

28 February 2023

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 2022
 Previous corresponding reporting period 1 July 2020 to 31 December 2021

Results for announcement to the market

	31/12/2022 \$	31/12/2021 \$	Change %
Revenue from ordinary activities	1,858,651	3,383,332	-45%
Net profit (loss) for the year ¹	(1,066,544)	4,841,458	-
Net comprehensive profit (loss) attributable to equity holders of RBR Group Ltd	(901,812)	2,536,882	-
Dividends	-	-	-

	31/12/2022 \$	31/12/2021 \$
Net tangible assets per security		
Net tangible assets	2,011,985	4,653,311
Ordinary shares	1,406,737,996	1,281,980,086
Net tangible assets per security	0.14 cents	0.36 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

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

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 2022.

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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The logo for FUTURO GROUP features a stylized 'F' composed of two overlapping shapes, one blue and one red, followed by the text 'FUTURO GROUP' in a bold, blue, sans-serif font.



ABN 38 115 857 988

**Interim Financial Report
for the
Half-Year ended 31 December 2022**

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PO Box 534, West Perth WA 6872
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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

Melissa Fee

PRINCIPAL REGISTERED OFFICE

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Australia

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AUDITOR

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Ground Floor
50 Colin Street
West Perth WA 6005
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 2022. 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).

COMPANY SECRETARY

Melissa Fee – *BSc (Hons), Masters of Accounting, CA.*

Appointed 4 May 2022

Ms Fee works as a Corporate Advisor at Grange Consulting Group, a boutique provider of Company Secretarial and Financial Services. She has spent the last 7 years working across the mining, technology and manufacturing sectors and specialises in financial management and financial reporting services.

Ms Fee is a qualified chartered accountant, a member of Chartered Accountants Australia and New Zealand and holds a Masters of Accounting from Curtin University.

DIRECTORS' REPORT (Continued)

REVIEW OF OPERATIONS AND ACTIVITIES

The Consolidated Entity recorded an operating loss after income tax for the half-year ended 31 December 2022 of \$1,066,544 (31 December 2021: \$4,841,458 profit). Revenue for the half-year is \$1,858,651 (31 December 2021 \$3,383,332).

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:

Relocation of former Wentworth Camp assets

Via operating subsidiary Projectos Dinamicos Lda ("PD") operational efforts were focussed on the demobilisation and transport of residual Wentworth camp assets from Palma combined with additional assets held in temporary storage in Pemba, to Temane for the purpose of construction of a new accommodation camp and training facility located strategically to the SASOL - Temane PSA Project development. The camp is to be constructed on land secured by PD and its partners.

Temane - PSA Project contract award

PD successfully tendered and was awarded its 1st construction contract for supply, installation and potential management of a temporary facilities project as subcontractor to South African based international group; WBHO.

Insurance Claim

The Company continued to progress its Insurance claim for damages and theft of the former Wentworth camp assets. Application has been made in South Africa for commencement of formal Arbitration procedures to hopefully resolve and secure a positive outcome for the Group.

Funding

Tennant Group Alliance:

On 30 September 2022 the Company announced the formation of an alliance with South African based, private financial services group Tennant Group.

The alliance is based on the operational synergies of our respective African operations in Human capital, financial and training services, and the mutual desire of both groups to expand the service offerings outside Africa with a particular focus on Australia.

On 19 October 2022 Tennant and associates subscribed \$320k in new capital in RBR Group.

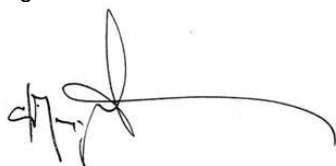
In October the Company repaid in full the outstanding balance of \$300k on the original \$400k RBRAU series convertible note.

In November the Company negotiated the rollover of \$1.35m of existing \$1.75m convertible notes to 25 April 2023. An additional \$160k of the Notes were repaid with the balance of \$240k scheduled for repayment in the March 2023 quarter.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, Dry Kirkness (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 2022.

DATED at Perth this 28th day of February 2023
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 2022, 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.

DRY KIRKNESS (AUDIT) PTY LTD



LUCY P GARDNER
Director

Perth

Date: 28 February 2023

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the half-year ended 31 December 2022

	Notes	<u>31/12/2022</u> \$	<u>31/12/2021</u> \$
Revenue		1,858,651	3,383,332
Cost of sales		(1,081,644)	(246,663)
Gross Profit		777,007	3,136,669
Doubtful debts expense reversal		-	2,480,101
Employee expenses		(529,912)	(239,847)
Directors' fees		(66,714)	(53,471)
Insurance expenses		(62,344)	(27,719)
Contractor fees		(126,024)	(150,280)
Corporate expenses		(83,343)	(49,008)
Depreciation		(63,153)	(54,699)
Amortisation right of use asset	3	(40,235)	(20,914)
Gain on termination of lease	3	3,264	-
Property costs		(47,168)	(25,363)
Share-based payments expense		(4,981)	-
Lease liability interest expense	3	(11,417)	(1,005)
Interest expense		(101,757)	(121,239)
Capital raising costs		(54,000)	-
Other expenses		(655,767)	(31,767)
Profit (loss) before income tax		(1,066,544)	4,841,458
Income tax		-	-
Net profit (loss) for the half-year		(1,066,544)	4,841,458
<i>Other comprehensive income that may be recycled to profit or loss</i>			
Foreign currency translation adjustments		26,350	(35,929)
Total other comprehensive profit (loss)		26,350	(35,929)
Total comprehensive profit (loss)		(1,040,194)	4,805,529
Profit (loss) is attributable to:			
Equity holders of RBR Group Ltd		(901,812)	2,536,882
Non-controlling interests		(164,732)	2,304,576
		(1,066,544)	4,841,458
Total comprehensive profit (loss) is attributable to:			
Equity holders of RBR Group Ltd		(994,599)	2,558,587
Non-controlling interests		(45,595)	2,246,942
		(1,040,194)	4,805,529
Earnings per share			
Basic earnings/(loss) per share (cents per share)	6	(0.07) cents	0.20 cents
Diluted earnings/(loss) per share (cents per share)	6	(0.07) cents	0.19 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 2022

	Notes	<u>31/12/2022</u> \$	<u>30/06/2022</u> \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		1,929,281	3,764,629
Trade receivables		530,222	304,644
Other assets		13,334	28,217
TOTAL CURRENT ASSETS		2,472,837	4,097,490
NON-CURRENT ASSETS			
Property, plant and equipment		1,838,347	1,680,734
Right of use asset	3	81,655	185,207
TOTAL NON-CURRENT ASSETS		1,920,002	1,865,941
TOTAL ASSETS		4,392,839	5,963,431
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		303,545	104,992
Provisions		313,609	354,959
Loan		19,549	462,416
Lease Liability	3	19,157	69,063
Convertible notes	2	1,490,761	1,950,761
TOTAL CURRENT LIABILITIES		2,146,621	2,942,191
NON-CURRENT LIABILITIES			
Lease liability	3	72,253	124,964
Provisions		80,325	151,993
Loan		-	31,134
TOTAL NON-CURRENT LIABILITIES		152,578	308,091
TOTAL LIABILITIES		2,299,199	3,250,282
NET ASSETS		2,093,640	2,713,149
EQUITY			
Contributed equity	4	24,661,027	24,245,323
Reserves		824,049	911,855
Accumulated losses		(24,946,058)	(24,044,246)
Equity attributable to equity holders in the Company		539,018	1,112,932
Non-controlling interests		1,554,622	1,600,217
TOTAL EQUITY		2,093,640	2,713,149

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 2022

	Contributed Equity	Share Option Reserve	Foreign Currency Translation Reserve	Accumulated losses	Owners of the parent	Non- controlling interest	Total
BALANCE AT 30 JUNE 2022	24,245,323	899,582	12,273	(24,044,246)	1,112,932	1,600,217	2,713,149
Profit (loss) for the year	-	-	-	(901,812)	(901,812)	(164,732)	(1,066,544)
Other comprehensive income	-	-	(92,787)	-	(92,787)	119,137	26,350
Total comprehensive income	-	-	(92,787)	(901,812)	(994,599)	(45,595)	(1,040,194)
Transactions with owners in their capacity as owners:							
Shares issued during the year	420,000	-	-	-	420,000	-	420,000
Share issue costs	(4,296)	-	-	-	(4,296)	-	(4,296)
Performance rights and options during the year	-	4,981	-	-	4,981	-	4,981
BALANCE AT 31 DECEMBER 2022	24,661,027	904,563	(80,514)	(24,946,058)	539,018	1,554,622	2,093,640
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

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 2022

	Notes	<u>31/12/2022</u> \$	<u>31/12/2021</u> \$
Cash flows from operating activities			
Receipts from customers		1,676,001	143,656
Interest received		383	82
Convertible note interest paid		(101,757)	(121,239)
Lease liability interest paid	3	(11,417)	(1,005)
Payments to suppliers and employees (inclusive of goods and services tax)		(2,680,842)	(1,033,661)
Net cash used in operating activities		(1,117,632)	(1,012,167)
Cash flows from investing activities			
Payments for plant and equipment		(191,910)	(1,815)
Net cash (used in) / provided by investing activities		(191,910)	(1,815)
Cash flows from financing activities			
Proceeds from loans		300,000	-
Repayment of loans		(445,880)	-
Repayment of lease liability		(36,096)	(22,111)
Proceeds from the issue of shares		120,000	-
Repayment of convertible notes		(460,000)	-
Capital raising costs		(58,296)	-
Net cash (used in) / provided by financing activities		(580,272)	(22,111)
Net decrease in cash held		(1,889,814)	(1,036,093)
Cash at the beginning of the half-year		3,764,629	1,975,535
Exchange rate movements		54,466	10,732
Cash at the end of the half-year		1,929,281	950,174

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 2022

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

These general-purpose financial statements for the half-year ended 31 December 2022 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 2022 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 2022 annual financial report for the year ended 30 June 2022.

In the half-year ended 31 December 2022, 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 2022 the Company maintained its operational focus on the redeployment of camp assets and infrastructure in Mozambique and secured an initial supply and construct camp facilities contract associated with the SASOL-Temane PSA Project. The Company, via PD, continues to focus its attention on further contract opportunities aligned with the Temane project developments as evidenced by the successful award of a second camp construction contract post the half year end.

The Consolidated Entity generated an operating loss for the half-year of \$1,066,544 (2021: Profit \$4,841,458) and a net cash outflow from operating activities of \$1,117,632 (2021: \$1,012,167) during the half year.

Whilst the net cash outflow from operations maybe indicative of a material uncertainty, the Group's African based operations remained fully funded to meet the contracted commitments and additional working capital of the Group.

As regards RBR Group limited:

During the half-year end the Company repaid in full the existing \$400k RBRAU series convertible note, in addition to \$160k of the residual \$1.75m RBRAW series notes. Further the Company successfully renegotiated the roll-over of \$1.35m of the RBRAW notes for maturity on 25 April 2023 on the same terms and conditions.

Tennant Group has to date subscribed \$320k in new capital and has committed to assist the Group in securing up to US\$2.0m in additional capital to be applied to both retirement/repayment of residual convertible note debt and business development.

On 24 February 2023 the Company executed a mandate with Novus Capital (Sydney) for the raising of up to \$750k in new capital to fund the Group through to the end of the June Quarter at which point the capital injection proposed from Tennant and associates is anticipated as is an additional repatriation of loan funds from Mozambique.

The Company maintains the support of Tennant, Convertible Note Holders and Shareholders.

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 2022

2. CONVERTIBLE NOTES

As at the half-year end there remain 1,590,000 RBAX Convertible Notes on issue.

- (a) During the period 300,000 RBAX Convertible Notes were repaid during the period.
- (b) The key terms of the 1,750,000 RBAX Convertible Notes are as follows. During the period 160,000 Convertible notes were repaid with 1,590,000 remaining.

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 \$1,590,000 at 31 December 2022.

Maturity Date: 1,350,000 Notes will mature on 25 April 2023, while the remainder are scheduled for repayment during the first quarter of 2023.

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 2022

3. LEASES

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

	<u>31/12/2022</u>	<u>30/06/2022</u>
	\$	\$
Right of use asset		
Balance at the beginning of the year	185,207	19,380
Right of use asset recognised	(65,295)	221,606
Amortisation of right of use asset	(40,235)	(60,875)
Foreign currency translation	1,978	5,096
Balance at the end of the year	81,655	185,207
Lease Liability		
Less than one year	19,157	69,063
One to five years	72,253	124,964
Total lease liability	91,410	194,028
	<u>31/12/2022</u>	<u>31/12/2021</u>
	\$	\$
Amounts recognised in profit or loss		
Amortisation of right of use asset	(40,235)	(20,914)
Gain on termination of lease	3,264	-
Lease liability interest expense	(11,417)	(1,005)
Short term leases	(49,735)	(261,946)
Low value leases	(1,332)	(1,332)
Amounts recognised in the statement of cash flows		
Total cash outflow for leased assets	(113,713)	(289,902)

(a) Real estate lease

The Group leases land and building for its office space. The Perth lease was terminated and finalises in March 2023. In Mozambique there is an office lease in Maputo that has two year remaining while there is two leases in Vilanculos which continue at will. The lease liability calculation is based on the Maputo office lease.

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 has 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 2022

4. CONTRIBUTED EQUITY

(a) Ordinary Shares

	<u>31/12/2022</u>	<u>30/06/2022</u>
	\$	\$
1,406,737,996 (30 June 2022: 1,287,620,346) fully paid ordinary shares	24,661,027	24,245,323

(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

Notes:

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

During the half-year no options were converted and expiring options lapsed.

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

(c) Performance Shares

During the half-year 60,000,000 Performance Rights were issued to Directors following approval at the Annual General Meeting on 29 November 2022.

An independent valuation was completed on performance rights granted where market based vesting conditions were valued using a Monte-Carlo simulation model.

	Grant date	Expiry date	Number of performance rights	Weighted average value cents
2022				
Performance Rights Tranche 1	29 Nov 2022	13 Dec 2023	20,000,000	0.133
Tranche 1 Performance Rights subject to the Company's VWAP being at least \$0.01 over 10 consecutive trading days on which the Company's Shares have actually traded (commencing after the date of the Meeting).				
Performance Rights Tranche 2	29 Nov 2022	13 Jun 2024	20,000,000	0.127
Tranche 2 Performance Rights subject to the Company's VWAP being at least \$0.015 over 10 consecutive trading days on which the Company's Shares have actually traded (commencing after the date of the Meeting).				
Performance Rights Tranche 3	29 Nov 2022	13 Dec 2024	20,000,000	0.150
Tranche 3 Performance Rights subject to the Company's VWAP being at least \$0.0175 over 10 consecutive trading days on which the Company's Shares have actually traded (commencing after the date of the Meeting).				

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)
For the half-year ended 31 December 2022

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 31/12/2022	<u>Asia-Pacific</u>	<u>Africa</u>	<u>Total</u>
	\$	\$	\$
Revenue	16,114	1,842,537	1,858,651
Operating Profit (Loss) before tax	(571,188)	(495,356)	(1,066,544)
Income tax	-	-	-
Net Profit (Loss) after tax	(571,188)	(495,356)	(1,066,544)
Segment Assets	125,643	4,267,196	4,392,839
Segment Liabilities	1,653,041	646,158	2,299,199
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

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>31/12/2022</u>	<u>31/12/2021</u>
	\$	\$
Earnings/ (loss) used in calculating basic and diluted earnings/ (loss) per share	(901,812)	2,536,882
Weighted average number of ordinary shares used in calculating basic earnings/ (loss) per share:	1,301,063,440	1,281,980,086
Effect of dilutive securities-share options	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings/ (loss) per share	1,301,063,440	1,314,312,331
Basic earnings/ (loss) per share (cents per share)	0.07	0.20
Diluted earnings/ (loss) per share (cents per share)	0.07	0.19

Non-dilutive securities.

As at balance date there were no unlisted options and 60,000,000 performance rights (31 December 2021: 18,090,260 options) which represent potential ordinary shares. These performance rights are not considered to be dilutive in the Dec 2022 half-year as their inclusion reduces the loss per share. This was not the case in the Dec 2021 half-year as the inclusion of options reduces the profit per share.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)
For the half-year ended 31 December 2022

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 24 February 2023 the Company executed a mandate with Novus Capital Limited for the raising of up to \$750k via a 708 compliant private placement of ordinary shares.

The principal terms of the capital raise are for the issue of up to 250m new shares at an issue price of \$0.003 together with the allotment of free attaching December 2024 Options on the basis of one (1) new option for every two (2) shares subscribed pursuant to the placement.

DIRECTORS' DECLARATION

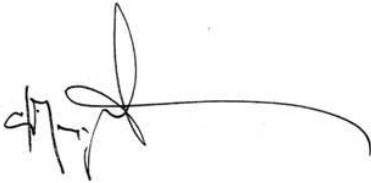
In the opinion of the Directors of RBR Group Limited ("the Consolidated Entity"):

- (a) the financial statements and notes, set out on pages 6 to 15, 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 2022 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 2022.

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

Signed at Perth this 28th day of February 2023

A handwritten signature in black ink, appearing to be 'Ian 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 2022 and the condensed consolidated statement of 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 2022 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 2022 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.

DRY KIRKNESS (AUDIT) PTY LTD



LUCY P GARDNER
Director

Perth

Date: 28 February 2023