

ASX ANNOUNCEMENT

QUARTERLY ACTIVITIES REPORT FOR 31 DECEMBER 2022

31 JANUARY 2023

ASX CODE: MPX

DIRECTORS

Mr Nicholas Zborowski
Executive Director

Mr Anthony Ho
Non-Executive Director

Mr Jack Spencer-Cotton
Non-Executive Director

COMPANY SECRETARY

Joan Dabon

CAPITAL STRUCTURE

Ordinary Shares: 142.2M
Options: 16.5M

COMPANY ENQUIRIES

Nicholas Zborowski
Executive Director

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North Fremantle WA 6159

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Mustera Property Group Ltd (**Mustera** or the **Company**) is pleased to provide an update on its operational activities during the December 2022 Quarter (the **Quarter**).

HIGHLIGHTS

1. Mustera continued with its sales and marketing campaign for the Company's flagship project, Forbes Residences (**Forbes** or the **Project**).
2. The Company secured \$7.2m in apartment sales during the Quarter for the Project.
3. Construction has progressed on the Project with the structure now complete up to level 8.
4. The schematic design progressed on the Company's McCabe Street project in North Fremantle and a development application was lodged in November 2022.

1. Forbes Residences, 10 Forbes Road, Applecross

During the Quarter, construction advanced on the Company's flagship Project, Forbes Residences. The structure is now complete up to level 8. Services installation continue through the lower levels with stud walls being installed on levels 1 to Level 3.





In addition to the construction activities the Company continued with its sales and marketing campaign for the Project. The Company sold 3 apartments which has secured \$7.2m in sales during the Quarter for the Project.

2. 15 McCabe Street, North Fremantle

During the Quarter the Company advanced with the schematic design for the North Fremantle project and lodged the development application in November 2022.

It is anticipated that the development application will be determined by the Joint Development Assessment Panel in Q1 2023.

3. Corporate Commentary

Payments to related parties

A description of and explanation for payments to related parties and their associates per Section 6.1 of the Appendix 4C following this Quarterly Activities Report is set out in the table below.

Payments to related parties of the entity and their associates	Current Quarter \$A'000	Previous Quarter \$A'000
Directors' remuneration		
Executive Director	49	42
Non-Executive Directors	10	10
Total Directors' remuneration	59	52
Total payments to related parties of the entity and their associates	59	52

AUTHORISED BY

THE BOARD OF DIRECTORS

Appendix 4C

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

Name of entity

Mustera Property Group Ltd

ABN

13 142 375 522

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	602	1,116
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(5,988)	(10,910)
(c) advertising and marketing	(40)	(133)
(d) leased assets	(2)	(5)
(e) staff costs	(47)	(183)
(f) administration and corporate costs	(175)	(221)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	13
1.5 Interest and other costs of finance paid	(734)	(1,278)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	17	17
1.9 Net cash from / (used in) operating activities	(6,367)	(11,584)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	(300)	(300)
(e) intellectual property	-	-
(f) other non-current assets	(75)	(86)

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	435	435
	(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)	-	-
2.6	Net cash from / (used in) investing activities	60	49

3.	Cash flows from financing activities		
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	5,907	13,405
3.6	Repayment of borrowings	-	(2,331)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Fund distributions, Term deposits closed)	(71)	(150)
3.10	Net cash from / (used in) financing activities	5,836	10,924

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	755	895
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(6,367)	(11,584)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	60	49

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,836	10,924
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	284	284

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	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	284	755
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	284	755

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 (director remuneration)	60
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	51,300	24,292
7.2 Credit standby arrangements		
7.3 Other (business credit card)	50	8
7.4 Total financing facilities	51,350	24,300
7.5 Unused financing facilities available at quarter end		27,050
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>\$51.3m loan note subscription agreement with PAG, interest 4.90% PA, redemption 22 months from date of first issue of loan notes. For the purpose of refinancing existing debt secured against land and financing costs associated with the development and construction of the Forbes project.</p>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(6,367)
8.2 Cash and cash equivalents at quarter end (item 4.6)	284
8.3 Unused finance facilities available at quarter end (item 7.5)	27,050
8.4 Total available funding (item 8.2 + item 8.3)	27,334
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.29
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:
8.6.1	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?
	Answer: N/A
8.6.2	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?
	Answer: N/A
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
	Answer: N/A
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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 Board of Directors**
(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 of risk management and internal control which is operating effectively.