling at the current estimated project values and settling before each project's Sunset Date. In a worst case situation performance revenue could be \$nil.

- **Low Case – the lower rate of 0.5% applies to all settlements and all sales are made at the current project valuation**

DMAs' Estimated Possible Net Cash Flow - Low Case (\$):

	Year 1	Year 2	Year 3	Year 4	Year 5
Possible Cash Inflows					
Fixed Development Fees	528,000				
Performance Fees			900,000	780,000	900,000
Possible Total Cash Inflows	528,000	-	900,000	780,000	900,000
Estimated Cash Outflows					
Project Manager	(20,000)	(240,000)	(240,000)	(240,000)	(240,000)
Other DMA Expenses	-	-	-	-	-
Total Estimated Cash Outflows	(20,000)	(240,000)	(240,000)	(240,000)	(240,000)
Low Case - Estimated Possible Net Cash Flow before Tax	508,000	(240,000)	660,000	540,000	660,000

Note: RPG management estimates of possible net cash flows before tax. Possible low case revenue is based on all units settling based on sale prices at the current estimated project value and settling after the Sunset Date but within 6 months of each project's Sunset Date. In a worst case situation performance revenue could be \$nil if all units settled after six months after each project's Sunset Date.

6.2 Risks to Expected Cash Flows

Key risks to the net cash flows include:

- Sale prices less than the current project valuations will result in lower performance fees. For example a 10% reduction in sales value would result in a 10% reduction in performance fees (a 10% increase in sales prices could result in an increase in performance fees if settlements occur within the prescribed period)
- Delays in the project could delay project settlements and
- Delays in settlements whether from project delays or delays in sales could result in the lower rate being applied or in a worst case no performance fee.

- Increase in expenses would result in a reduced net cash flow (the DMAs are not cost plus based agreements).

6.3 Other Considerations

DMA Break Fees

The DMAs provide for a Percentage Completion Fee if the Owner ends the project calculated at a rate equal to 0.005% of the then project valuation times the percentage completion as determined by the project quantity surveyor less any fee already paid to RPG.

DMA Safeguards

It is noted that the DMA provides a number of safeguards that limits RPGs risk in providing the services:

- provisions to limit the maximum liability to the Owners to the fixed fee
- an indemnity and a release from the Owners to the full extent permitted by law, for all losses, damages, liabilities, actions, suits, claims, demands, costs and expenses which arise from the project.

Glossary of Defined Terms

Abbreviations	Definition
Anne Avenue	5,7 and 9 Anne Avenue, Broadbeach QLD 4218
ASIC	Australian Securities and Investments Commissions
A\$, AU\$ or AUD	Australian Dollar
AUS	Australian Auditing Standards (AUS)
Berea	Berea Pty Ltd ACN 649 843 167 in its own capacity and in its capacity as trustee of the Berea Raptis Anne Avenue Trust
CAANZ	Chartered Accountants in Australia and New Zealand
Chelsea Avenue	42, 44 and 46 Chelsea Avenue, Broadbeach QLD 4218
Chelsea	Chelsea Developments Pty Ltd ACN 620 957 208 in its own capacity and as trustee for the Chelsea Avenue Raptis Trust
Corporations Act	Corporations Act 2001 (Cth)
CY	Calendar year
Development Management Fees	Fixed fees as provided for in the DMAs
DMAs	The Development Management Services Agreements
EBIT	Operating Earnings Before Interest and Tax
EBITDA	Operating Earnings Before Interest, Tax, Depreciation and Amortisation
Fiscal Year	Accounting Year
FSG	Financial Services Guide
FY	Financial Year ended or ending 30 June
Gallery Management Assets	The Gallery Management Rights, Gallery Manager's Office and Gallery Manager's Residence
Gallery Management Rights	Gallery Caretakers Agreement, Letting Agreement and other assets necessary to operate the Gallery Management Rights business held by the Gallery Trust
Gallery Residences	28-30 Second Avenue, Broadbeach, Queensland
George Avenue	6-8 George Avenue, Broadbeach, QLD 4218

Abbreviations	Definition
HCC	Hall Chadwick Corporate Finance (Vic) Pty Ltd
IBISWorld	Industry market researchers <www.ibisworld.com>
M or \$m	Million
Management Assets	The Gallery Management Assets and the Pearl Management Assets collectively
Management Rights	The Caretakers Agreement and Letting Agreement
Non-Associated Shareholders	Shareholders of RPG other than those associated with the proposed Transactions
NPAT or Net Profit	Net Profit After Tax
Patmos	Patmos Development Holdings Pty Ltd ACN 600 760 370 in its own capacity and as trustee for the George Avenue Trust
Performance Fees	Fees contingent upon the timing of the settlement of the sale of project units calculated as a percentage of the unit sales price
Proposed Transactions	Entering into the DMAs
RG	Regulatory Guide
RPG	Raptis Group Limited
Shareholders	Ordinary equity holders of company
Services	As required by the DMAs
Waterpoint Residences	Harbourside Court, Biggera Waters, Queensland

APPENDIX A - SOURCES OF INFORMATION

Development Management Agreements

- Development Management Agreements with
 - Patmos Development Holdings Pty Ltd in its own capacity and as trustee for the George Avenue Trust, for the development of 6-8 George Avenue, Broadbeach, QLD 4218
Owned by
 - Chelsea Developments Pty Ltd in its own capacity and as trustee for the Chelsea Avenue Raptis Trust for the development of 42, 44 and 46 Chelsea Avenue, Broadbeach QLD 4218 .
 - Owned by Berea Pty Ltd in its own capacity and in its capacity as trustee of the Berea Raptis Anne Avenue Trust (Berea) for the development of 5,7 and 9 Anne Avenue, Broadbeach QLD 4218.
- Letter from Mr James Raptis to Hall Chadwick Corporate (VIC) Pty Ltd dated 13 May 2022

Management Reports, Feasibility Studies and Independent Valuations for

- George Avenue
- Chelsea Avenue
- Anne Avenue

Raptis Group Limited

- Annual Report year ended 30 June 2021
- Half year report for the 6 months ended 31 December 2021
- RPG's Quarterly Activity Report to 31 March 2022
- Notice of General Meeting on 29 June 2022
- Explanatory Statement

Research and Information Relied Upon

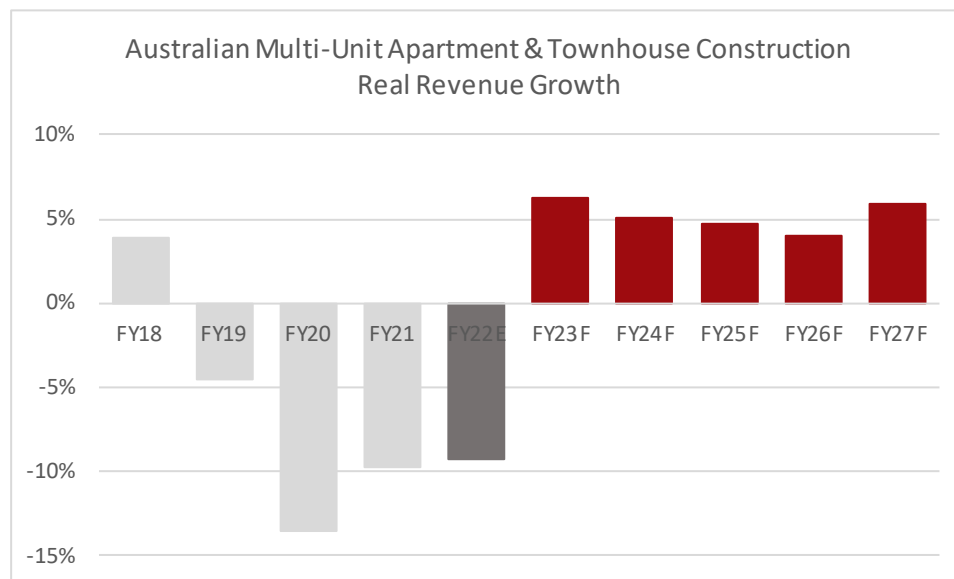
- HCC's Research on Interest Rates
- Herron Todd White's Review of Australia Residential Market, December 2021
- Herron Todd White Month in Review, April 2022
- IBIS World - Multi-Unit Apartment and Townhouse Construction in Australia, April 2022
- REIQ Queensland Vacancy Rates Reach Record Lows, 29 April 2022
- JLL Apartment Market Overview Q1 2022
- Australian Bureau of Statistics – National state and territory population, 17 March 2022

APPENDIX B – INDUSTRY OVERVIEW

RPG competes broadly in the Australian residential real estate industry, in particular:

- project management of multi-unit apartment and townhouse construction
- residential property leasing and management

The Multi-unit Apartment and Townhouse Industry is estimated to generate \$40 billion in revenue for FY22, and is forecast to grow at 5% per annum for the 5 years to FY27 after negative growth over the preceding 5 years¹ depicted graphically as follows:



Source: IBIS World - Multi-Unit Apartment and Townhouse Construction in Australia, April 2022

In the last five years the industry was adversely impacted by excess supply, reduced foreign investment which particularly impacted the high rise apartment segment and the COVID-19 pandemic.

Demand for developments is now expected to rebound over the next five years with net migration to rise, continued population growth and a continued trend of higher density living demand.

The industry faces the risk of escalating costs, supply disruption and labour shortages which could limit supply and will place pressure on profitability as well as rising interest rates.

Future variants of COVID-19 remain an unknown risk and there is likely to be less fiscal stimulus to protect Australia's economy from the consequences of future outbreaks as well as delays in the currently rebounding tourism and immigration inflows.

¹ Multi-Unit Apartment and Townhouse Construction in Australia, April 2022

Australian Apartment Market

The Australian residential property market is currently experiencing increasing headwinds after a period of strong price growth due to rising inflation and interest rates. This may not all be negative for the apartment market as some home buyers may switch to the lower price point apartment market.

Continued tight rental markets and rising rental rates are likely to soften the negative impact of rising interest rates on investor markets. Further, the downsizers market (an important market for apartment sales tends) to be less interest rate sensitive.

In addition, Australia's full employment, returning immigration and limited supply is likely to support the Australian apartment market, particularly in the higher demand markets such as the Gold Coast.

Across all major cities, dwelling prices (including apartments) have experienced year on year average increase of 15.25% in the second quarter of 2021 calendar year.

According to Corelogic & JLL Research (**JLL**), apartment prices in Canberra had grown by 10% (year on year), followed by Perth of 9.6% and Sydney 7.6%. Brisbane apartment prices have experienced a year on year growth of 7%.

All markets are expected to eventually face strong medium term rental pressures over the next 3-5 years as demand recovers absorbing current supply.

Herron Todd White recently reported that "the 2021 residential property market in Australia has been characterised by some of the strongest conditions that we have ever seen". It also reported that "there were no signs to suggest the Gold Coast property market will be slowing down."²

JLL anticipates all rental markets will eventually experience strong medium-term rental pressures over the next 3-5 years. In particular, apartment markets are expected to gain more momentum once borders re-open and more migrants and students start flowing back to Australia. However, threats of Delta and Omicron variants may put the timing of borders opening at risk.

Gold Coast

The Gold Coast market benefited in 2021 from COVID-19 driven lifestyle migration. Queensland had the highest population growth in Australia in 2021.

The combination of local demand and limited supply resulted in the market experiencing strong price growth in 2021 continuing into early 2022.

At the same time, 18 regions in Queensland recorded decade low vacancy rates including the Gold Coast at 0.4%³.

² Herron Todd White's Review of Australia Residential Market, April 2022

³ REIQ Queensland Vacancy Rates Reach Record Lows, 29 April 2022

Whilst the Gold Coast experienced a 65% increase in apartment construction activity, it had a 28% decrease in completed apartments at 1,200 for the year⁴.

New apartment supply is expected to more than double in 2022, with more than 2,500 units expected to be completed, this would be the highest level recorded since 2018. However, most of these apartments are already sold. This combined with limited new supply becoming available is likely to see the market remain strong in the short term, notwithstanding rising interest rates.

- ⁴ JLL Apartment Market Overview Q1 2022

APPENDIX C - DECLARATIONS & QUALIFICATIONS

Confirmation of Independence

Prior to accepting this engagement HCC determined its independence with respect to RPG with reference to ASIC Regulatory Guide 112 (RG 112) titled "Independence of Expert's Reports". HCC considers that it meets the requirements of RG 112 and that it is independent of RPG.

Also, in accordance with s648 (2) of the Corporations Act we confirm we are not aware of any business relationship or financial interest of a material nature with WCA, its related parties or associates that would compromise our impartiality.

Mr Mark Bailey, Authorised Representative 001278596, a Director of Corporate Finance of Hall Chadwick Corporate (Vic) Pty Limited, has prepared this report. Neither he nor any related entities of Hall Chadwick Corporate (Vic) Pty Limited have any interest in the promotion of the Transaction nor will Hall Chadwick Corporate (Vic) Pty Limited receive any benefits, other than normal professional fees, directly or indirectly, for or in connection with the preparation of this report. Our fee is not contingent upon the success or failure of the proposed transaction, and has been calculated with reference to time spent on the engagement at normal professional fee rates for work of this type. Accordingly, HCC does not have any pecuniary interests that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion under this engagement.

HCC provided a draft copy of this report to the Directors and management of RPG for their comment as to factual accuracy, as opposed to opinions, which are the responsibility of HCC alone. Changes made to this report, as a result of the review by the Directors and management of RPG have not changed the methodology or conclusions reached by HCC.

Reliance on Information

The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. In the preparation of this report HCC has relied upon information provided on the basis it was reliable and accurate. HCC has no reason to believe that any information supplied to it was false or that any material information (that a reasonable person would expect to be disclosed) has been withheld from it. HCC evaluated the information provided to it by RPG as well as other parties, through enquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially mis-stated. We believe the information relied upon provides reasonable grounds upon which to base this report.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards (AUS). HCC does not imply and it should not be construed that it has audited or in any way verified any of the information provided to it, or that its enquiries could have verified any matter which a more extensive examination might disclose.

The sources of information that we relied upon are outlined in Appendix A of this report.

RPG has provided an indemnity to HCC for any claims arising out of any mis-statement or omission in any material or information provided by RPG to HCC in preparation of this report.

Qualifications

Hall Chadwick Corporate (Vic) Pty Limited (“HCC”) carries on business at Level 14, 440 Collins Street, Melbourne VIC 3000. HCC holds a Proper Authority numbered 1268759, authorised by Hall Chadwick Corporate Finance (NSW) Limited, Australian Financial Services Licence No. 227902 authorising it to provide financial product advice on securities to retail clients. HCC is therefore qualified to provide this report.

Consent and Disclaimers

The preparation of this report has been undertaken at the request of the Directors of RPG. It also has regard to relevant ASIC Regulatory Guides. It is not intended that the report should be used for any other purpose than to accompany the Notice of General Meeting to be sent to RPG shareholders. In particular, it is not intended that this report should be used for any purpose other than as an expression of HCC’s opinion as to whether or not the proposed Transaction is fair and reasonable to Non-Associated shareholders of RPG.

HCC consent to the issue of this report in the form and context in which it is included in the Notice of General Meeting to be sent to RPG’s shareholders. Shareholders should read all documents issued by RPG that consider the proposed Transaction in its entirety, prior to proceeding with a decision. HCC had no involvement in the preparation of these additional documents.

This report has been prepared specifically for the Non-Associated shareholders of RPG. Neither HCC, nor any member or employee thereof undertakes responsibility to any person, other than a Non-Associated shareholder of RPG, in respect of this report, including any errors or omissions howsoever caused. This report is “General Advice” and does not take into account any person’s particular investment objectives, financial situation and particular needs. Before making an investment decision based on this advice, you should consider, with or without the assistance of a securities advisor, whether it is appropriate to your particular investment needs, objectives and financial circumstances.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards (AUS).

Our opinions are based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short period of time. Furthermore, financial markets have been particularly volatile in recent times. Accordingly, if circumstances change significantly, subsequent to the issue of the report, our conclusions and opinions may differ from those stated herein. There is no requirement for RPG to update this report for information that may become available subsequent to this date.

We have made all enquiries that we believe is desirable and appropriate. Our report has not omitted any matter that we regard as material to the shareholders of RPG.

APPENDIX D - FINANCIAL SERVICES GUIDE

This Financial Services Guide (“FSG”) provides important information to assist you in deciding whether to use our service. This FSG includes details of how we are remunerated and deal with complaints.

The Corporations Act 2001 requires HCC to provide this Financial Services Guide (“FSG”) in connection with its provision of an independent expert’s report (“Report”) which is included in a Notice of Meeting (“Notice”) provided to members by the company or other entity for which HCC prepares the Report.

What Financial Services can we offer?

Hall Chadwick Corporate (Vic) Pty Limited (“HCC”) carries on business at Level 14, 440 Collins Street, Melbourne VIC 3000. HCC holds a Proper Authority numbered 1268759, authorised by Hall Chadwick Corporate Finance (NSW) Limited, Australian Financial Services Licence No. 227902 authorising it to provide financial product advice on securities to retail clients.

The person who provides the advice is an Authorised Representative of HCC. HCC has authorised Mark Bailey, Authorised Representative 001278596 to distribute the Financial Services Guide (“FSG”) HCC is qualified to provide this report.

HCC does not accept instructions from retail clients. HCC provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. HCC does not provide any personal retail financial product advice to retail investors nor does it provide market-related advice to retail investors.

HCC is authorised to provide general financial product advice to retail clients for interests in managed investment schemes including investor direct portfolio services and securities.

How are we remunerated?

When providing Reports, HCC’s client is the Entity to which it provides the Report. HCC receives its remuneration from the Entity. In respect of the Report for RPG in relation to the Proposed Transactions, HCC will receive a fixed fee for its services.

No related body corporate of HCC, or any of the directors or employees of HCC or of any of those related bodies or any associate receives any remuneration or other benefit attributable to the preparation and provision of this report.

Independence

HCC is required to be independent of RPG in order to provide a Report. The guidelines for independence in the preparation of Reports are set out in Regulatory Guide 112 issued by the Australian Securities & Investments Commission. The following information in relation to the independence of HCC is stated in Appendix E of this report.

Our General Financial Product Advice

HCC will not respond in any way that might involve any provision of financial product advice to any retail investor. The advice contained in this report contains only general advice. It does not take into account your personal objectives, financial situation or needs. You should consider whether our advice is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is provided to you in respect of the acquisition of a financial product you should read the relevant offer document carefully before making any decision about whether to acquire that product.

What should you do if you have a complaint?

HCC has internal complaints-handling mechanisms and is a member of the Financial Ombudsman Service, membership number 11442.

If you have a complaint, in the first instance you should contact Hall Chadwick Corporate (NSW) Limited's Compliance Manager on (02) 9263 2600.

If the complaint is not resolved to your satisfaction within 45 days, you have the right to refer the matter to the Financial Ombudsman ("FOS"), an independent external dispute resolution scheme of which Hall Chadwick Corporate (NSW) Limited is a member. FOS's services are available to you free of charge.

Financial Ombudsman Service
GPO Box 3
Melbourne Vic 3001
Phone: 1800 931 678
info@fos.org.au

HCC is only responsible for the Report and this FSG. Complaints or questions about the Notice of Meeting should not be directed to HCC who is not responsible for that document.