



# RAPTIS GROUP LIMITED

ABN 43 010 472 858

ASX CODE: (RPG) - Appendix 4D

Half Year report for the 6 months ended 31 December 2022

## Results for announcement to the market

|  |           | \$AUD               |    | \$AUD                       |
|--|-----------|---------------------|----|-----------------------------|
| Revenues from ordinary activities.   | up from   | nil                 | to | 254,504                     |
| Profit from ordinary activities and other income after tax attributable to members | down from | 203,265             | to | 21,244                      |
| Net Profit for the period attributable to members                                  | down from | 203,265             | to | 21,244                      |
| <b>Dividends (distributions)</b>   |           | Amount per security |    | Franked amount per security |
| Final dividend   |           | Nil                 |    | Nil                         |
| Previous corresponding period  |           | Nil                 |    | Nil                         |

| <b>Earnings per security (EPS)</b> | Current period | Previous corresponding period |
|------------------------------------|----------------|-------------------------------|
| Basic and Diluted EPS              | 0.014 cents    | 0.133 cents                   |

| <b>Net Tangible Assets Per Security</b> | Current period | Previous corresponding Period |
|---|----------------|-------------------------------|
| Net Tangible Assets                     | 0.859 cents    | 1.87 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>2022</u> | <u>2021</u> |
|---|-------------|-------------|
|   | \$          | \$          |
| Net profit (loss) for basic earnings                              | 21,244      | 203,265     |
| <u>Weighted average number of shares used as the denominator:</u> | Number      | Number      |
| Ordinary shares for basic EPS                                     | 152,842,427 | 152,842,427 |

## Dividends

Date the dividend is payable

N/A



# Raptis Group Limited

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+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

## Comments on Half-Year results

Raptis Group Limited recognised income from management rights, operating the Gallery Management business in Broadbeach. The expenses for the period included amortisation of management rights as an intangible asset of \$34,934 a non-cash item. In accordance with the approval of members and the independent experts report, the contract to acquire the management rights included a one off “claw forward” provision that provided for a payment \$380,800 to recognise the increase in value due to the units in the letting pool six months after the acquisition date. (Refer note 17 and 19 of the 2022 Annual Report and the notice of meeting for the 24 March 2022, for further information)

The company is party to four development management agreements which provide for potential fees dependent on performance. The Pearl Main Beach development is scheduled for completion in the second half of the 2023 calendar year. (Refer to the notice of meeting for 24 March and 29 June 2022 for further information.)

The company continues to research opportunities in the Build to Rent sector and other future development opportunities in South-East Queensland. We have chosen to focus on development management as current market conditions in the building industry indicate a significant escalation in building costs and challenges in meeting completion timeframes.

## Control over entities

There were no entities where control was gained or lost in the half year. There were no associate or joint venture entities in the six months to 31 December 2022.

## Audit Review

The financial statements were subject to review by the auditors and the review report is attached as part of the Interim Report.

## Attachments

The Interim Report of Raptis Group Limited for the half-year ended 31 December 2022 is attached.

Signed  
James Raptis - Director - Surfers Paradise

27 February 2023



# **RAPTIS GROUP LIMITED**

## **Condensed Financial Report 31 December 2022**



# Raptis Group Limited

ABN 43 010 472 858

## DIRECTORS' REPORT CONSOLIDATED

The directors present their report on the Consolidated entity of Raptis Group Limited ("the Company") for half-year ended 31 December 2022, the Auditor's Review Report thereon and the Auditor's Independence Declaration.

### Principal Activities

The principal activities during the year of entities within the consolidated group were property development management and investment.

### Result

A profit of \$21,244 was recognised in the current half year to 31 December 2021. (2021: profit of \$203,265).

### Dividends Paid or Recommended

No dividends were paid or declared in the period.

### Review of Operations

Raptis Group Limited recognised income from management rights, operating the Gallery Management business in Broadbeach. The expenses for the period included amortisation of management rights as an intangible asset of \$34,934 a non-cash item. In accordance with the approval of members and the independent experts report, the contract to acquire the management rights included a one off "claw forward" provision that provided for a payment \$380,800 to recognise the increase in value due to the number of units in the letting pool six months after the acquisition date. (Refer note 17 and 19 of the 2022 Annual Report and the notice of meeting for the 24 March 2022, for further information)

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The company continues to research opportunities in the Build to Rent sector and other future development opportunities in South-East Queensland. We have chosen to focus on development management as current market conditions in the building industry indicate a significant escalation in building costs and challenges in meeting completion timeframes.

### After Balance Date Events

The Directors are not aware of any significant events since the end of the interim period that might materially affect the financial position or results from operations in future periods. Control was not lost over any entities in the period. There are no Associates or Joint Venture entities.

### Control gained over entities

Raptis Group Limited has not gained or lost control over any entities in the half year to 31 December 2022.

### Auditor

The financial statements were subject to review by the auditors and the review report is attached as part of the interim report. 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 2022.

### Directors

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

Dated at Surfers Paradise this 27<sup>th</sup> day of February 2022.

Signed in accordance with a resolution of directors.

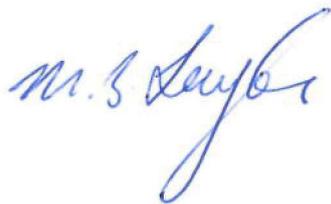
James Raptis, OBE - Director

## **Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Raptis Group Limited**

As auditor for the review of the financial statements of Raptis Group Limited for the financial half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- i. the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.

This declaration is in respect of Raptis Group Limited and the entities it controlled during the financial period.



Mark Taylor  
Director

HALL CHADWICK QLD  
Chartered Accountants

Dated at Brisbane this 27<sup>th</sup> day of February, 2023.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT & LOSS & OTHER  
COMPREHENSIVE INCOME**  
for the half-year ended 31 December 2022

|   | Note | 1 July 2022 to<br>31 December<br>2022<br>\$ | 1 July 2021 to<br>31 December<br>2021<br>\$ |
|---|------|---|---|
| <b>Revenue</b>  |      |   |   |
| Management fee income   |      | 228,829                                     | -   |
| Rental Income   |      | 25,675                                      | -   |
| <b>Total revenue</b>  |      | <u>254,504</u>                              | <u>-</u>                                    |
| Other Income  |      | -   | 311,835                                     |
| Administration and other expenses   |      | 73,487                                      | 44,280                                      |
| Management business operating costs   |      | 123,106                                     | -   |
| Depreciation of property plant and equipment  |      | 1,733                                       | -   |
| Amortisation of management rights   |      | 34,934                                      | -   |
| Feasibility and research costs  |      | -   | 64,290                                      |
| Expenses  |      | <u>233,260</u>                              | <u>108,570</u>                              |
| Profit for the period   |      | <u>21,244</u>                               | <u>203,265</u>                              |
| Income tax expense  | 2    | -   | -   |
| Profit attributable to members of the entity  |      | <u>21,244</u>                               | <u>203,265</u>                              |
| Other comprehensive income for the half year  |      | -   | -   |
| <b>Total comprehensive income for the half<br/>year attributable to members of the entity</b> |      | <u>21,244</u>                               | <u>203,265</u>                              |
| Basic and diluted earnings per share (cents per<br>share)                                     |      | <u>0.014</u>                                | <u>0.133</u>                                |

The Condensed Consolidated Statement of Profit & Loss & Other Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
 As at 31 December 2022

|                                       | <b>31 December<br/>2022</b> | <b>30 June 2022</b> |
|---------------------------------------|-----------------------------|---------------------|
|                                       | \$                          | \$                  |
| <b>Current Assets</b>                 |                             |                     |
| Cash and cash equivalents             | 181,770                     | 238,312             |
| Accounts receivable                   | 215,115                     | 595,358             |
|                                       | <hr/>                       | <hr/>               |
| <b>Total Current assets</b>           | 396,885                     | 833,670             |
|                                       | <hr/>                       | <hr/>               |
| <b>Non Current Assets</b>             |                             |                     |
| Investment property at fair value     | 875,150                     | 875,150             |
| Property plant and equipment          | 81,883                      | 83,615              |
| Intangible assets – management rights | 1,453,576                   | 1,107,710           |
|                                       | <hr/>                       | <hr/>               |
| <b>Total Non Current Assets</b>       | 2,410,609                   | 2,066,475           |
|                                       | <hr/>                       | <hr/>               |
| <b>TOTAL ASSETS</b>                   | 2,807,494                   | 2,900,145           |
|                                       | <hr/>                       | <hr/>               |
| <b>Current Liabilities</b>            |                             |                     |
| Trade and other payables              | 41,159                      | 155,054             |
|                                       | <hr/>                       | <hr/>               |
| <b>TOTAL LIABILITIES</b>              | 41,159                      | 155,054             |
|                                       | <hr/>                       | <hr/>               |
| <b>NET ASSETS</b>                     | 2,766,335                   | 2,745,091           |
|                                       | <hr/>                       | <hr/>               |
| <b>Equity</b>                         |                             |                     |
| Issued capital                        | 29,811,518                  | 29,811,518          |
| Accumulated losses                    | (27,045,183)                | (27,066,427)        |
|                                       | <hr/>                       | <hr/>               |
| <b>Total equity</b>                   | 2,766,335                   | 2,745,091           |
|                                       | <hr/>                       | <hr/>               |

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
 for the half-year ended 31 December 2022

|   | 1 July 2022 to 31<br>December 2022<br>\$ | 1 July 2021 to 31<br>December 2021<br>\$ |
|---|--|--|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>               |  |  |
| Receipts from customers (inclusive of GST)                | 188,942                                  | -  |
| Receipts from other income                                | -  | 311,835                                  |
| Payments to suppliers (inclusive of GST)                  | (216,804)                                | (76,204)                                 |
|   | <hr/>                                    | <hr/>                                    |
| <b>Net cash flows from/(used in) operating activities</b> | (27,862)                                 | 235,631                                  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>               |  |  |
| Repayment of Borrowings                                   | (28,680)                                 | -  |
|   | <hr/>                                    | <hr/>                                    |
| <b>Net cash from / (used in) financing activities</b>     | (28,680)                                 | -  |
|   | <hr/>                                    | <hr/>                                    |
| <b>Net increase (decrease) in cash held</b>               | (56,542)                                 | 235,631                                  |
| <b>Cash at the beginning of the half year</b>             | <hr/> 238,312                            | <hr/> 2,665,694                          |
| <b>Cash at the end of the half year</b>                   | <hr/> <hr/> 181,770                      | <hr/> <hr/> 2,901,325                    |

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
 for the half-year ended 31 December 2022

|  | \$<br>Issued<br>Capital | \$<br>Accumulated<br>Losses | \$<br>Total      |
|--|-------------------------|-----------------------------|------------------|
| <b>Balance at 1 July 2021</b>                | 29,811,518              | (27,162,523)                | 2,648,995        |
| Profit attributable to members of the entity | <u>-</u>                | <u>203,265</u>              | <u>203,265</u>   |
| <b>Balance at 31 December 2021</b>           | <u>29,811,518</u>       | <u>(26,959,258)</u>         | <u>2,852,260</u> |
| <b>Balance at 1 July 2022</b>                | 29,811,518              | (27,066,427)                | 2,745,091        |
| Profit attributable to members of the entity | <u>-</u>                | <u>21,244</u>               | <u>21,244</u>    |
| <b>Balance at 31 December 2022</b>           | <u>29,811,518</u>       | <u>(27,045,183)</u>         | <u>2,766,335</u> |

The Condensed Consolidated 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 2022

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

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

The half-year report should be read in conjunction with the Annual Financial Report of Raptis Group Limited at 30 June 2022. 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 2022 and subsequently up to the time of signing this financial report in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

**(a) Basis of Accounting**

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

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

**(b) Going Concern**

The company operates management rights that include a contracted fixed income. This is a relatively stable income stream expected to produce positive cash flow to support the administrative costs of the listed entity. Development management fees of \$200,000 reported as receivables at 31 December 2022 are also expected to be received in the six months to June 2023.

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

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

The accounting policies for the results for the half-year ended 31 December 2022 and the comparative half year have been prepared as they apply on a going concern basis.

**(i) 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.

## CONDENSED NOTES TO THE FINANCIAL STATEMENTS for the half-year ended 31 December 2022

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

(ii) **Estimates**

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

In relation to the Condensed Statement of Comprehensive Income the significant judgements made by management in applying the entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 30 June 2022.

(iii) **Comparative Figures**

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

**Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Directors have reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2022. As a result of this review the Directors have determined that there is no material impact of the Standards and interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

(iv) **Revenue recognition**

The consolidated entity recognises revenue as follows:

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

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

*Sale of Properties*

Revenue from the sale of properties is recognised at a point in time once the legal ownership of the property has transferred to the customer.

*Rendering of services*

Revenue from a contract to provide property management services is recognised in the period in which the services are rendered based on agreed fees and charges. Revenue from a contract to provide services are recognised over time as the consulting services are rendered based on either a fixed price or an hourly rate.

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other income*

Other income is stated net of goods and services tax. Mirage Services Pty Ltd was reinstated as a controlled entity and funds owing to it were recovered in the corresponding previous period.

**2. INCOME TAX**

**Unrecognised Tax Losses**

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

The interim tax loss calculation indicates a potential future income tax benefit from carry forward losses of \$38,659,148 (at the current tax rate of 25%). However, the security positions that have not yet been resolved are material and may substantially reduce this interim calculation.

**3. EVENTS SUBSEQUENT TO BALANCE DATE**

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial periods.

## **DIRECTORS' DECLARATION**

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In the opinion of the directors of Raptis Group Limited (the Company):

1. the condensed consolidated statements and notes set out on pages 6 to 12:-
  - a) give a true and fair view of the financial position of the group as at 31 December 2022 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
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Surfers Paradise this 27<sup>th</sup> day of February 2023.

Signed in accordance with a resolution of directors.



James Raptis  
Director

## **INDEPENDENT AUDITOR'S REPORT – TO THE MEMBERS OF RAPTIS GROUP LIMITED**

### **Report on the Half-Year Financial Report**

#### **Conclusion**

We have reviewed the half-year financial report of Raptis Group Limited, which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Raptis Group Limited does not comply with the Corporations Act 2001 including:

- i. giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

#### **Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001 which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

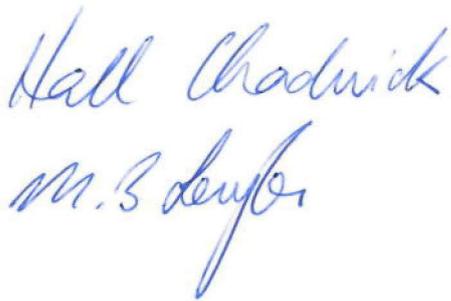
#### **Responsibility of the Directors for the Financial Report**

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Company's financial position as at 31 December 2022 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.

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.



Mark Taylor  
Director

HALL CHADWICK QLD  
Chartered Accountants

Dated at Brisbane this 27<sup>th</sup> day of February, 2023.

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