

28 February 2022

Appendix 4D

The following information must be given to ASX under listing rule 4.2A.3.

Current Reporting Period 1 July 2021 to 31 December 2021
 Previous corresponding reporting period 1 July 2020 to 31 December 2020

Results for announcement to the market

	31/12/2021 \$	31/12/2020 \$	Change %
Revenue from ordinary activities	3,383,332	289,626	1,068%
Net profit (loss) for the year ¹	4,841,458	(887,063)	-
Net comprehensive profit (loss) attributable to equity holders of RBR Group Ltd	2,536,882	(884,090)	-
Dividends	-	-	-

	31/12/2021 \$	31/12/2020 \$
Net tangible assets per security		
Net tangible assets	4,653,311	(609,624)
Ordinary shares	1,281,980,086	1,000,730,086
Net tangible assets per security	0.36 cents	-0.06 cents

Note 1: Included in the net profit to 31 December 2021 is a reversal of the previous bad debt expense for \$2,480,101 that was recorded against outstanding invoices from the Wentworth camp construction contract with CCSJV for the reporting period to 30 June 2021. The CCSJV contract dispute was settled during the half year with proceeds received in February 2022.

Details of entities over which control has been gained or lost during the period

There have been no entities where there has been a change of control during the period.

Dividends

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year.

Dividend reinvestment plans

Not applicable.

RBR GROUP LIMITED

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 PO Box 534, West Perth, WA 6872
 T: +61 8 9214 7500

www.rbrgroup.com.au

Delivering skilled labour to site, every day



Material interest in entities which are not controlled entities

Not applicable.

Foreign entity accounting standards

Not applicable.

Independent audit review

This report should be read in conjunction with the attached Half-Year Financial Report for the period ending 31 December 2021.

For more information, please contact:

Ian Macpherson
Executive Chairman
+61 8 9214 7500
info@rbgroup.com.au

For the purpose of ASX Listing Rule 15.5, this announcement has been authorised for release by the board. The information in this announcement has been disclosed by RBR and is the responsibility of RBR. Neither CCS JV, nor their directors, officers, employees, or agents assume any responsibility for the accuracy or completeness of that information.

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FUTURO GROUP



ABN 38 115 857 988

**Interim Financial Report
for the
Half-Year ended 31 December 2021**

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RBR GROUP LIMITED

ABN 38 115 857 988

CORPORATE DIRECTORY

DIRECTORS

Ian Macpherson
Executive Chairman

Athol Emerton
Non-Executive Director

Paul Horsfall
Non-Executive Director

Matthew Worner
Non-Executive Director

COMPANY SECRETARY

Patrick Soh

PRINCIPAL REGISTERED OFFICE

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AUDITOR

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Unit 16, 1st Floor
100 Railway Road
Subiaco WA 6008
Australia

SHARE REGISTRY

Automic Group
Level 5
191 St Georges Terrace
Perth WA 6000
Australia

Telephone: 1300 288 664
Email: hello@automicgroup.com.au

STOCK EXCHANGE LISTING

The Consolidated Entity's shares are quoted on the Australian Stock Exchange. The Home Exchange is Perth.

ASX CODE

RBR - Ordinary Shares

RBR GROUP LIMITED

ABN 38 115 857 988

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DIRECTORS' REPORT

Your Directors present their report on the financial statements of RBR Group Limited ("The Company") and the entities it controlled ("Consolidated Entity" or "RBR") at the end of and during the half-year ended 31 December 2021. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

DIRECTORS

The following persons held office as Directors and Senior Management of RBR Group Limited during the half-year and until the date of this report:

Ian Macpherson – *B.Comm., CA*
Executive Chairman
Appointed 18 October 2010

Mr Macpherson is a Chartered Accountant with over forty years experience in the provision of financial and corporate advisory services. Mr Macpherson was formerly a partner at Arthur Anderson & Co managing a specialist practice providing corporate and financial advice to the mining and mineral exploration industry.

In 1990, Mr Macpherson established Ord Partners (later to become Ord Nexia) and has specialised in the area of corporate advice with particular emphasis on capital structuring, equity and debt raising, corporate affairs and Stock Exchange compliance for public companies in the mining and industrial areas. He has further been involved in numerous asset acquisitions and disposal engagements.

He has acted in the role of Director and Company Secretary for a number of entities and is currently a Non-Executive Director of Red 5 Limited (15 April 2014 to present).

Mr Macpherson is a Member of the Institute of Chartered Accountants in Australia, the Australian Institute of Company Directors and past member of the Executive Council of the Association of Mining Exploration Companies (WA) Inc.

Athol Emerton – *MICS*
Non-Executive Director
Appointed 19 August 2019

Mr Emerton has 30 years of experience in commerce in Southern Africa, including Mozambique and has chaired the South African Shipping Association (SAASOA) training committee for 7 years, including the scoping panel that developed the TETA shipping qualification & headed the establishment of an industry wide shipping learnership programme.

He is a self-motivated leader in the maritime and transport logistics industries, with a particular interest in building business capacity and opportunities through entrepreneurial thought, and a passion for skills development and upliftment of indigenous populations. Mr Emerton's wealth of experience and unique skills set has been gained through working with many of the large, well known, international resource and shipping companies around the world, and he is considered a specialist in developing landside, marine and transport solutions in inhospitable (due to political, economic, or geographical reasons) regions or ports.

Mr Emerton is the Managing Partner of the African operations of global logistics company LBH. After establishing the LBH operations in South Africa and Mozambique 36 years ago, Mr Emerton has grown the business into one of the premier logistics and ships agency enterprises in the region.

DIRECTORS' REPORT (Continued)

Paul Horsfall – *Hons.BCompt. C.A.(S.A.)*

Non-Executive Director

Appointed 14 May 2020

Mr Horsfall has been in the Logistics industry for over thirty years. He has an in depth understanding of the logistics industry in the three facets of Supply Chain, namely International Freight Forwarding & Customs Brokerage, International Express and Courier & Warehousing and Distribution. He started a company in South Africa on behalf of an American Listed group, Fritz Companies Inc, which developed into one of the top five logistics service providers in South Africa under the brand, UPS South Africa.

Mr Horsfall was President of Africa for UPS Inc. and as such has extensive experience in Logistics across the African continent. UPS owns or has agency operations across 51 countries in Africa. Nigeria is its largest operation in Africa.

Mr Horsfall has been on the Board or as an Advisor to many companies over the past four years across diversified businesses. Mr Horsfall has completed due diligence programs on logistics acquisitions in East Africa for a logistic group.

Mr Horsfall has strong leadership and mentorship skills in developing and training people. Mr Horsfall is an Honorary Life Member & Board Director of the American Chamber of Commerce in South Africa and is currently Group CEO of the Tennant Group.

Matthew Worner – *LLB; B.Bus*

Non-Executive Director

Appointed 24 October 2021

Mr Worner is a Lawyer with more than 20 years experience in the mining and energy sector having worked with a number of ASX companies as a Company Secretary and Director. Mr Worner has a strong understanding of the ASX Listing Rules, the Corporations Act, IPO's, and Capital Raisings. Mr Worner has overseen the completion of multiple asset acquisitions and divestments across the globe, including the USA, and maintains strong connections with regulatory bodies, governments and capital markets. He is a director of Talon Energy Limited (ASX:TPD) and Lykos Metals Limited (ASX:LYK).

Richard Carcenac – *B.Sc. Eng. (Civil), MBA* (Chief Executive Officer and Executive Director, Appointed 16 June 2015, Resigned 24 October 2021)

Paul Graham-Clarke – *B.Sc. (Tokyo)* (Non-Executive Director, Appointed 16 December 2015, Resigned 30 November 2021)

COMPANY SECRETARY

Patrick Soh – *B.Bus., CPA.*

Appointed 30 April 2021

Mr Soh has over 20 years of experience in financial strategies, analysis and governance with some of Australia's most successful companies across multiple industry sectors. Mr Soh has extensive experience in financial risk foresight including on major projects using lead performance indicator techniques and the design of risk-based management programs and behaviours.

Mr Soh's experience as CFO and Company Secretary in ASX listed corporations, brings the same advanced strategies and vast industry knowledge to his work with small to medium enterprises. In addition to traditional corporate accounting services, Mr Soh has proven expertise in business improvement through integrating financial strategy and planning with leadership development, business systems, and organisational culture and capacity.

DIRECTORS' REPORT (Continued)

REVIEW OF OPERATIONS AND ACTIVITIES

The Consolidated Entity recorded an operating profit after income tax for the half-year ended 31 December 2021 of \$4,841,458 (31 December 2020: \$887,063 loss). Revenue for the half-year is \$3,383,332, plus reversal of the doubtful debt \$2,480,101 for a total recognised income of \$5,863,433 (31 December 2020 \$289,626).

Throughout the half-year, RBR management remained focussed on developing the Group's service capabilities in training and broader labour services.

Activities were focussed on the following key strategic issues:

Wentworth camp:

Via operating subsidiary Projectos Dinamicos Lda ("PD") operational efforts were focussed on assessing the state of the camp infrastructure at Wentworth and seeking access to formally assess and progress with Insurance claims resulting from damage and looting post the March 2021 insurgency.

CCS Joint Venture ("CCS JV") arbitration:

The camp construction contract between PD and its client CCS JV fell into dispute following the March 2021 insurgency with CCS JV failing to make payment for services.

PD formerly lodged an application for arbitration of the dispute in the London Court of Arbitration on 21 October 2021.

During the Arbitration process the parties continued communication in an effort to resolve the matter resulting in a formal settlement being completed on 10 February 2022 as referred to further herein.

Management restructure:

In October 2021 the Company advised ASX that CEO Mr Richard Carcenac was resigning to pursue a new career opportunity. The Board took this opportunity to review the operational structure of the group. A new Chief Operating Officer was appointed to run the Mozambique operations and the broader African activities.

In Australia, a strategic adviser was appointed to identify and assess new business opportunities in the labour services arena with a preference for a Perth, WA based operation. At the date of this report the company is in early stage due diligence on two separate opportunities.

Funding

Subsequent to the half-year end the following funding events occurred:

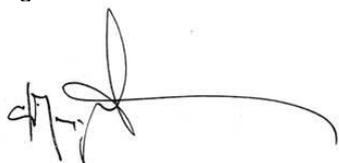
On 31 January 2022 the Company negotiated an extension to the maturity date of the \$400k convertible note maturing 21 January 2022 to 21 April 2022.

On 10 February 2022 the Company confirmed that full and final settlement of the dispute relating to the Wentworth Camp construction contract held via operating subsidiary PD has been reached. A settlement sum of US\$4.2m (net of taxes) was agreed and paid into the account of PD.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, Butler Settinieri (Audit) Pty Ltd, to provide the Directors of the Consolidated Entity with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 5 and forms part of the Directors' Report for the half-year ended 31 December 2021.

DATED at Perth this 28th day of February 2022
Signed in accordance with a resolution of the Directors



Ian Macpherson
Executive Chairman

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of RBR Group Limited for the half year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of RBR Group Limited and the entities it controlled during the half year period.

BUTLER SETTINERI (AUDIT) PTY LTD



LUCY P GARDNER
Director

Perth

Date: 28 February 2022

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the half-year ended 31 December 2021

	Notes	<u>31/12/2021</u> \$	<u>31/12/2020</u> \$
Revenue		3,383,332	289,626
Cost of sales		(246,663)	(56,345)
Gross Profit		3,136,669	233,281
Doubtful debts expense reversal		2,480,101	-
Employee expenses		(239,847)	(317,056)
Directors' fees		(53,471)	(56,060)
Insurance expenses		(27,719)	(14,251)
Contractor fees		(150,280)	(103,713)
Corporate expenses		(49,008)	(35,486)
Depreciation		(54,699)	(6,162)
Amortisation right of use asset	3	(20,914)	(18,594)
Property costs		(25,363)	(51,746)
Share-based payments expense		-	(10,745)
Lease liability interest expense	3	(1,005)	(2,970)
Interest expense		(121,239)	(46,718)
Other expenses		(31,767)	(456,843)
Profit (loss) before income tax		4,841,458	(887,063)
Income tax		-	-
Net profit (loss) for the half-year		4,841,458	(887,063)
<i>Other comprehensive income that may be recycled to profit or loss</i>			
Foreign currency translation adjustments		(35,929)	208,522
Total other comprehensive profit (loss)		(35,929)	208,522
Total comprehensive profit (loss)		4,805,529	(678,541)
Profit (loss) is attributable to:			
Equity holders of RBR Group Ltd		2,536,882	(884,090)
Non-controlling interests		2,304,576	(2,973)
		4,841,458	(887,063)
Total comprehensive profit (loss) is attributable to:			
Equity holders of RBR Group Ltd		2,558,587	(678,446)
Non-controlling interests		2,246,942	(95)
		4,805,529	(678,541)
Earnings per share			
Basic earnings/(loss) per share (cents per share)	6	0.20 cents	(0.09) cents
Diluted earnings/(loss) per share (cents per share)	6	0.19 cents	(0.09) cents

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the Consolidated Entity accompanying notes.

RBR GROUP LIMITED
and its controlled entities

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

	Notes	<u>31/12/2021</u> \$	<u>30/06/2021</u> \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		950,174	1,975,535
Trade receivables		6,231,413	446,839
Other assets		16,027	34,160
Assets held for sale		-	-
TOTAL CURRENT ASSETS		7,197,614	2,456,534
NON-CURRENT ASSETS			
Plant and equipment and motor vehicles		2,197,656	2,184,983
Intangibles	3 & 7	204,175	69,278
TOTAL NON-CURRENT ASSETS		2,401,831	2,254,261
TOTAL ASSETS		9,599,445	4,710,795
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		393,694	388,646
Provisions		22,147	73,216
Loan		2,120,965	2,125,522
Lease Liability	3	154,392	20,693
Convertible notes	2	2,050,761	2,050,761
TOTAL CURRENT LIABILITIES		4,741,959	4,658,838
NON-CURRENT LIABILITIES			
Lease liability		-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		4,741,959	4,658,838
NET ASSETS		4,857,486	51,957
EQUITY			
Contributed equity	4	24,217,744	24,217,744
Reserves		805,220	783,515
Accumulated losses		(22,392,610)	(24,929,492)
Equity attributable to equity holders in the Company		2,630,354	71,767
Non-controlling interests		2,227,132	(19,810)
TOTAL EQUITY		4,857,486	51,957

The above Consolidated Statement of Financial Position should be read in conjunction with the Consolidated Entity's accompanying notes.

RBR GROUP LIMITED
and its controlled entities

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the half-year ended 31 December 2021

	Contributed Equity	Share Option Reserve	Foreign Currency Translation Reserve	Accumulated losses	Owners of the parent	Non- controlling interest	Total
BALANCE AT 30 JUNE 2021	24,217,744	899,582	(116,067)	(24,929,492)	71,767	(19,810)	51,957
Profit (loss) for the year	-	-	-	2,536,882	2,536,882	2,304,576	4,841,458
Other comprehensive income	-	-	21,705	-	21,705	(57,634)	(35,929)
Total comprehensive income	-	-	21,705	2,536,882	2,558,587	2,246,942	4,805,529
Transactions with owners in their capacity as owners:							
Shares issued during the year	-	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-	-
BALANCE AT 31 DECEMBER 2021	24,217,744	899,582	(94,362)	(22,392,610)	2,630,354	2,227,132	4,857,486
BALANCE AT 30 JUNE 2020	21,074,074	888,837	26,744	(22,796,980)	(807,325)	(21,076)	(828,401)
Loss for the year	-	-	-	(884,090)	(884,090)	(2,973)	(887,063)
Other comprehensive income	-	-	205,644	-	205,644	2,878	208,522
Total comprehensive income	-	-	205,644	(884,090)	(678,446)	(95)	(678,541)
Transactions with owners in their capacity as owners:							
Shares issued during the year	175,100	-	-	-	175,100	-	175,100
Conversion of convertible notes	904,513	-	-	-	904,513	-	904,513
Director performance rights	-	10,745	-	-	10,745	-	10,745
Share based payment	5,462	-	-	-	5,462	-	5,462
Share issue costs	(9,844)	-	-	-	(9,844)	-	(9,844)
BALANCE AT 31 DECEMBER 2020	22,149,305	899,582	232,388	(23,681,070)	(399,795)	(21,171)	(420,966)

The above Consolidated Statement of Changes in Equity should be read in conjunction with the Consolidated Entity's accompanying notes.

RBR GROUP LIMITED
and its controlled entities

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the half-year ended 31 December 2021

	Notes	<u>31/12/2021</u> \$	<u>31/12/2020</u> \$
Cash flows from operating activities			
Receipts from customers		143,656	218,588
Interest received		82	133
Convertible note interest paid		(121,239)	(51,924)
Lease liability interest paid	3	(1,005)	(2,970)
Payments to suppliers and employees (inclusive of goods and services tax)		(1,033,661)	(736,064)
Net cash used in operating activities		(1,012,167)	(572,237)
Cash flows from investing activities			
Proceeds from sale of prospects net of fees		-	95,000
Payments for plant and equipment		(1,815)	(10,078)
Receipts on sale of fixed assets		-	-
Net cash (used in) / provided by investing activities		(1,815)	84,922
Cash flows from financing activities			
Proceeds from loans		-	29,314
Repayment of loans		-	(40,617)
Repayment of lease liability		(22,111)	(17,829)
Proceeds from the issue of shares		-	125,100
Capital raising costs		-	(9,844)
Net cash (used in) / provided by financing activities		(22,111)	86,124
Net decrease in cash held		(1,036,093)	(401,191)
Cash at the beginning of the half-year		1,975,535	493,963
Exchange rate movements		10,732	(7,450)
Cash at the end of the half-year		950,174	85,322

The above Consolidated Statement of Cash Flows should be read in conjunction with the Consolidated Entity's accompanying notes.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
For the half-year ended 31 December 2021

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

These general-purpose financial statements for the half-year ended 31 December 2021 have been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including Accounting Standard AASB 134: Interim Financial Reporting and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB").

It is recommended that these half-year financial statements and reports be read in conjunction with the Annual Report for the year ended 30 June 2021 and any public announcements made by RBR Group Limited during the half-year in accordance with continuous disclosure obligations arising under the Corporations Act, 2001.

The half-year report has been prepared on the accruals basis and in accordance with the historical cost convention. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The half-year financial report does not include all notes of the type 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 Consolidated Entity as the full financial report.

For the purpose of preparing the half-year financial statements, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Consolidated Entity's 2021 annual financial report for the year ended 30 June 2021.

In the half-year ended 31 December 2021, the Consolidated Entity has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2021.

It has been determined by the Consolidated Entity that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to the Consolidated Entity's accounting policies.

Going Concern

During the half-year to 31 December 2021 the Company secured a settlement of the CCS JV camp contract in Mozambique of US\$4,200,000 (net of taxes) and before costs. Cash settlement of the contract was received following completion of all documentation in February 2022.

The settlement resulted in the Consolidated Entity generating a profit for the half-year of \$4,841,458 (2020: Loss \$887,063). Notwithstanding the profit there was a net cash outflow from operating activities of \$1,012,167 (2020: \$572,237) during the half year.

Whilst the net cash outflow from operations maybe indicative of a material uncertainty, the settlement of the CCS JV camp contract sees the Company fully funded to meet the contracted commitments and additional working capital of the Group. Subsequent to the half-year end the company negotiated a 3 month extension to the existing \$400k convertible note to 21 April 2022 on the same terms and conditions.

Based on this information, the Directors consider it appropriate that the financial statements be prepared on a going concern basis.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)
For the half-year ended 31 December 2021

2. CONVERTIBLE NOTES

As at the half-year end there remain 400,000 RBRCN and 1,750,000 RBRCN1 Convertible Notes on issue. Subsequent to the half-year end the 400,000 RBRCN Convertible Notes had their maturity date extended from 21 January 2022 to 21 April 2022.

(a) The key terms of the 400,000 RBRCN Convertible Notes are as follows.

Type of Instrument: Convertible notes which are convertible into Ordinary Fully Paid Shares and attaching Options; the Notes will not be quoted on any securities exchange or financial market.

Face Value: Each Note shall have a face value of \$1.00 (Face Value); the aggregate Face Value of all Notes is \$400,000 at 31 December 2021.

Maturity Date: The Notes will mature on 21 April 2022.

Interest: The Notes shall bear interest at the rate of 12% per annum, accrued monthly and calculated monthly; interest on the Notes shall be paid quarterly in cash by the Company to the Noteholder.

Conversion at election of Noteholder: The Noteholder may at any time after the date that is 6 months after the Issue Date and prior to the Maturity Date and the Company issuing a Redemption, elect to convert all the Notes into Shares by providing the Company with notice of the conversion in a form acceptable to the Company acting reasonably. On receipt of a Conversion Notice, the Company must issue Shares to the Noteholder based on a price per Share equal to the lower of \$0.015 and the issue price of any equity capital raising completed by the Company within the two months prior to receipt of the Conversion Notice, but in any event not less than \$0.01; issue Options to the Noteholder for nil or nominal consideration on the basis that the Noteholder is entitled to 1 Option of every 5 Shares issued to the Noteholder on conversion of the Notes and immediately pay to the Noteholder any outstanding Interest that is due and payable.

Repayment at election of Company: The Company may, at any time prior to the Maturity Date and the Noteholder providing a Conversion Notice elect to redeem all the Notes by providing written notice to the Noteholders. Within 2 business days of issuing a Redemption Notice, the Company must pay to each Noteholder the Face Value of the Notes in cash; issue Options to each Noteholder for nil or nominal consideration and pay each Noteholder in cash an amount equal to 12 months Interest on the Principal Amount less any amount of Interest already paid by the Company to the relevant Noteholder as at the date of the Redemption Notice.

If the Company issues a Redemption Notice, it must redeem all of the Notes. The number of Options issued will be the same number of Options that would have been issued to the Noteholder had the Noteholder given a Conversion Notice to the Company dated the same date as the Redemption Notice.

Repayment at Maturity Date: If at the Maturity Date the Notes have not been converted by the Noteholder or repaid by the Company, the Company must redeem all the Notes by paying to the Noteholder (within 2 business days of the Maturity Date) the Face Value of the Notes in cash plus any outstanding Interest that is due and payable.

Option Exercise Price and Expiry Date: Each Option will be unquoted and have an exercise price equal to the volume weighted average price per Share of Shares traded on ASX during the 20 trading day period ending on the date that an Exercise Notice is given in respect of the Option and will expire at 5.00pm (WST) on the date that is two (2) years after their issue (Expiry Date). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date. Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company upon exercise of the Option.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)
For the half-year ended 31 December 2021

(b) The key terms of the 1,750,000 RBRCN1 Convertible Notes are as follows.

Type of Instrument: Convertible notes which are convertible into Ordinary Fully Paid Shares and attaching Options; the Notes will not be quoted on any securities exchange or financial market.

Face Value: Each Note shall have a face value of \$1.00 (Face Value); the aggregate Face Value of all Notes is \$1,750,000 at 31 December 2021.

Maturity Date: The Notes will mature on 25 November 2022.

Interest: The Notes shall bear interest at the rate of 11% per annum, accrued monthly and calculated monthly; interest on the Notes shall be paid quarterly in cash by the Company to the Noteholder.

Conversion at election of Noteholder: The Noteholder may at any time after the Issue Date and prior to the Maturity Date and the Company issuing a Redemption, elect to convert all the Notes into Shares by providing the Company with notice of the conversion in a form acceptable to the Company acting reasonably. On receipt of a Conversion Notice, the Company must issue Shares to the Noteholder based on a price per Share equal to the higher of \$0.01 and a 20% discount to the 10 day VWAP immediately prior to receipt of the Conversion Notice, but in any event not less than \$0.01; issue Options to the Noteholder for \$0.0001 consideration per option on the basis that the Noteholder is entitled to 1 Option of every 4 Shares issued to the Noteholder on conversion of the Notes and immediately pay to the Noteholder any outstanding Interest that is due and payable.

Repayment at election of Company: The Company may, at any time prior to the Maturity Date and the Noteholder providing a Conversion Notice elect to redeem all the Notes by providing written notice to the Noteholders. Within 2 business days of issuing a Redemption Notice, the Company must pay to each Noteholder the Face Value of the Notes in cash; issue Options to each Noteholder for \$0.0001 consideration and pay each Noteholder in cash an amount equal to 12 months Interest on the Principal Amount less any amount of Interest already paid by the Company to the relevant Noteholder as at the date of the Redemption Notice.

If the Company issues a Redemption Notice, it must redeem all of the Notes. The number of Options issued will be the same number of Options that would have been issued to the Noteholder had the Noteholder given a Conversion Notice to the Company dated the same date as the Redemption Notice.

Repayment at Maturity Date: If at the Maturity Date the Notes have not been converted by the Noteholder or repaid by the Company, the Company must redeem all the Notes by paying to the Noteholder (within 2 business days of the Maturity Date) the Face Value of the Notes in cash plus any outstanding Interest that is due and payable.

Option Exercise Price and Expiry Date: Each Option will be unquoted and have an exercise price equal to the higher of \$0.01 or 20% discount to the 10 day VWAP immediately prior to conversion (Exercise Price) and will expire at 5.00pm (WST) on the date that is two (2) years after their issue (Expiry Date). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date. Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company upon exercise of the Option.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)
For the half-year ended 31 December 2021

3. LEASES

The Group has identified lease assets relating to land and buildings with information about the lease as follows.

	<u>31/12/2021</u>	<u>30/06/2021</u>
	\$	\$
Right of use asset		
Balance at the beginning of the year	19,380	55,782
Right of use asset recognised	155,867	1,572
Amortisation of right of use asset	(20,900)	(37,974)
Foreign currency translation	(70)	-
Balance at the end of the year	154,277	19,380
Lease Liability		
Less than one year	68,981	20,293
One to five years	85,411	-
Total lease liability	154,392	20,293
	<u>31/12/2021</u>	<u>31/12/2020</u>
	\$	\$
Amounts recognised in profit or loss		
Amortisation of right of use asset	(20,914)	(18,594)
Lease liability interest expense	(1,005)	(2,970)
Short term leases	(261,946)	(47,934)
Low value leases	(1,332)	(1,332)
Amounts recognised in the statement of cash flows		
Total cash outflow for leased assets	(289,902)	(20,799)

(a) Real estate lease

The Group leases land and building for its office space. The Perth lease has a rental term of two years. The lease has an option to cancel after twelve months and calculation of the lease liability is based on twelve months. In Mozambique there are three office leases with two in Vilanculos for twelve months and one in Maputo for three years. The lease liability calculations have been based on these terms.

The Group also leases other land and buildings but are currently on either a short-term basis or no long term contract has been put in place. A lease asset and liability have not been recognised for these properties.

(b) Other leases

The Group also leases office equipment with contract terms of one to four years which are considered leases of low-value items. The group also has a number of higher value, short term leases for less than a one year term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)
For the half-year ended 31 December 2021

4. CONTRIBUTED EQUITY

(a) Ordinary Shares

	<u>31/12/2021</u>	<u>30/06/2021</u>
	\$	\$
1,281,980,086 (30 June 2021: 1,281,980,086) fully paid ordinary shares	24,217,744	24,217,744

(b) Unlisted Options

	Issue date	Expiry date	Number of options	Exercise Price	Weighted average value cents
2021					
Unquoted conversion options (1 option for 5 Conversion shares) ⁽ⁱ⁾	8 Sep 2020	8 Sep 2022	18,090,260	N/A	N/A
2020					
Unquoted placement options (1 option for 2 shares)	16 Sep 2019	31 Aug 2021	20,966,107	\$0.014	N/A
Unquoted broker options	16 Sep 2019	31 Aug 2021	3,000,000	\$0.014	0.813
Unquoted placement options (1 option for 2 shares)	18 Sep 2019	31 Aug 2021	7,929,000	\$0.014	N/A
Unquoted vendor options	29 Nov 2019	31 Aug 2021	3,500,000	\$0.014	0.673
Unquoted placement options (1 option for 2 shares)	29 Nov 2019	31 Aug 2021	6,871,428	\$0.014	N/A

Notes:

(i) Conversion options with a conditional exercise price, expiring 8 September 2022 (refer Note 2(a)).

During the half-year no options were converted and expiring options lapsed. The assessed fair values of the 3,000,000 Broker and 3,500,000 Vendor Options issued by the Company during 2020, were determined on a Black-Scholes model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underlying share, expected yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant Date	Expiry Date	Exercise Price (Cents)	Volatility Percentage (%)	Risk-free rate (%)	Value (Cents) for one Option
16 Sep 2019	31 Aug 2021	1.40	115	0.72	0.813
29 Nov 2019	31 Aug 2021	1.40	110	0.68	0.673

During the half-year there were no options issued to staff under the RBR Share Option Plan.

(c) Performance Shares

During the half-year all performance rights had expired, and no new Performance Rights were issued.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)
For the half-year ended 31 December 2021

5. SEGMENT INFORMATION

The Consolidated Entity has operated the business in two distinct regions, Asia-Pacific and Africa since the purchase of Futuro People (previously PacMoz) in March 2015. The operating segments are recognised according to geographical location, with each segment representing a strategic business unit. As the chief operating decision makers, the Directors and Executive Management team monitor the operating results of business units separately, for the purposes of making decisions about resource allocation and performance assessment.

Half-year ended 31/12/2021	<u>Asia-Pacific</u>	<u>Africa</u>	<u>Total</u>
	\$	\$	\$
Revenue	29,759	3,353,573	3,383,332
Operating Profit (Loss) before tax	(512,320)	5,353,778	4,841,458
Income tax	-	-	-
Net Profit (Loss) after tax	(512,320)	5,353,778	4,841,458
Segment Assets	773,400	8,826,044	9,599,444
Segment Liabilities	2,161,040	2,580,918	4,741,958
Half-year ended 31/12/2020	<u>Asia-Pacific</u>	<u>Africa</u>	<u>Total</u>
	\$	\$	\$
Revenue	54,442	235,184	289,626
Operating Profit (Loss) before tax	(497,386)	(389,677)	(887,063)
Income tax	-	-	-
Net Profit (Loss) after tax	(497,386)	(389,677)	(887,063)
Segment Assets	163,360	253,374	416,734
Segment Liabilities	736,606	101,094	837,700

6. EARNINGS/ (LOSS) PER SHARE

The following reflects the profit or loss and share data used in the calculations of basic and diluted earnings/ (loss) per share:

	<u>31/12/2021</u>	<u>31/12/2020</u>
	\$	\$
Earnings/ (loss) used in calculating basic and diluted earnings/ (loss) per share	2,536,882	(884,090)
Weighted average number of ordinary shares used in calculating basic earnings/ (loss) per share:	1,281,980,086	962,534,186
Effect of dilutive securities-share options	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings/ (loss) per share	1,314,312,331	962,534,186
Basic earnings/ (loss) per share (cents per share)	0.20	(0.09)
Diluted earnings/ (loss) per share (cents per share)	0.19	(0.09)

Non-dilutive securities.

As at balance date there were 18,090,260 unlisted options (31 December 2020: 60,536,795) which represent potential ordinary shares. These options are considered to be dilutive in the Dec 2021 half-year as their inclusion reduces the profit per share. This was not the case in the Dec 2020 half-year as their inclusion would decrease the loss per share.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)
For the half-year ended 31 December 2021

7. GOODWILL

The carrying value of the goodwill represents the value of the Australian training subsidiary Feelance Pty Ltd, that holds a training licence and training materials as intellectual property used in the business.

8. CONTINGENT LIABILITIES

There were no material changes to contingent liabilities during the half-year.

9. EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen since the end of the half-year any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Consolidated Entity to affect substantially the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years except for the following:

On 31 January 2022 the Company negotiated an extension to the maturity date of the \$400k convertible note maturing 21 January 2022 to 21 April 2022.

On 10 February 2022 the Company confirmed that full and final settlement of the dispute relating to the Wentworth Camp construction contract held via operating subsidiary PD has been reached. A settlement sum of US\$4.2m (net of taxes) was agreed and paid into the account of PD.

DIRECTORS' DECLARATION

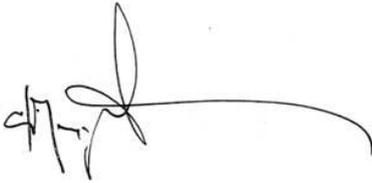
In the opinion of the Directors of RBR Group Limited ("the Consolidated Entity"):

- (a) the financial statements and notes, set out on pages 6 to 16, are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards in Australia and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the financial position of the Consolidated Entity as at 31 December 2021 and of its performance, as represented by the results of its operations, for the half-year ended on that date.
- (b) there are reasonable grounds to believe that RBR Group Limited will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Managing Director and the Company Secretary for the half-year ended 31 December 2021.

This declaration is made in accordance with a resolution of the Directors.

Signed at Perth this 28th day of February 2022

A handwritten signature in black ink, appearing to read 'I. Macpherson', with a long horizontal flourish extending to the right.

Ian Macpherson
Executive Chairman

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF RBR GROUP LIMITED

Conclusion

We have reviewed the accompanying half year financial report of RBR Group Limited ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2021 and the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated 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, nothing has come to our attention that causes us to believe that the accompanying half year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the half year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter – material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast doubt on the Group's ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the ordinary course of business. Our review conclusion is not modified in respect of this matter.

Basis for Conclusion

We conducted our review in accordance with Auditing Standard on Review Engagements 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 half year financial report* section of our report.

We are independent of the Group 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 ethical requirements in accordance with the Code.

Directors' responsibilities for the half year financial report

The directors of the Company are responsible for the preparation and fair presentation of the half year financial report in accordance with the Accounting Standard AASB 134 *Interim Financial Reporting* 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 responsibilities for the half year 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 in order to state whether anything has come to our attention that causes us to 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 Group's financial position as at 31 December 2020 and its financial performance and its cash flows 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.

BUTLER SETTINERI (AUDIT) PTY LTD



LUCY P GARDNER
Director

Perth

Date: 28 February 2022