



31 August 2022

Appendix 4E

The following information must be given to ASX under listing rule 4.3A.

Current Reporting Period 1 July 2021 to 30 June 2022
Previous corresponding reporting period 1 July 2020 to 30 June 2021

Results for announcement to the market

	Up/Down	% Change	2022 \$	2021 \$
Revenue from ordinary activities	Up	34.4%	3,595,481	2,674,597
Employee expenses and Consultants' fees	Down	(10.9%)	(770,749)	(865,473)
Net profit/(loss) for the year	Up	220.1%	2,562,547	(2,134,842)
Net comprehensive profit/(loss) attributable to equity holders of RBR Group Ltd	Up	220.0%	2,558,639	(2,132,512)
Dividends		-	-	-

	2022 \$	2021 \$
Net tangible assets per security		
Net tangible assets	2,527,942	(17,321)
Ordinary shares	1,287,620,346	1,281,980,086
Net tangible assets per security	0.196 cents	(0.001) cents

Commentary on Results

Refer to the attached unaudited financial report for detailed commentary on the results for the period.

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

The Company did not gain or lose control over any entities during the financial year. The Companies controlled entities are detailed in Note 13 of the Financial Report attached to the Appendix 4E.

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

ASX: RBR ABN 38 115 857 988
Level 2, 33 Colin Street, West Perth, WA 6005
PO Box 534, West Perth, WA 6872
T: +61 8 9214 7500 F: +61 8 9214 7575

www.rbrgroup.com.au

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Material interest in entities which are not controlled entities

Not applicable.

Foreign Entity Accounting Standards

Not applicable.

Independent audit review

This Appendix 4E is based on the financial report for the year ended 30 June 2022, which is in the process of being audited.

Attachments

The Preliminary Financial Report of RBR Group Limited for the year ended 30 June 2022 is attached.

For more information, please contact:

Ian K 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.

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REVIEW OF OPERATIONS AND ACTIVITIES

Despite the difficulties encountered in the Group's Mozambique operations throughout the year under review, RBR Group Limited ("RBR") maintained its focus and efforts on developing its services and profile in-country in order to maximise the significant opportunities that will materialise with the recommencement of ramp up and construction of the onshore facilities for the LNG projects in Cabo del Gado.

The Company's plans remain unchanged, that is, to capitalise on this huge LNG opportunity by providing a comprehensive, integrated solution to the challenge of identifying, recruiting and upskilling local workers to accepted standards; accommodating them in purpose-built camps for training both on and off the job until they are deemed fully competent, and managing their employment and placement with client companies.

Having dealt with the tragedy and immediate financial impact following the insurgency in Palma in March 2021; the Group had to manage a significant economic downturn across the country, which was further impacted by the global COVID-19 pandemic.

With the LNG projects in the north on hold and development timeframe unknown the Company identified the best near-term opportunity to secure sustainable contract revenue was via its investment in camp provider and manager Projectos Dinamicos ("PD").

Following settlement of the contract dispute in relation the Wentworth camp contract and payment of the outstanding contractual monies in February 2022; PD had sufficient capital to both add personnel and increase its marketing activities.

Throughout the balance of the year PD re-focused on alternative project opportunities in the south of the Country near the town of Temane, Inhambane Province in particular where South African O&G major SASOL is expanding its existing gas facilities and additional corporate investment is taking place.

As reported in the June Quarterly Report PD was awarded preferred tenderer on its first contract at Temane with the contractual terms being finalised post year end.

Given the continued Military control of Palma and contractual "force majeure" on all contractors to the Total LNG project, PD resolved to secure and remove all remaining Wentworth camp assets. These have been relocated to storage in Pemba.

At the time of writing PD is looking at the feasibility of utilising the existing assets for construction of a dedicated accommodation and training facility at Temane for multi-client use.

Notwithstanding the departure from Wentworth the Company maintains communication with both the lease holder and all parties that are still pursuing the Total LNG contract opportunities. RBR remains ready to re-engage on the project at short notice.

Outside of Mozambique, the company maintains a watching brief and presence in Guinea, West Africa via its joint venture with training and recruitment group Sepis SARL. The Company continues to explore Australian opportunities structured around a partnership model given RBR does not presently have a training facility in-country.

From a financial performance perspective, the RBR group achieved its first operating profit in the year under review. This result was despite the difficulties encountered as outlined above.

The near-term focus of management is to secure further contracts for services across the group entities and to refinance or repay the existing convertible note debts of the parent company.

At the time of writing the Board is in advanced discussions with an African based group considering an investment by way of a limited recourse loan or other convertible security into RBR to assist in that refinancing. We plan to outline further detail on the refinancing in the forthcoming Annual Report.

Ian Macpherson
Executive Chairman

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2022

	Notes	<u>2022</u> \$	<u>2021</u> \$
Revenue	2	3,595,481	2,674,597
Cost of sales		(483,185)	(581,005)
Gross profit		3,112,296	2,093,592
Employee expenses		(471,518)	(683,446)
Directors' fees		(132,471)	(106,106)
Insurance expenses		(45,445)	(55,438)
Consultants' fees		(299,231)	(182,027)
Corporate expenses		(86,462)	(88,718)
Depreciation		(115,210)	(41,262)
Amortisation right of use asset		(61,097)	(37,974)
Property expenses		(72,780)	(102,340)
Share-based payments expense		-	(10,745)
Doubtful debts expenses		2,480,101	(2,287,694)
Impairment of fixed assets	4	(626,348)	-
Impairment of intangibles		(49,898)	(100,000)
Lease liability interest expense		(13,533)	(4,498)
Interest expense		(231,623)	(143,149)
Other expenses		(295,527)	(385,037)
Profit/(Loss) before income tax		3,091,254	(2,134,842)
Income tax expense		(528,707)	-
Net profit/(loss) for the year		2,562,547	(2,134,842)
<i>Other comprehensive income that may be recycled to profit or loss</i>			
Foreign currency translation adjustments		71,066	(140,669)
Total other comprehensive loss		71,066	(140,669)
Total comprehensive profit/(loss)		2,633,613	(2,275,511)
Profit/(Loss) is attributable to:			
Equity holders of RBR Group Limited		2,558,639	(2,132,512)
Non-controlling interests		3,908	(2,330)
		2,562,547	(2,134,842)
Total comprehensive loss is attributable to:			
Equity holders of RBR Group Limited		2,633,852	(2,275,323)
Non-controlling interests		(239)	(188)
		2,633,613	(2,275,511)
Earnings/(Loss) per share			
Basic earnings/(loss) per share (cents per share)	11	0.200 cents	(0.20) cents
Diluted earnings/(loss) per share (cents per share)	11	0.196 cents	(0.20) cents

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

As at 30 June 2022

	Notes	<u>2022</u> \$	<u>2021</u> \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	12	3,764,629	1,975,535
Trade and other receivables	3	479,216	446,839
Other assets		28,217	34,160
TOTAL CURRENT ASSETS		4,272,062	2,456,534
NON-CURRENT ASSETS			
Plant and equipment and motor vehicles	4	1,680,734	2,184,983
Intangibles		-	49,898
Right of use asset	5	185,207	19,380
TOTAL NON-CURRENT ASSETS		1,865,941	2,254,261
TOTAL ASSETS		6,138,003	4,710,795
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		279,564	388,646
Provisions		28,001	73,216
Provision for income tax		326,958	-
Loan	6	462,416	2,125,522
Lease liability	5	69,063	20,693
Convertible note liability	7	1,950,761	2,050,761
TOTAL CURRENT LIABILITIES		3,116,762	4,658,838
NON-CURRENT LIABILITIES			
Lease liability	5	124,964	-
Provision for income tax		151,993	-
Loan		31,133	-
TOTAL NON-CURRENT LIABILITIES		308,090	-
TOTAL LIABILITIES		3,424,853	4,658,838
NET ASSETS		2,713,149	51,957
EQUITY			
Contributed equity	8	24,245,323	24,217,744
Reserves	9	858,728	783,515
Accumulated losses		(22,370,853)	(24,929,492)
Equity attributable to equity holders in the Company		2,733,198	71,767
Non-controlling interests		(20,049)	(19,810)
TOTAL EQUITY		2,713,149	51,957

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

	Notes	Contributed Equity	Share Option Reserve	Foreign Currency Translation Reserve	Accumulated losses	Owners of the parent	Non-controlling interest	Total
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		-	-	-	(2,132,512)	(2,132,512)	(2,330)	(2,134,842)
Other comprehensive income		-	-	(142,811)	-	(142,811)	2,142	(140,669)
Total comprehensive income		-	-	(142,811)	(2,132,512)	(2,275,323)	(188)	(2,275,511)
Transactions with owners in their capacity as owners:								
Non-controlling interest on business combination		-	-	-	-	-	1,454	1,454
Shares issued during the year	8(b)	3,335,075	-	-	-	3,335,075	-	3,335,075
Share issue costs		(191,405)	-	-	-	(191,405)	-	(191,405)
Performance rights and options during the year		-	10,745	-	-	10,745	-	10,745
Vesting of staff performance rights		-	-	-	-	-	-	-
Share based payment								
BALANCE AT 30 JUNE 2021		24,217,744	899,582	(116,067)	(24,929,492)	71,767	(19,810)	51,957
Loss for the year		-	-	-	2,558,639	2,558,639	3,908	2,562,547
Other comprehensive income		-	-	75,213	-	75,213	(4,147)	71,066
Total comprehensive income		-	-	75,213	2,558,639	2,633,852	(239)	2,633,613
Transactions with owners in their capacity as owners:								
Non-controlling interest on business combination		-	-	-	-	-	-	-
Shares issued during the year	8(b)	27,579	-	-	-	27,579	-	27,579
Share issue costs		-	-	-	-	-	-	-
Performance rights and options during the year		-	-	-	-	-	-	-
BALANCE AT 30 JUNE 2022		24,245,323	899,582	(40,854)	(22,370,853)	2,733,198	(20,049)	2,713,149

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

	Notes	<u>2022</u> \$	<u>2021</u> \$
Cash flows from operating activities			
Receipts from customers		6,223,356	356,543
Payments to suppliers and employees (inclusive of goods and services tax)		(2,336,588)	(2,642,032)
Interest received		364	231
Convertible note interest paid		(231,623)	(148,355)
Income taxes refund/(paid)		(65,678)	430
Net cash inflow/(outflow) from operating activities	12(b)	<u>3,589,831</u>	<u>(2,433,183)</u>
Cash flows from investing activities			
Payments for plant and equipment		(78,148)	(34,648)
Proceeds from Sale of Prospects		-	98,000
Exploration and evaluation expenditure		-	(3,000)
Net cash inflow/(outflow) from investing activities		<u>(78,148)</u>	<u>60,352</u>
Cash flows from financing activities			
Proceeds from loan		-	29,314
Repayment of loan		(1,631,973)	(40,617)
Repayment of lease liability		(93,169)	(42,222)
Proceeds from the issue of shares (net of fees)		27,579	2,375,100
Proceeds/(Repayment) from convertible notes		(100,000)	1,750,000
Capital raising costs		-	(290,644)
Net cash inflow/(outflow) from financing activities		<u>(1,797,564)</u>	<u>3,780,931</u>
Net increase/(decrease) in cash held		1,714,119	1,408,100
Cash at the beginning of the financial year		1,975,535	493,963
Exchange rate movements		74,974	73,472
Cash at the end of the financial year	12(a)	<u><u>3,764,629</u></u>	<u><u>1,975,535</u></u>

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

1. BASIS OF PREPARATION OF THE YEAR END FINANCIAL REEPORT

The preliminary final report has been prepared in accordance with ASX listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

This report has been prepared in accordance with Australian Accounting Standards (including Australian Interpretations) adopted by the Australian Accounting Standards Board and the *Corporations Act 2001*. This financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this preliminary report is to be read in conjunction with the annual financial report for the year ended 30 June 2021, the interim financial report for the half-year ended 31 December 2021 and any public announcements made by RBR Group Limited during the reporting period in accordance with the continuous disclosure requirement of the *Corporations Act 2001*.

a. GOING CONCERN

These financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group made a profit after tax for the year of \$2,562,547 (2021: Loss of \$2,134,842). At 30 June 2022 the Group had cash assets of \$3,764,2629 (2021: \$1,975,535) and net cash inflow from operating activities of \$3,589,831 (2021: cash outflow \$2,433,183). This positive result for the year was largely due to the settlement of the contract dispute in relation to the Wentworth camp project in Mozambique and funds were received in the second half of the financial year. However, at 30 June 2022 the Group has current liabilities of \$3,116,762 (2021: \$4,658,838) due to be settled or re-negotiated in the near term. This condition is indicative of the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

The ability of the entity to continue as a going concern is dependent on securing additional funding, either through raising equity or securing additional debt financing.

The Directors are satisfied they will be able to raise additional working capital as required and thus it is appropriate to prepare the financial statements on a going concern basis. In arriving at this position, the Directors have considered the following matters:

- The Group is in ongoing discussions with a South African based investment fund with the aim of securing a financing facility of up to US\$2.0m. Funds will be utilised for the purpose of settling the Group's existing convertible note debt as detailed in Note 7 and contribute to the working capital of the Group;
- The Group is in discussions with convertible note holders in relation to re-negotiating the terms of the convertible notes;
- The group has the ability to implement cost cutting measures to reduce the working capital required by the Group over the next 12 months;
- Key shareholders have confirmed willingness to financially support the Group via a debt or equity event;
- Cash on hand as at 30 June 2022 of \$3,764,629; and
- A history of successfully completing capital raisings over the preceding financial period.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

2. OTHER INCOME

	<u>2022</u>	<u>2021</u>
	\$	\$
Revenue		
Revenue from training services ⁽ⁱ⁾	58,397	129,050
Revenue from payroll services ⁽ⁱⁱ⁾	107,800	147,517
Revenue from business services ⁽ⁱⁱⁱ⁾	151,579	75,214
Revenue from Projectos Dinamicos, Lda ^(iv)	3,270,142	2,280,085
Revenue from sale of Data	5,000	5,000
Other income	2,199	37,500
Interest	364	231
	<u>3,595,481</u>	<u>2,674,597</u>

Notes:

- (i) RBR delivers training services to clients and recognises revenue based on completion of training by students. Pricing is based on each training program and student enrolment for the program. A program is considered delivered following a final report on training sent to the client.
- (ii) Payroll and HR services are based on a percentage of the total payroll and billed following completion of the payroll service.
- (iii) RBR delivers a range of business services to clients and recognises revenue on successful delivery of those services. There is a schedule of fixed prices for services.
- (iv) PD settled a contract dispute in relation to the Wentworth camp contract. Settlement funds were received in the second half of the financial year.

3. TRADE RECEIVABLES**Current**

	<u>2022</u>	<u>2021</u>
	\$	\$
Trade receivables	127,012	77,705
Other receivables	352,204	369,134
	<u>479,216</u>	<u>446,839</u>

Trade receivables represent outstanding amounts owed by customers. Other receivables include GST/VAT and other tax assets.

4. PLANT AND EQUIPMENT AND MOTOR VEHICLES

	<u>2022</u>	<u>2021</u>
	\$	\$
Plant and office equipment		
At impaired cost	1,981,649	2,355,660
Accumulated depreciation	(300,915)	(170,677)
	<u>1,680,734</u>	<u>2,184,983</u>

Reconciliation

Reconciliation of the carrying amounts for each class of plant and equipment are set out below:

	<u>2022</u>	<u>2021</u>
	\$	\$
Plant and office equipment		
Carrying amount at beginning of the year	2,184,983	24,967
Additions	78,148	2,225,455
Disposals	-	-
Impairment	(626,348)	-
Depreciation	(115,210)	(41,262)
Foreign currency differences	159,161	(24,177)
Carrying amount at the end of the year	<u>1,680,734</u>	<u>2,184,983</u>

In March 2021, there was an attack on the town of Palma by insurgents where PD had a camp accommodation project. As a result of the attack, the camp experienced some minor structural damage. Post the insurgency the Mozambique military took control of the town of Palma and access was denied to all non-military personnel. In the ensuing months the camp experienced extensive looting of movable, but insured, items. Insurance claims for US \$1,242,922 (MZN 78,552,698) had been submitted. As at 30 June 2022 the insurance claims are still in progress. However, based on the most recent legal advice in country the Group decided it was prudent to partially impair the fixed assets by a value of \$626,348, which has been recognised in the Statement of Comprehensive Income. This represents management's best estimate of the carrying value of the fixed assets held within PD at 30 June 2022.

5. LEASES

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

	<u>2022</u>	<u>2021</u>
	\$	\$
Right of use asset		
Balance at the beginning of the year	19,380	55,782
Right of use asset recognised	221,606	1,572
Amortisation of right of use asset	(60,875)	(37,974)
Foreign exchange impact	5,096	
Balance at the end of the year	<u>185,207</u>	<u>19,380</u>
Lease Liability		
Less than one year	69,063	20,293
One to five years	124,964	-
Total lease liability	<u>194,028</u>	<u>20,293</u>
Amounts recognised in profit or loss		
Amortisation of right of use asset	(61,097)	(37,974)
Lease liability interest expense	(13,533)	(4,498)
Short term leases	415,448	444,697
Low value leases	2,664	2,664
Amounts recognised in the statement of cash flows		
Total cash outflow for leased assets	(508,617)	(434,522)

(a) Real estate lease

The Group leases land and building for its office space with a rental term of two years. The lease has an option to renew, which has not been included in the calculation of the lease asset as the Company has not decided whether this will be the best option.

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. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

6. LOAN

Current (Unsecured)

	<u>2022</u>	<u>2021</u>
	\$	\$
Director loan	-	-
Projectos Dinamicos, Lda partner loan	462,416	2,125,522
	<u>462,416</u>	<u>2,125,522</u>

7. CONVERTIBLE NOTES

During the year \$100,000 of the ("RBRCN") Convertible Notes was repaid and no new convertible notes were issued in relation to either of the Convertible Notes detailed below. As at 30 June 2022, there remain 300,000 RBRCN and 1,750,000 RBRCN1 Convertible Notes on issue. On 22 January 2019, the Company had originally issued 1,304,513 RBRCN Convertible Notes at a face value of \$1.

(a) The key terms of the 300,000 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 \$300,000 at 30 June 2022.

Maturity Date: The Notes will mature on 29 September 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.

(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 30 June 2022.

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

For the year ended 30 June 2022

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.

8. CONTRIBUTED EQUITY

(a) Ordinary Shares

	<u>2022</u>	<u>2021</u>
	\$	\$
1,287,620,346 (2021: 1,281,980,086) fully paid ordinary shares	24,245,323	24,217,744

(b) Share Movements during the Year

	<u>2022</u>		<u>2021</u>	
	Number of Shares	\$	Number of Shares	\$
Beginning of the financial year	1,281,980,086	24,217,744	884,484,168	21,074,074
<i>New share issues during the year</i>				
Director placement	-	-	25,014,285	175,100
Share based payment	-	-	780,333	5,462
Conversion of Convertible Notes	-	-	90,451,300	904,513
Placement Tranche 1	-	-	249,207,105	1,993,657
Placement Tranche 2	-	-	32,042,895	256,343
Conversion of options ⁽ⁱ⁾	5,640,260	27,579	-	-
Less costs of share issues	-	-	-	(191,405)
	<u>1,287,620,346</u>	<u>24,245,323</u>	<u>1,281,980,086</u>	<u>24,217,744</u>

Notes:

(i) Conversion of options on 17 February 2022 with issue price \$0.0048896 and expiry 08/09/2022.

(c) Terms and Conditions of Contributed Equity

Ordinary Shares

The Company is a public company limited by shares. The Company was incorporated in Perth, Western Australia.

The Company's shares are limited whereby the liability of its members is limited to the amount (if any) unpaid on the shares respectively held by them.

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held.

Ordinary shares which have no par value, entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

(d) Dividends

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

9. RESERVES

	<u>2022</u>	<u>2021</u>
	\$	\$
Reserves		
Share Option Reserve	899,582	899,582
Foreign Currency Translation Reserve	(40,854)	(116,067)
Total Reserves	<u>858,728</u>	<u>783,515</u>

As represented by:

	<u>2022</u>	<u>2021</u>
	\$	\$
Share Option Reserve		
Balance at the beginning of the year	899,582	888,837
Unissued (issued) shares	-	-
Performance rights expensed in current year	-	10,745
Balance at the end of the year	<u>899,582</u>	<u>899,582</u>

The share option reserve comprises any equity settled share based payment transactions.

	<u>2022</u>	<u>2021</u>
	\$	\$
Foreign Currency Translation Reserve		
Balance at the beginning of the year	(116,067)	26,744
Gain/(Loss) on translation of foreign subsidiaries	75,213	(142,811)
Balance at the end of the year	<u>(40,854)</u>	<u>(116,067)</u>

The foreign currency translation reserve is used to record currency differences arising from the translation of financial statements of foreign operations.

For the year ended 30 June 2022

10. SEGMENT INFORMATION

The Consolidated Entity has operated the business in two distinct regions, Asia-Pacific and Africa since the purchase of PacMoz, Lda 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.

	<u>Asia-Pacific</u>	<u>Africa</u>	<u>Total</u>
	\$	\$	\$
Year ended 30/6/2022			
Revenue	56,989	3,538,492	3,595,481
Operating Profit/(Loss) before tax	(1,090,918)	4,182,172 ¹	3,091,254
Income Tax	-	(528,707)	(528,707)
Net Profit/(Loss) after tax	(1,090,918)	3,653,465	2,562,547
Segment Assets	325,394	5,812,610	6,138,003
Segment Liabilities	2,130,690	1,294,164	3,424,853

¹ Included within the Operating Profit/(Loss) for segment Africa is an impairment expense of \$626,348 relating to an impairment of fixed assets.

	<u>Asia-Pacific</u>	<u>Africa</u>	<u>Total</u>
	\$	\$	\$
Year ended 30/6/2021			
Revenue	76,401	2,598,196	2,674,597
Operating Profit (Loss) before tax	(1,078,481)	(1,056,361)	(2,134,842)
Income Tax	-	-	-
Net Profit (Loss) after tax	(1,078,481)	(1,056,361)	(2,134,842)
Segment Assets	1,657,869	3,052,926	4,710,795
Segment Liabilities	2,288,720	2,370,118	4,658,838

11. EARNINGS/(LOSS) PER SHARE

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

	<u>2022</u>	<u>2021</u>
	\$	\$
Earnings/(loss) used in calculating basic and diluted earnings/(loss) per share	2,558,639	(2,132,512)
Weighted average number of ordinary shares used in calculating basic earnings/(loss) per share:	1,284,035,304	1,087,970,506
Effect of dilutive securities-share options	23,214,563	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings/(loss) per share	1,307,249,867	1,087,970,506
Basic earnings/(loss) per share (cents per share)	0.200	(0.20)
Diluted earnings/(loss) per share (cents per share)	0.196	(0.20)

12. NOTES TO THE STATEMENT OF CASH FLOWS**(a) Cash and Cash Equivalents**

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Cash on hand	3,334	6,715
Cash at bank	3,744,690	1,952,215
Deposits at call	16,605	16,605
	<u>3,764,629</u>	<u>1,975,535</u>

(b) Reconciliation of the loss from ordinary activities after income tax to the net cash flows used in operating activities

	<u>2022</u>	<u>2021</u>
	\$	\$
Profit/(Loss) from ordinary activities after income tax	2,558,639	(2,134,842)
<i>Adjustments for:</i>		
Depreciation	115,210	41,262
Amortisation right of use asset	61,097	37,974
Goodwill impairment	49,898	100,000
Impairment of fixed assets	626,348	-
Items relating to financing activities	39,580	-
Provision for tax liability	528,707	-
Share-based payments expense	-	10,745
Foreign currency translation	-	(248,172)
<i>Change in operating assets and liabilities:</i>		
Decrease/(Increase) in prepayments	5,943	(7,584)
Decrease/(Increase) in receivables	(32,377)	(343,733)
Increase/(Decrease) in trade creditors and accruals	(268,243)	93,299
Increase/(Decrease) in provisions	(94,971)	13,370
Net cash inflows/(outflows) used in operating activities	3,589,831	(2,437,681)

13. INVESTMENTS**Particulars in relation to the Controlled Entity**

RBR Group Limited is the parent entity.

Name of Controlled Entity	Country of incorporation	Class of Shares	Equity Holding	
			2022	2021
Freelance Support Pty Ltd ⁽ⁱ⁾	Australia	Ordinary	100%	100%
PacMoz, Lda	Mozambique	Ordinary	100%	100%
Futuro Skills Mozambique, Lda ⁽ⁱⁱ⁾	Mozambique	Ordinary	100%	100%
Futuro Business Services, Lda ⁽ⁱⁱⁱ⁾	Mozambique	Ordinary	100%	100%
Rubicon Resources & Mining, Lda ^(iv)	Mozambique	Ordinary	59.4%	59.4%
Morson Mozambique, Lda ^(iv)	Mozambique	Ordinary	59.4%	59.4%
Futuro Skills Guinee SARL ^(v)	Guinea	Ordinary	60%	60%
Projectos Dinamicos, Lda ^(vi)	Mozambique	Ordinary	50%	50%

Notes:

(i) RBR purchased 100% of the issued capital of Freelance Support Pty Ltd on 11 January 2016.

(ii) RBR Incorporated Futuro Skills Mozambique, Lda on 9 July 2015.

(iii) RBR Incorporated Futuro Business Services, Lda on 24 May 2017.

(iv) Parent entity owner PacMoz, Lda. These entities are dormant.

(v) RBR Incorporated Futuro Skills Guinee SARL on 21 February 2018.

(vi) RBR purchased 50% of the issued capital of Projectos Dinamicos, Lda on 12 March 2021.

14. CONTINGENT ASSETS AND LIABILITIES

There were no material contingent liabilities not provided for in the financial statements of the Consolidated Entity as at 30 June 2022.

15. EVENTS SUBSEQUENT TO THE REPORTING DATE

There has not arisen since the end of the financial 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:

- In July 2022, the Company informed the Western Australian regulator, Training Accreditation Council, of the intent to de-register the Registered Training Organisation, Freelance Support Pty Ltd, effective 27 July 2022.
- Post year end the Company commenced discussions with a South African based investment fund with the aim of securing a financing facility of up to US\$2.0m. Funds to be utilised for the purpose of settling the Groups existing convertible note debt as detailed in Note 7. At the date of this report those discussions are continuing, and it is proposed that further detail and confirmation will be provided in the forthcoming Annual Report.