



RAPTIS GROUP LIMITED

ABN 43 010 472 858

ASX CODE: (RPG)

APPENDIX 4D

Half Year report for the 6 months ended 31 December 2014

Results for announcement to the market

\$A'000

| | | |
|---|----------------------------|------------------------------------|
| Revenues from ordinary activities. | Unchanged | nil |
| Profit from ordinary activities after tax attributable to members | Unchanged | nil |
| Net profit for the period attributable to members | Unchanged | nil |
| 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 | - | - |

| | | |
|---|-----------------------|--------------------------------------|
| Net Tangible Assets Per Security | Current period | Previous corresponding Period |
| Net Tangible Assets | 0 cents | 0 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>2014</u> <u>\$'000</u> | <u>2013</u> <u>\$'000</u> |
|---|------------------------------|------------------------------|
| Net profit (loss) for basic earnings | nil | nil |
| <u>Weighted average number of shares used as the denominator:</u> | Number | Number |
| Ordinary shares for basic EPS | 102,842,427 | 102,842,427 |

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)

-

Comments on Half-Year Results

The company did not trade in the current or comparative half year. The result was Nil for 2014 (2013 – nil).



RAPTIS GROUP LIMITED

Condensed Financial Report 31 December 2014

DIRECTORS' REPORT

The directors present their report on the entity of Raptis Group Limited ("the Company") for half-year ended 31 December 2014 and the Auditor's review report thereon.

Principal Activities

The company has temporarily suspended its principal activity of property development and investment, and did not trade in the current or comparative half year.

Result

The company did not trade in the current or comparative half year. The result after income tax for the half-year attributable to members of Raptis Group Limited was Nil. (2013: nil).

Dividends Paid or Recommended

No dividends were paid or declared in the period.

Review of Operations

Operations were temporarily suspended during this period.

The company focus on this period was on resolving a proof of debt to assist the Administrator in the adjudication process. The Full Bench of the Federal Court found substantially in favour of the company on the 18 August 2012. The High Court of Australia reversed a significant proportion of this outcome leaving a net liability, and remitted the matter to the Administrative Appeals Tribunal to determine the effect of the orders. The amount of the proof has been resolved to the satisfaction of the company. The Raptis Group Limited Australian Tax Office proof of debt of \$29,375,574 that delayed the implementation of the restructure from 31 March 2009 was resolved on 6 August 2014 to an amount of six dollars and nil cents.

The company has completed arrangements with the former security holder. This allows Raptis Group Limited to recommence its core business of property development. These arrangements allowed that on 9 July 2014 a security registered over all collateral held by Raptis Group Limited was lifted. On 3 July 2014 the appointment to control one subsidiary associated with the Hilton Hotel development in Surfers Paradise retired from this limited position.

After Balance Date Events

The Directors are not aware of any significant events since the end of the interim period.

Going Concern

As at 31 December 2014, the company had net assets of nil. The company is dependent on the support of its major shareholders arranging funding to continue as a going concern. At the date of signing the major shareholders have indicated their intention to continue to arrange resources to meet the needs of the company. This includes funding costs up to resumption of trading and underwriting a capital raising to allow the company to relaunch as a going concern in its own right.

Should the funding not be obtained, the company will not be able to continue as a going concern.

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 2014.

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 Broadbeach this 31st day of March 2015

Signed in accordance with a resolution of directors.



James Raptis, OBE
Director

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Auditor's Independence Declaration

31 March 2015

The Board of Directors
Raptis Group Limited
Level 1
2681 Gold Coast Highway
BROAD BEACH QLD 4218

Dear Members of the Board

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor for the review of Raptis Group Limited for the half year ended 31 December 2014, 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 this review;
- (b) any applicable Code of Professional Conduct in relation to this review.

RUSSELL BEDFORD NSW
Chartered Accountants



GREGORY RALPH, M.Com., F.C.A.
Partner

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
for the half-year ended 31 December 2014

| | Note | 1 July 2014 to 31 December 2014 \$'000 | 1 July 2013 to 31 December 2013 \$'000 |
|--|------|---|---|
| Continuing Operations: | | | |
| Total revenue | | - | - |
| Profit (loss) from continuing operations before income tax expense | | - | - |
| Income tax expense | 2 | - | - |
| Profit (loss) attributable to members of Raptis Group Limited | | - | - |
| Other comprehensive income for the year | | - | - |
| Total comprehensive income for the year attributable to members | | - | - |
| Continuing Operations: | | | |
| Basic and diluted earnings per share (cents per share) | | - | - |

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 2014

| | 31 December 2014 \$ | 30 June 2014 \$ |
|--------------------------|------------------------|--------------------|
| TOTAL ASSETS | - | - |
| TOTAL LIABILITIES | - | - |
| NET ASSETS | - | - |
| EQUITY | | |
| Issued capital | 28,312 | 28,312 |
| Accumulated Losses | (28,312) | (28,312) |
| TOTAL EQUITY | - | - |

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 2014

| | Notes | 31 December 2014 \$ | 2013 \$ |
|---|-------|---------------------------|------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash flows from/ (used in) operating activities | | - | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Net cash flows (used in) investing activities | | - | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Net cash from/(used in) financing activities | | - | - |
| Net increase/ (decrease) in cash held | | - | - |
| Net cash at 1 July 2014 | | - | - |
| Net cash at 31 December 2014 | | - | - |

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 2014

| | \$ Issued Capital | \$ Accumulated Losses | \$ Total |
|--|-------------------------|-----------------------------|-------------|
| Balance at 1 July 2013 | 28,312 | (28,312) | - |
| Profit attributable to members of entity | - | - | - |
| Balance at 31 December 2013 | <u>28,312</u> | <u>(28,312)</u> | <u>-</u> |
| Balance at 1 July 2014 | 28,312 | (28,312) | - |
| Profit attributable to members of the entity | - | - | - |
| Balance at 31 December 2014 | <u>28,312</u> | <u>(28,312)</u> | <u>-</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 2014

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 2014. 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 2014 and subsequently up to the time of signing this financial report in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Going Concern

As at 31 December 2014, the company had net assets of nil. The company is dependent on the support of its major shareholders arranging funding to continue as a going concern. At the date of signing the major shareholders have indicated their intention to continue to arrange resources to meet the needs of the company. This includes funding costs up to resumption of trading and underwriting a capital raising to allow the company to relaunch as a going concern in its own right.

Should the funding not be obtained, the company will not be able to continue as a going concern.

(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) Summary of Significant Accounting Policies

The accounting policies for the results for the half-year ended 31 December 2014 and the comparative half year have been prepared as they apply on a going concern basis. The effect of the implementation of the Raptis Group Creditors Trust Deed on 18 September 2009 is that there are no liabilities and the company is able to resume operations as a going concern.

(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.

CONDENSED NOTES TO THE FINANCIAL STATEMENTS
for the half-year ended 31 December 2014

(b) Summary of Significant Accounting Policies (continued)

(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. 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 Consolidated Income Statement 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 2014.

The Condensed Balance Sheet values at 31 December 2008 and at all reporting dates since then, were impacted by the loss of control of all subsidiary entities on 9 September 2008. This resulted in the parent entity guarantee liability being extinguished in a debt for equity swap.

(iv) Comparative Figures

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

(v) Rounding of Amounts

The entity has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report and directors' report have been rounded off to the nearest \$1,000.

2. TAX NOTE

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 \$46,803,026 (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

The Directors are not aware of any significant events since the end of the interim period.

DIRECTORS' DECLARATION

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 2014 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 Broadbeach this 31st day of March 2015.

Signed in accordance with a resolution of directors.



James Raptis
Director

Independent Auditor's Review Report

INDEPENDENT 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 balance sheet as at 31 December 2014, and the condensed statement of comprehensive income, condensed statement of changes in equity and condensed 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.

Directors Responsibility on the Half-Year Financial Report

The directors of Raptis Group Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such 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 an Interim 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the entity's balance sheet as at 31 December 2014 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. Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Matters Relating to Electronic Publication of the Reviewed Financial Report

This review report relates to the financial report of Raptis Group Limited for the half year period ended 31 December 2014 included on the website of Raptis Group Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on this integrity. This review report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of the financial report are concerned with the inherent risk arising from publication on a website, they are advised to refer to the hard copy of the reviewed

financial report to confirm the information contained in this website version of the financial report.

Independence

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

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 is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following matters disclosed in the financial report:

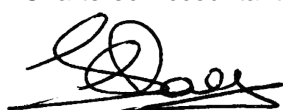
Going Concern

Note 1 to the financial report discloses the company is dependent on the support of its major shareholders to arrange funding to enable it to continue as a going concern. Our conclusion is not modified in respect of this matter.

Benefit of Income Tax Losses

Note 2 to the financial report indicates that at the time of signing this half-year financial report the company is not able to accurately determine the quantum of its unrecognised carry forward losses due to the matters set out therein. Our conclusion is not modified in respect of this matter.

RUSSELL BEDFORD NSW
Chartered Accountants



GREGORY RALPH, M.COM., FCA
Partner

Sydney, 31 March, 2015