

ASX Release (ASX Code: LHM)**31 AUGUST 2022**

APPENDIX 4E – PRELIMINARY FINAL REPORT YEAR ENDED 30 JUNE 2022

Attached is the Company's Appendix 4E and Preliminary Final Report for the Year ended 30 June 2022.

Authorised by the Board.

For further information please contact:

Andrew J. Cooke,

Company Secretary

andrewcooke@landnhomesgroup.com

APPENDIX 4E
PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

Lodged with the ASX under Listing Rule 4.3A

APPENDIX 4E

Results for announcement to the market

Net tangible assets

Control over other entities

Associates and joint venture entities

Preliminary financial statements

Compliance statement

Company Details

Name of reporting entity:	Land & Homes Group Limited
ABN:	33 090 865 357
Reporting period:	1 July 2021 - 30 June 2022
Prior corresponding reporting period:	1 July 2020 - 30 June 2021

Results for announcement to the market

Revenue from ordinary activities	Down	44%	to	77,472
Loss from ordinary activities attributable to members	Down	52%	to	(1,965,696)
Net comprehensive loss for the year attributable to members	Down	52%	to	(1,965,696)

No dividend has been paid during the financial year or in the previous corresponding period. No dividend has been proposed or declared since the end of the financial year.

Review of Operations

The consolidated loss for the year ended 30 June 2022 was \$1,965,696 (2021 loss:\$4,058,242)

The net assets of the Group as at 30 June 2022 was \$730,628. (30 June 2021: \$2,696,324)

The Land & Homes Group's business strategy is focused on property investment and multi-purpose property development in Australia. The Group's preferred property development model is to develop quality, medium to high density residential apartments in South East Queensland, focussing initially on Brisbane. The residential developments are to be in attractive, convenient locations of the inner Brisbane area suitable for a balance of both investments and owner occupiers.

The Group owns a property in Brisbane, 100 Barry Parade, Fortitude Valley. The current focus of the Group remains to be the redevelopment of 100 Barry Parade into a multi-storey mixed use tower over the next 5 years.

Net tangible assets

Net tangible asset backing per ordinary share at 30 June 2022, 0.070 cents and at corresponding period 0.257 cents.

Control over other entities

Name of entity:	N/A
Date of control gained:	N/A
Contribution to reporting entity's profit:	N/A

PRELIMINARY STATEMENT OF CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

		Group	
	Note	2022 (unaudited) \$	2021 \$
Revenue			
Revenue	2	77,472	138,482
Other income	2	20	272,970
		77,492	411,452
Expenses			
Employee benefits expense		(338,898)	(469,660)
Management fee		(144,145)	(183,992)
Professional fees		(15,877)	(9,241)
Share registry		(48,011)	(66,415)
Insurance		(23,300)	(2,247)
Travel expenses		(28,660)	(548,310)
Rental costs - Investment property		(15)	(371,490)
Depreciation and amortisation expense		-	(1,380,478)
Movement in fair value in investment property		(120,599)	(93,540)
Other expenses		(234,000)	-
		(953,505)	(3,125,373)
Loss before finance costs and income tax		(876,013)	(2,713,921)
Finance costs		(1,089,683)	(1,344,321)
Loss before income tax		(1,965,696)	(4,058,242)
Income tax expense		-	-
Loss for the year		(1,965,696)	(4,058,242)
Other comprehensive income:		-	-
Total comprehensive loss		(1,965,696)	(4,058,242)
Earnings per share			
Basic and diluted (loss) per share (cents)		(0.19)	(0.39)

The above statement should be read in conjunction with the accompanying notes.

PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

		Group	
	Note	2022 (unaudited) \$	2021 \$
Assets			
Current Assets			
Cash and cash equivalents		2,569,509	1,231,170
Trade and other receivables		38,523	16,657
Investment property	3	-	19,500,000
Other assets	4	75,095	173,429
Total Current Assets		2,683,127	20,921,256
Non-Current Assets			
Inventories	5	29,239,688	28,281,555
Property, plant and equipment		-	15
Total Non-Current Assets		29,239,688	28,281,570
Total Assets		31,922,815	49,202,826
Liabilities			
Current Liabilities			
Trade and other payables	6	2,382,650	1,866,779
Borrowings	7	28,809,537	44,639,723
Total Current Liabilities		31,192,187	46,506,502
Non-Current Liabilities			
Borrowings		-	-
Total Non-Current Liabilities		-	-
Total Liabilities		31,192,187	46,506,502
Net Assets		730,628	2,696,324
Equity			
Issued capital		69,078,509	69,078,509
Reserves		-	23,961
Retained earnings		(68,347,881)	(66,406,146)
Total Equity		730,628	2,696,324

The above statement should be read in conjunction with the accompanying notes.

PRELIMINARY STATEMENT OF CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2022

	Ordinary Shares \$	Accumulated Losses \$	Option Reserve \$	Total \$
Consolidated Group				
Balance at 1 July 2020	69,078,509	(62,347,904)	23,961	6,754,566
Comprehensive income				
Loss for the year	-	(4,058,242)	-	(4,058,242)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the	<u>-</u>	<u>(4,058,242)</u>	<u>-</u>	<u>(4,058,242)</u>
Transactions with owners, in their capacity as owners, and other transfers				
Shares issued during the year	-	-	-	-
Total transactions with owners and	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 30 June 2021	<u>69,078,509</u>	<u>(66,406,146)</u>	<u>23,961</u>	<u>2,696,324</u>
Balance at 1 July 2021	69,078,509	(66,406,146)	23,961	2,696,324
Comprehensive income				
Loss for the year	-	(1,965,696)	-	(1,965,696)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the	<u>-</u>	<u>(1,965,696)</u>	<u>-</u>	<u>(1,965,696)</u>
Transactions with owners, in their capacity as owners, and other transfers				
Shares issued during the year	-	-	-	-
Expiry of options during the year	-	23,961	(23,961)	-
Total transactions with owners and	<u>-</u>	<u>23,961</u>	<u>(23,961)</u>	<u>-</u>
Balance at 30 June 2022	<u>69,078,509</u>	<u>(68,347,881)</u>	<u>-</u>	<u>730,628</u>

The above statement should be read in conjunction with the accompanying notes.

PRELIMINARY STATEMENT OF CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2022

	Group	
	2022 (unaudited) \$	2021 \$
Cash Flows from Operating Activities		
Receipts from customers	88,782	378,252
Payments to suppliers and employees	(826,522)	(2,000,502)
Interest received	20	110
Finance costs	(331,152)	(556,543)
Payments for land and development	(1,132,789)	(1,348,990)
Net cash (used in) operating activities	<u>(2,201,661)</u>	<u>(3,527,673)</u>
Cash Flows from Investing Activities		
Payments for investment property	-	(16,552)
Process from sale of investment property	19,500,000	-
Net cash (used in) Investing Activities	<u>19,500,000</u>	<u>(16,552)</u>
Cash Flows from Financing Activities		
Proceeds from borrowings - external lenders	3,000,000	4,240,000
Repayment of borrowings - external lenders	(18,960,000)	-
Net cash provided by Financing Activities	<u>(15,960,000)</u>	<u>4,240,000</u>
Net increase in cash held	1,338,339	695,775
Cash and cash equivalents at beginning of financial year	1,231,170	535,395
Cash and cash equivalents at end of financial year	<u><u>2,569,509</u></u>	<u><u>1,231,170</u></u>

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 30 June 2022

Note 1: Summary of Significant Accounting Policies

There have been no material changes in the Company's application of its significant accounting policies as presented in the Company's financial statements for the year ended 30 June 2021. Readers of this report should refer to Note 1: Summary of Significant Accounting Policies in the afore-mentioned statements for details of those accounting policies.

Note 2: Revenue and Other Income

	Group	
	2022 (unaudited) \$	2021 \$
Revenue		
Rental revenue	77,472	138,482
Other income		
- Other income	20	100,110
- Unrealised foreign exchange gains	-	61,145
- Government Covid-19 subsidiaries	-	111,715
	20	272,970
	20	272,970

Note 3: Investment Property

	Group	
	2022 (unaudited) \$	2021 \$
At Cost		
Balance at beginning of year	19,500,000	21,233,770
Acquisitions and additional costs - Wharf Street	-	16,552
Depreciation - Building component	-	(369,844)
Fair value movement	-	(1,380,478)
Disposal	(19,500,000)	-
Balance at end of year	-	19,500,000
	-	19,500,000

The investment property was located at 203 - 207 Wharf Street, Spring Hill, Brisbane.

On 12 July 2021, the Company completed the sale of 203 - 207 Wharf Street, Spring Hill, Brisbane for \$19.5million.

Note 4: Other Assets

	Group	
	2022 (unaudited) \$	2021 \$
Current		
Prepayments	75,095	173,429

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 30 June 2022

Note 5: Inventories

	Group	
	2022 (unaudited) \$	2021 \$
Non-Current		
<i>Property held for resale</i>		
Land held for sale	21,319,234	21,319,234
Capitalised Development Costs	7,920,454	6,962,321
Aggregate Carrying Costs	<u>29,239,688</u>	<u>28,281,555</u>

This property held as inventory, located at 100 Barry Parade, Brisbane is pledged as security with United Overseas Bank Ltd.

Note 6: Trade and Other Payables

	Group	
	2022 (unaudited) \$	2021 \$
Current		
Trade payables	615,565	1,066,734
Accrued expenses and payroll liabilities	1,767,085	800,045
	<u>2,382,650</u>	<u>1,866,779</u>

Note 7: Borrowings

	Group	
	2022 (unaudited) \$	2021 \$
Current		
Unsecured		
Loan from Related Party Shareholder ¹	1,291,975	1,253,786
Convertible Note - Class A	9,787,594	9,787,594
Convertible Note - Class B	729,968	638,343
	<u>11,809,537</u>	<u>11,679,723</u>
Secured		
Bank loans	17,000,000	32,960,000
	<u>17,000,000</u>	<u>32,960,000</u>
Total current borrowings	<u>28,809,537</u>	<u>44,639,723</u>

¹ The loan from SLH Corporation Pte Ltd (SLH) is interest bearing but unsecured, and provides for a total facility of \$1 million Singapore dollars to the Group for its overhead expenses. On 22 November 2018, SLH Corporation Pte Ltd (SLH) assigned the loan to Khosland Management Pte Ltd. The term of the loan expired 31 December 2019. The Company is in the process of renegotiating an extension of this loan.

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 30 June 2022

Note 8: Interest in Subsidiaries

(a) **Information about Principal Subsidiaries**

The subsidiaries listed below have share capital consisting solely of ordinary shares or ordinary units which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by Group. Each subsidiary's principal place of business is also its country of incorporation.

Name of subsidiary	Principal place of business	Ownership interest held by the Group	
		2022 (%)	2021 (%)
Land & Homes Investment Pty Ltd	Australia	100	100
Brisbane Land Holdings Pty Limited	Australia	100	100
BLH Wharf Pty Ltd	Australia	100	100

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

Note 9: Issued Capital

The Group has authorised share capital amounting to 1,049,389,293 ordinary shares. No shares were issued during the reporting period.

Note 10: Earnings per share

	Group	
	2022 (unaudited) \$	2021 \$
Losses used in the calculation of basic and dilutive EPS	(1,965,696)	(4,058,242)
	Number	
	2022 (unaudited)	2021
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	1,049,389,293	1,049,389,293
Weighted average number of dilutive options outstanding	-	-
Weighted average number of ordinary shares outstanding	<u>1,049,389,293</u>	<u>1,049,389,293</u>
Losses per share		
From continuing operations:		
Basic and Diluted losses per share (cents)	(0.1873)	(0.3867)

Note 11: Operating Segments

Management currently identifies the consolidated entity as having only one operating segment, being the acquisition of prime sites for project development into quality residential, commercial and mixed-used apartments. Accordingly, all significant operating decisions are based upon analysis of the consolidated entity as one segment. The financial results from the segment are equivalent to the financial statements of the Group.

Note 12: Events Subsequent to Reporting Date

There are no events subsequent to reporting date.

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 30 June 2022

Note 13: Contingent Liabilities

This Preliminary Financial Report assumes a liability to a Director related entity in the amount of \$225,744. The amount owed to the Director related entity is in dispute. The Director related entity claims that the amount due is \$1,105,317. The Director related entity believes that it is entitled to be paid management fees.

There is no Management Agreement with the Director related entity and accordingly, the Company does not believe that it has any obligation to pay the management fees claimed by the Director related entity. Management fees that had previously been accrued by the Company were reversed by the Company during the period ended 31 December 2019.

There were no other contingent liabilities.

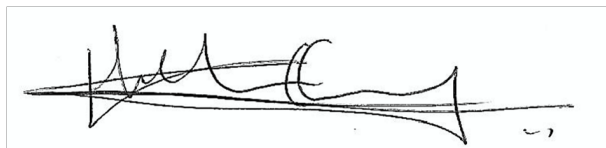
COMPLIANCE STATEMENT

The financial information provided in Appendix 4E is based on the annual financial report which is being prepared in accordance with Australian Accounting Standards or standards acceptable to ASX.

The reporting and the accounts upon which the report is based used the same accounting policies.

In the Directors' Opinion, this report does give a true and fair view of the matters disclosed.

The annual financial report for Land & Homes Group Limited is in the process of being audited. The Directors understand that the audit is not subject to any disputes or qualifications and the audit is expected to be completed on or before 30 September 2022.



Signed:
Choon Keng Kho
Director
31 August 2022