

ASX Release (ASX Code: LHM)

31 January 2023

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**QUARTERLY ACTIVITIES REPORT – 31 DECEMBER 2022 QUARTER**

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**BARRY PARADE PROJECT**

The outlook in South East Queensland is continuing to show positive economic growth and investment opportunity.

The Barry Parade project is well placed in terms of its location and its product offering. The long-term economic forecast for Brisbane and SE Queensland is generally positive with established strong population inflow and projected housing stock shortages. However, the recent cost of living increase, significant construction cost escalation in Australia and the international economic disruption has required a regular review of proposed development program

During the last quarter the Company's project team led by project managers Deloitte PDS, have completed a detailed analysis of construction cost over the 2021-2022 period of the proposed 490 apartment project on Brisbane's CBD edge. Design initiatives were completed and documented by the consultant team to support mitigation of cost. The company has also undertaken a positive review of revenue projections in light of the projected increase in residential demand.

In light of the post pandemic disruption internationally and subsequent economic constraints, the Barry Parade project is being positioned predominantly for the national and local market. The Company resolved to maintain its position to prudently defer the launch of its project marketing strategy from 2022 to at least third quarter 2023 when cost of borrowing and construction costs are expected to stabilise and the building demand for new housing will be more apparent. Pre-sales marketing preparation has continued with design of a Sales Display suite, branding and related creative marketing material. The sales program commencement is currently deferred until last quarter 2023 subject to a stabilising economic environment nationally.

**PROJECT EXPENDITURE**

Project expenditure incurred during the quarter ended 31 December 2022 on the groups' project is set out below:

**Project Amount Incurred**

1. Barry Parade	\$396,269
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**PAYMENTS TO RELATED PARTIES AND THEIR ASSOCIATES**

Payments to related parties in the amount of \$71,160 were paid during the quarter ended 31 December 2022, with the following breakdown:

1. Wages & Director Fees	\$56,667
2. Arm's Length Reimbursements	\$2,493
3. Interest paid to Khosland Management Pte Ltd	\$12,000

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Approved and authorised for release by the Executive Committee.

For further details contact: [info@landnhomesgroup.com](mailto:info@landnhomesgroup.com)

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**Appendix 4C**  
**Quarterly cash flow report for entities**  
**subject to Listing Rule 4.7B**

**Name of Entity**

LAND & HOMES GROUP LIMITED

**ABN**

33 090 865 357

**Quarter ended ("current quarter")**

31 DECEMBER 2022

<b>Consolidated Statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	18	39
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(90)	(164)
(f) administration and corporate costs	(46)	(134)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	(291)	(464)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (development costs)	(396)	(563)
<b>1.9 Net cash from/(used in) operating activities</b>	<b>(803)</b>	<b>(1,284)</b>

**Appendix 4C**

**Quarterly cash flow report for entities subject to Listing Rule 4.7B**

	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from/(used in) investing activities</b>	-	-

	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from/(used in) financing activities</b>	-	-

**Appendix 4C**

**Quarterly cash flow report for entities subject to Listing Rule 4.7B**

	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>4. Net increase/(decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	2,089	2,570
4.2 Net cash from /(used in) operating activities (item 1.9 above)	(803)	(1,284)
4.3 Net cash from /(used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from /(used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	-	-
<b>4.6 Cash and cash equivalents at end of period</b>	<b>1,286</b>	<b>1,286</b>

	Current quarter \$A'000	Previous Quarter \$A'000
<b>5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</b>		
5.1 Bank balances	1,286	2,089
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,286</b>	<b>2,089</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
71
-

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing Facilities	Total facility amount at quarter end	Amount drawn at quarter end
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity</i>	\$A'000	\$A'000
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	17,000	17,000
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	11,959	11,959
<b>7.4 Total financing facilities</b>	<b>28,959</b>	<b>28,959</b>

7.5 Unused financing facilities available at quarter end -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

<p><u>Loan Facilities:</u> United Overseas Bank continues to provide a loan of \$17,000,000 for the Barry Parade Property. The loans are subject to an interest margin of 1.5% - 2.06% per annum over and over the relevant period Bank Bill Swap Reference Rate. The loan is secured by way of first legal mortgage over the property.</p> <p><u>Other Facilities:</u> <u>Working Capital Unsecured Loan, from Khosland Management Pte Ltd (a related party)</u> Amount \$1,389,401 (\$1m Singapore dollars). The Company has sought to confirm an extension of this loan to 30 June 2021 and it is contemplated that further extensions of the repayment date will be requested.</p> <p><u>Convertible Notes</u> The Convertible Notes are unsecured and repayable in 60 months from the date of issue or 9 months from the date of issue if shareholder approval is not obtained to the convertibility of the Notes within three months of the date of issue. To date, the Company has not obtained shareholder approval as contemplated by the terms of the Notes and accordingly, some of the Notes have become repayable. However, the relevant Noteholders have not sought repayment to date. The \$9,787,594 worth of Class A Notes bear interest of 9.0%, with the interest repayable quarterly. The \$781,633 worth of Class B Notes bear interest of 13.8%, with the interest repayable with the capital at the end of the Note term.</p>
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8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from/(used in) operating activities (item 1.9)	(803)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,286
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	1,286
<b>8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	<b>1.6</b>

8.8 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

No. Under item 1.8, the Company has expended \$396,000 in relation to development costs for Barry Parade. These are once off costs and are not expected to be repeated. Taking this into consideration, the Company has sufficient funding to last more than 2 quarters.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Yes - the Company expects to continue its operations and meet its business objectives. See 8.8.1 above.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

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#### Compliance Statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2023

Authorised by: The Audit Committee  
(Name of body or officer authorising release - see note 4)

#### Notes:

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the {name of board committee - eg *Audit and Risk Committee*}". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system risk management and internal control which is operating effectively.