

Raptis Group Limited

Quarterly Activity Report to 30 September 2022

Business Activities for the Quarter to 30 September 2022 (4.7C.1)

Development Management Agreement

The current quarter Cash Flow Report includes development management fee receipts being the first two of three installments of \$176,000 each.

On 29 June 2022 a meeting of members approved entering into development management agreements in respect of three residential towers in Broadbeach. Details of these transactions are available in the Notice of Meeting and Independent experts report for the meeting of 29 June 2022. These transactions are related party transactions the subject of Listing rules 10.1.1, 10.1.3 and 10.1.4.

The agreements provide for a fixed initial fee component of \$528,000, with a potential income depending on performance of a further \$7.7 million between December 2024 and December 2026.

Gallery Residences Caretaking and Letting

The acquisition of the management business was the subject of an independent experts report and approved by members in the General Meeting of 24 March 2022.

This agreement included an industry standard “claw forward” mechanism. It provided for an adjustment of the purchase price based on the letting pool valuation table depending on the number of contracts in place as at 24 September 2022 and subject to a 10% discount. The amount of this adjustment was \$380,000. A further amount of \$28,680 was held aside at settlement pending resolution of settlement adjustments and was paid during the period.

Cash Flow

Securing the management rights business at Gallery Residences which settled on 24 March 2022 has contributed positive cash flow in the September 22 Quarter.

The quarter is not covered by “use of funds” reporting as specified in section 4.7C.2

This announcement has been approved for release by the Board of Directors

26 October 2022

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