1. Company details

Name of entity:	**RAS Technology Holdings Limited**
ABN:	**16 650 066 158**
Reporting period:	**For the year ended 30 June 2022**
Previous period:	**For the year ended 30 June 2021**

2. Results for announcement to the market

				$'000
Revenues from ordinary activities	up	57.4%	to	8,328
Loss from ordinary activities after tax attributable to the owners of RAS Technology Holdings Limited	up	288.9%	to	(2,986)
Loss for the year attributable to the owners of RAS Technology Holdings Limited	up	288.9%	to	(2,986)

Comments

In July 2021, Racing and Sports undertook a corporate restructure. Under this corporate restructure, the shareholders in Racing and Sports Pty Ltd exchanged their shares in that company for shares in RAS Technology Holdings Limited in a "top hat restructure" (Restructure). Each shareholder's proportionate interest in Racing and Sports was not altered as a result of the Restructure.

The effect of the Restructure was to interpose RAS Technology Holdings Limited as the new legal parent of the Group.

While RAS Technology Holdings Limited became the legal parent of Racing and Sports Pty Ltd, this did not result in a business combination for accounting purposes. When preparing the financial information for RAS Technology Holdings Limited, the Restructure has been accounted for as a capital reorganisation. The financial statements of RAS Technology Holdings Limited represent a continuation of the existing Racing and Sports Pty Ltd financial statements. Assets and liabilities are recorded at their existing values in the balance sheet. The statement of profit and loss for RAS Technology Holdings Limited is a continuation of the existing statement of profit and loss for Racing and Sports Pty Ltd.

Initial Public Offering

On 23 November 2021, RAS Technology Holdings Limited completed an Initial Public Offering (IPO) and became listed on the Australian Securities Exchange (ASX).

In accordance with the prospectus, RAS Technology Holdings Limited raised $29,000,001. Of the total $29,000,001 raised $14,000,001 relates to the issue of 9,333,334 new shares with the remainder of $15,000,000 for a sell down paid to existing shareholders for the sale of 10,000,000 existing shares.

Financial Performance

Refer to page 29 Statement of profit and loss and other comprehensive income.

Financial Position

Refer to page 30 Statement of financial position.

3. Net tangible assets

	Reporting period (Cents)	Previous period (Cents)
Net tangible assets per ordinary security	22.42	64,000.00

Previous period net tangible assets per ordinary security is based on 1,000 shares on issue prior to the 36,058.58 share split as part of the Restructure.

4. Control gained over entities

As part of the corporate restructure RAS Technology Holdings has established a number of wholly owned subsidiaries during the financial year ended 30 June 2022:

Name	Principal place of business/Country of incorporation	Ownership Interest 30 June 2022 %	Ownership Interest 30 June 2021 %
Racing and Sports IP Pty Ltd	Australia	100.00%	-
Racing and Sports International Pty Ltd	Australia	100.00%	-
Racing and Sports Limited	United Kingdom	100.00%	-

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

Final 2021 dividends were paid on 9 August 2021, of $300,000 during the financial period. No dividends were declared in respect of the current financial period.

Previous period

Final 2020 dividends were paid, on 13 November 2020, of $150,000 and interim 2021 dividends were paid, on 8 June 2021, of $375,054 during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Currently all accounting policies of the group are consistent with those adopted by its ultimate holding company, RAS Technology Holdings Limited.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

11. Attachments

Details of attachments (if any):

The Annual Report of RAS Technology Holdings Limited for the year ended 30 June 2022 is attached.

12. Signed

Kate Carnell

Kate Carnell AO
Non-executive Chair

29 August 2022

RAS Technology Holdings Limited

ABN 16 650 066 158

Annual Report – FY2022

Directors	Kate Carnell AO (Non-executive Chair - appointed 10 May 2021) Gary Crispe (Executive Director - appointed 10 May 2021) Greg Nichols (Non-executive Director - appointed 18 June 2021) James Palmer (Non-executive Director - appointed 18 June 2021) Sophie Karzis (Non-executive Director - appointed 18 June 2021)
Chief Executive Officer	Stephen Crispe
Chief Financial Officer	Andrew Burns
Company Secretaries	Angela Gunton Justin Mouchacca
Notice of annual general meeting	The Company's annual general meeting of RAS Technology Holdings Limited is proposed to be held on Thursday 17 November 2022.
Registered office	Level 21, 459 Collins Street Melbourne Victoria 3000 Phone: +61 3 8630 3321
Principal place of business	Unit 4, Mezzanine Level 55 Wentworth Avenue Kingston ACT 2604
Share register	Link Market Services Limited Level 12, 680 George Street Sydney NSW 2000 Phone: 1300 554 974
Auditor	BDO Audit Pty Ltd 11/1 Margaret Street Sydney NSW 2000
Stock exchange listing	RAS Technology Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: RTH)
Website	https://www.racingandsports.com.au/
Corporate governance	The Company's Corporate Governance Statement has been released to ASX on this day and is available on the Company's website at the following link: https://investors.racingandsports.company/investor-centre/?page=corporate-governance

Contents

Dear fellow shareholders

On behalf of the Board, I am pleased to present the inaugural financial report of RAS Technology Holdings Limited as a listed entity.

It has certainly been a busy year. The Company went through the initial public offering (IPO) process and listed on the exchange on the 23rd of November 2021, and we have not stopped since. The focus for the board in fiscal year 2022 has been in several key areas. As part of the IPO, we have established a strong Board and management team enhancing the overall governance and financial management of the business, as well as executing the strategy outlined in our prospectus. The business has continued to grow revenues through strategic partnerships and commercialisation of existing and new products. Further expansion of the international business has increased the number of enterprise customers and the underlying annualised monthly recurring revenues.

I am pleased to say that business has come through the second wave of COVID-19 pandemic in good shape. Like most businesses we have had disruptions to our employees and our overseas staff with lockdowns and illness, but we were able to manage through the challenges with the application of our business continuity plans and use of technology. COVID-19 has also had an impact on us, delaying our ability to engage directly with new international and enterprise customers on a face-to-face basis. We were pleased when access to international travel became available again, allowing the executive to meet with key customers and strategic partners in the UK and the US and to further extend our international expansion as outlined in the prospectus.

Board and Management:

Leading into the IPO process the Company engaged a talented Board with key skills in the racing industry as well as strong leadership, governance, financial and legal backgrounds. In setting up the new governance framework the Board has established subcommittees including the remuneration committee and the audit and risk committee, which have been meeting regularly to continue the enhancement of governance and controls. I would like to take this opportunity to welcome Sophie Karzis, Greg Nichols and James Palmer to the RAS Technology Board and thank them for their invaluable input into the growth of our fledging listed company.

The management team comprised of the founders, Gary Crispe and Robert Vilkaitis, was boosted by the appointment of Stephen Crispe as CEO, who has returned to the business after a successful career in the private sector, to lead the Company as a listed entity. Stephen is supported by new roles including the appointment of the Chief Financial Officer and the Managing Director for the UK. Management has also recruited several key roles including product development, international business development and technical resources to support the growth initiatives.

Operational Highlights:

The business continues to focus on executing the growth strategies outlined in the prospectus and as a result some of the highlights include:

- Establishing strategic partnership with Sky World Racing, a subsidiary of Tabcorp, in the US;
- Expanding the commercial relationship with Entain in Australia;
- Completing the commercial release of the trading platform with a Tier 1 international wagering operator;
- Expanding the strategic relationship with XB-Net, the largest holder of US racing rights; and

- Sports data acquisition and B2B product creation.

Outlook:

Looking to the future, the business will continue to execute on the strategy as outlined in the prospectus the growth initiatives focusing on:

- Expansion of the enterprise customer base;
- Growing the Racing and Sports brand through key partnerships and our state of the art digital assets;
- International expansion, specifically in the UK /Europe and the US;
- Development of our sports offering; and
- The release of new and innovative products for the wagering industry.

In closing I would like to congratulate the Board, Management and the employees on a successful IPO and the continued success of the business in has been a difficult year due to COVID-19, the war in Ukraine and other disruptive economic impacts. I look forward to fiscal year 2023 and being able to update you on our continued success.

Yours sincerely

Kate Carnell AO
Non-executive Chair

Dear shareholders

What a year FY22 has been. During the first half of the year the business continued its growth trajectory, maintained seamless operations all while completing the initial public offering, and established the new Board and expanded management structure. Thanks to our advisors and our new shareholders, we successfully listed on the ASX on the 23rd of November. The first half of the year saw continued disruptions from COVID-19 lockdowns, the opening of the new corporate headquarters in Canberra and the evolution of the "new way of business" with technology enhanced business development. I am very pleased to report that we have met all the challenges head on and have continued to move the needle in the right direction for a strong result during the year.

The successful IPO and the opening of international travel at the end of 2021 has enabled the business to focus on the key growth initiatives of expanding strategic relationships and international market penetration. During the year we have announced several successes, the most noteworthy being:

- The expanded relationship with XB Net to deliver SaaS wagering technology and race day control services for XB Net venues located throughout the United States and Canada, which represent 60 racecourses and more than 45,000 races per year;
- The enriched strategic agreement with Sky Racing World combining the Racing and Sports enhanced and tailored content, analytics and form with Sky Racing World's portfolio of international racing rights which are distributed to all major US wagering operators;
- The successful applicant in the competitive tender for a 5-year agreement with the Greyhound Board of Great Britain (GBGB). The contract includes the overhaul and optimisation of the GBGB national database including the development of enhanced form and wagering analytics;
- Our recent announcement of the further extension of the commercial relationship with Entain Group Pty Ltd. The agreement extends the contract out for another 5 years at a value of $5m with Racing and Sports becoming the provider of all enhanced racing content for Entain in Australia; and
- Enterprise customers and the associated Average Annualised Revenue represent the foundation of the revenue base for the business. Given the size and complexity of these arrangements the business development cycle time is longer than for other customers, but once established the customer base is very sticky and we have not lost an enterprise customer. During the year we have grown the Enterprise customer base to 19 and increased the Average Annualised Revenue to $410k per month.

Overview of Results:

All the positive activity for the year has resulting in a 57% increase in revenue with $8.33 million being recognised in FY22. This is a very pleasing result given the split attention of the management team during the IPO process and the limitation faced in relation to our ability to get in front of our international and enterprise customers.

Continued business development efforts have resulted in an increase in the Annualised Monthly Recuring Revenue to $8.9 million establishing a strong platform for continued growth into FY23.

Into the Future:

The business is focused on delivering the strategic growth initiatives outlined in the prospectus. Although we have already had success in expanding our strategic relationships and international penetration, we still see significant opportunity in Australia, UK, Europe and US markets. Our direct go to market strategy in the UK and Europe will continue to deliver new opportunities for the core Data and Enhanced Content products, as well as the emerging Wagering Technologies which includes our trading and pricing platforms. Our partnership channels through XB Net and Sky World Racing are well positioned to take advantage of the maturing US racing market as both parimutuel and fixed odds opportunities are identified.

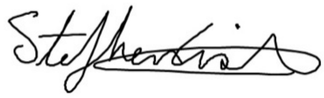
The next significant focus is our entry into the sports market, taking advantage of our established processing capabilities and competitive advantage in the racing industry and directly applying this knowledge to the global sports market. The global sports market is a competitive landscape but Racing and Sports believes we can efficiently create unique products and solutions to support our wagering partners to acquire and maintain their customer base.

The business will also continue the focus on innovation and the release of new products and services to support the wagering industry. Multiple products are due for release in 2022 including Ezibetta, an innovative mobile application providing a simple user interface to generate sophisticated bet structures and the enhanced Wagering-360 solution white label wagering platform, incorporating the pricing and trading manager, enhanced content, risk management and customer acquisition support.

Acknowledgements

I would like to thank the Racing and Sports team both in Australia and abroad for their continued dedication to the quality of our content and form and the continued enhancements to the core data base and the wagering technology products. Without our employees we would not have the business we have today. I would also like to acknowledge the RAS Technology Board for their strategic input and engagement through the IPO process and post IPO, without your guidance the business would not have succeeded as well as it has.

Yours sincerely



Stephen Crispe
Chief Executive Officer

The directors present their report on the consolidated entity consisting of RAS Technology Holdings Limited and the entities it controlled at the end of, or during, the year ended 30 June 2022.

Corporate reorganisation

In July 2021, Racing and Sports undertook a corporate restructure. Under this corporate restructure, the shareholders in Racing and Sports Pty Ltd (Racing and Sports) exchanged their shares in that company for shares in RAS Technology Holdings Limited in a "top hat restructure" (Restructure). Each shareholder's proportionate interest in Racing and Sports was not altered as a result of the Restructure.

The effect of the Restructure was to interpose RAS Technology Holdings Limited as the new legal parent of the Group.

While RAS Technology Holdings Limited became the legal parent of Racing and Sports Pty Ltd, this did not result in a business combination for accounting purposes. When preparing the financial information for RAS Technology Holdings Limited, the Restructure has been accounted for as a capital reorganisation. The financial statements of RAS Technology Holdings Limited represent a continuation of the existing Racing and Sports Pty Ltd financial statements. Assets and liabilities are recorded at their existing values in the balance sheet. The statement of profit and loss and other comprehensive income for RAS Technology Holdings Limited is a continuation of the existing profit and loss statement of Racing and Sports Pty Ltd.

Directors

The following persons were directors of RAS Technology Holdings Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Kate Carnell AO (Non-executive Chair – appointed 10 May 2021)
Gary Crispe (Executive Director – appointed 10 May 2021)
Greg Nichols (Non-executive Director – appointed 18 June 2021)
James Palmer (Non-executive Director – appointed 18 June 2021)
Sophie Karzis (Non-executive Director – appointed 18 June 2021)

Principal activities

RAS Technology Holdings Limited is the holding company of Racing and Sports Pty Ltd, a leading provider of fully integrated premium data, enhanced content, and SaaS solutions to the global racing and wagering industries.

Racing and Sports currently services a longstanding, established and geographically diverse customer base of racing bodies and authorities, wagering operators, media and digital organisations and retail and private clients.

The headquarters for Racing and Sports operations is located in Canberra, Australia, and has additional support with offices in the United Kingdom and operations in Sri Lanka.

There has not been any change to the principal activities during the period.

Dividends

Dividends paid during the financial year were as follows:

	2022 $	2021 $
For the period ending 30 June 2022 the final 2021 dividends of $300,000 were paid on 9 August 2021. For the period ending 30 June 2021 the final 2020 dividends of $150,000 were paid on 13 November 2020 and interim 2021 dividends of $375,054 were paid on 8 June 2021.	300,000	525,054

Franked dividends declared or paid during the year were franked at the tax rate of 26.00%.

No dividends were declared or paid in respect of the year ended 30 June 2022.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to $2.99 million (FY21: profit of $1.58 million).

Business Performance

FY22 has been a milestone year for RAS Technology Holdings with the successful completion of the IPO process and continued year over year growth in all the key operating metrics for the business.

The key operating metrics for the business include:

Revenue: Revenue derived from customer contracts during the period under review;

Annualised Monthly Recurring Revenue (AMRR): is measured as the annualised monthly revenue of customers that are active at financial year end;

Average Annualised Revenue per Enterprise Customer (**AARPEC**): is measured as the annualised monthly revenue per active Enterprise Customer at financial year end; and

Enterprise Customers: Active customers with revenue exceeding $50,000 per annum.

Revenue for the year ending 30 June 2022 was $8.33 million, and was up 57% vs FY21 of $5.29 million. This increase is underpinned by the continued growth of the Company's data and enhanced content services of $6.02 million (FY21 $4.23 million) and growth in wagering technology products of $1.72 million (FY21 $0.52 million).

As at 30 June 2022, AMRR has increased to $8.9million, this represents an increase in contracted revenue of 35% vs FY21.

The business has also continued to focus on the expansion of products and services to existing Enterprise Customers resulting in AARPEC increasing 19% to $0.41m vs the prior period of $0.34m. The overall number of enterprise customers has increase for the year by 19% to 19 in total (FY21 - 16).

	2022 $'000	2021 $'000	Variance $'000	Variance %
Revenue	8,328	5,290	3,038	57%
AMRR	8,920	6,624	2,296	35%
AARPEC	410	344	66	19%
Enterprise Customers	19	16	3	19%

NON-IFRS MEASURES

The Directors' Report includes references to non-IFRS results. The non-IFRS normalised results have been derived from RAS Technology Holdings Limited statutory accounts and adjusted to non-IFRS normalised basis to more appropriately reflect the ongoing operations of RAS Technology Holdings Limited. The Directors believe the presentation of non-IFRS financial measures are useful for the users of this financial report as they provide additional and relevant information that reflect the underlying financial performance of the business.

Non-IFRS normalised results excludes IPO costs of $1.79 million costs and other non-recurring costs related to the IPO process of $0.67 million.

The non-IFRS measures contained within this report include:

- Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), note amortisation of internally developed intangible assets has been included in the Cost of revenue;
- Cost of revenue being costs that are directly related to the revenue including the cost of data and processing, amortisation and direct labour costs for services provided; and
- Gross profit, which is determined in deducting Cost of revenue from the Revenue from contracts with customers.

Reconciliation of statutory (loss) / profit less IPO and non-recurring costs

	30 Jun 22 $'000	30 Jun 21 $'000
Statutory (loss)/profit after income tax benefit/(expense)	(2,986)	1,581
Add back	-	-
Employee benefits expenses	367	-
IPO costs	1,792	-
Administration expenses	304	-
Normalised (loss)/profit before income tax benefit/(expense)	**(523)**	**1,581**
Income tax benefit/(expense) relating to adjustments	214	-
Normalised (loss)/profit after income tax benefit/(expense)	**(309)**	**1,581**

Financial Performance *(Non-IFRS Normalised)*:

Financial highlights for FY22 include:

- Revenue is up 57% to $8.33 million (FY21 $5.29 million).
- Gross profit margin remains high at 82% (FY21 85%), with Cost of revenue increasing with the growth the wagering and technology revenues which requires increased processing power and Race-Day control services. Amortisation of intangible assets has also increased by $0.2 million for the period.
- FY22 Underlying EBITDA for the period was ($0.35 million) which reflecting the investment in resources supporting the strategic growth initiatives and AMRR growth.

Non-IFRS Normalised Profit and Loss	30 Jun 22 $'000's	30 Jun 21 $'000's
Revenue from contracts with customers	8,328	5,290
Cost of revenue	(1,492)	(805)
Gross profit	**6,836**	**4,485**
Gross profit margin	82%	85%
EBITDA	(345)	2,511
Depreciation expense	(383)	(204)
Finance costs	(76)	(47)
(Loss)/profit before income tax benefit/(expense)	**(804)**	**2,260**
Income tax (expense)/benefit	495	(679)
Normalised (loss)/profit after income tax (expense)/benefit	**(309)**	**1,581**
Cost of revenue		
Data and processing expenses	735	319
Employee benefits expenses	88	14
Outsourced services	30	-
Amortisation expense	639	472
Total cost of revenue	**1,492**	**805**

Financial Position

Cash Management:
Cash as at 30 June 2022 was $10.77 million (FY21 $2.05 million). The increase in cash is driven by the net funds received from IPO of $11.2 million growth of Receipts from Customers up 46% to $8.34 million for the year (FY21: $5.70 million) offset by increases in payments to employees and suppliers of $8.27 million and payments for intangible assets of $1.49 million.

Asset Base:
The business has seen increases in the Right of Use (RoU) Assets and Fixed Assets to $1.05 million and $0.46 million driven predominately by the establishment of the new Canberra HQ. The business continues to invest in the development of the proprietary database and wagering applications with a net increase of $0.85 million for the year.

Liabilities:
Lease liabilities have increased to $1.14 million in line with the Canberra HQ lease and the offsetting RoU asset. Provisions for employee benefits has increased by $0.24 million in line with the additional employees and changed salary arrangements and the increase in trade and other payables of $0.45 million is driven by the inclusion of the short-term incentives for the Company.

Risk Statement
The Company is committed to the effective management of risk to reduce uncertainty in the Company's business outcomes and to protect and enhance shareholder value. There are various risks that could have a material impact on the achievement of the Company's strategic objectives and future prospects.

Key risks and mitigation activities associated with the Company's objectives are set out below:

COVID-19 Impacts
During FY22 the company did not receive any government assistance in relation to COVID-19, whilst $240,000 was received during the first half of the 2021 financial year, through the Cash Booster Scheme and Job Keeper arrangements.

While the COVID-19 pandemic has not materially affected the company's business for the current period, there was an impact in 1H FY21 with reduced revenues as the racing and wagering industries were affected by race meeting closures. Although the impacts of the COVID-19 pandemic have been significantly reduced there is continued uncertainty about the ongoing effects of future international borders closures, the duration and severity of any government restrictions, and the depth of negative and positive effects of the pandemic on the domestic and global economy as well as in the horseracing and sports industries.

Regulatory risk

If there is a change in any applicable industry regulations, the Company's customers may be affected through additional compliance costs or the inability to access certain services or markets. This could result in the Company's customers reducing the scope of, or ceasing to require, the Company's products and services, which may adversely affect the Company's financial position and performance.

Mitigation Strategies

- Maintain good relationships with contacts at regulatory bodies.
- Ensure that the Company is up to date with current regulatory matters and decisions.
- Continuous business development activities to increase market share across different product and service lines to reduce the impact of any regulatory changes on our clients.

Protection of intellectual property

Risks related to intellectual property include the risk that employees or other third parties will breach confidentiality agreements, infringe or misappropriate the Company's intellectual property or commercially sensitive information, or that competitors will be able to produce similar, but non-infringing, products or services. A further risk for RAS is that customers may on-sell or otherwise provide the Company's products and services to other parties without the Company's consent, resulting in a loss of revenue and loss of control over display and use of Company products.

Mitigation Strategies

- Ensure that contractual agreements with Customers include appropriate IP protections, including indemnity clauses.
- Seeding of data products so that the Company can easily track data to ensure it is being used in accordance with the Customer Agreement.
- Continuous development and deployment of products and services to ensure RAS is working to maintain a competitive edge in the market and producing products that are difficult to replicate.

Disruption risks

Disruption risks for the Company include service outages, inability to handle unanticipated levels of demand during peak times or events, computer viruses, misuse by employees or contractors, or external or malicious interventions, such as hacking. Any disruption or failure of the Company's technology or systems may adversely affect the Company's operations, achievement of objectives and ultimately, its financial position.

Mitigation Strategies

- Ensure suppliers providing technology services to the Company are reputable and have robust mitigation strategies to manage any issues effectively.
- Appropriate clauses in contractual agreements with Customers that protect the Company from any penalty associated with a disruption that is outside of its control.
- Appropriate protections for digital assets that Customers can access in order to receive their products or services from the Company.
- Continuous monitoring of traffic site, regular server testing and upgrading to

handle increasing traffic and second and third redundancies for key technology systems.
- 24-hour technology coverage of the website and technology assets to ensure issues are dealt with promptly.

Privacy breaches

Cyber-security incidents may compromise or breach technology and service platforms used by the Company as part of its ongoing business and result in disclosure of personal or confidential information about the Company, its customers, employees or third parties in breach of Privacy Act 1988 (Cth) (Privacy Act) and the Australian Privacy Principles (APPs). This could result in loss of data integrity, reputational damage to the Company, claims from affected parties, loss of customers, increased regulatory scrutiny or regulatory action.

Mitigation Strategies

- Application of Privacy Principles to the management of personal data.
- Appropriate security regarding use of, and access to, personal data in accordance with the Privacy Act.
- IT security measures such as firewalls, alerts for unauthorised access and encryption of data when it is being transmitted.

Development and innovation risks

Risks include Company technology being superseded or displaced in the market by new technology offered by competitors, and an inability to enhance existing technology products and develop new products that perform well, fulfill Customer needs and are therefore attractive to the market.

Mitigation Strategies

- Active monitoring of market and product trends.
- Regular contact with Customers to assess their emerging needs and respond accordingly.
- Support an innovation culture within the Company.
- Ensure recruitment and retention strategies support the acquisition of talented and innovative staff who can deliver the Company's strategic objectives.

Disruption to supply and transmission of horseracing and sporting events

Cancellation, postponement or restriction of major racing and sporting events for reasons including the COVID-19 pandemic, extreme weather events, acts of terrorism and other force majeure events, could cause disruption to the Company's operations, its ability to deliver its products and services to clients, and consequently, its financial position and performance.

Mitigation Strategies

- Ensure that the Company has geographical distribution of key functions to provide back up support in the event of a failure at one location.
- Continue to ensure that Customer Agreements are not dependent on sporting or racing events proceeding for delivery of products.
- Development of products, including Fantasy Sports / Racing products that can be accessed by retail Customers when other major events are disrupted.

Outlook:

In FY23 the business will continue to execute on the key growth initiatives as outlined in the prospectus. These initiatives include:

- International expansion: pursue growth in high-value target markets in the US, UK and Europe for Racing and Sports' range of products, analytics and services.
- Sports: develop new sports data and technology services and products for existing and new B2B wagering operators and B2C retail channels.

- Expanding wagering technology and services: target wagering operators in the US, UK and Europe for expansion of the 360° White Label Wagering Platform, Pricing Manager, Trading Manager, and Race-Day services.
- Strategic partnerships: Racing and Sports intends to explore strategic partnerships with entities that may assist in accelerating the global growth and expansion of the Company
- B2C: leverage brand, media, and digital assets to expand retail products available from the website, which attracted over two million unique visitors in the last 12 months to September 2021. Development of interactive and data-rich mobile apps to attract global customers.
- Acquisitions: identify and engage with companies in key territories with a focus on racing, sports, data and technology, to accelerate growth.

Significant changes in the state of affairs
On 23 November 2021, RAS Technology Holdings Limited completed an Initial Public Offering (IPO) and became listed on the Australian Securities Exchange (ASX).

In accordance with the prospectus, RAS Technology Holdings Limited raised $29,000,001. Of the total $29,000,001 raised $14,000,001 relates to the issue of 9,333,334 new shares with the remainder of $15,000,000 for a sell down paid to existing shareholders for the sale of 10,000,000 existing shares.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
In July 2022 the company expanded an enterprise contract with Entain Group Pty Ltd for a further five years valued at $5 million.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Kate Carnell AO
Title:	Non-executive Chair
Qualifications:	B. Pharm, FAICD, AIM
Experience and expertise:	Kate Carnell is an experienced company director and CEO. Kate has held positions at the Australian Small Business and Family Enterprise Ombudsman, and the position of CEO at the Australian Chamber of Commerce and Industry, Beyond Blue, Australian Food and Grocery Council, Australian General Practice Network, and National Association of Forest Industries. Kate is a fellow of the Australian Institute of Company Directors and the Australian Institute of Management. She holds a bachelor's degree in pharmacy from the University of Queensland.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Member of the Nomination and Remuneration Committee and Member of the Audit & Risk Committee
Interests in shares:	230,000 Fully paid ordinary shares
Interests in options:	Nil
Interests in rights:	Nil
Contractual rights to shares:	Nil

Name:	Gary Alexander Crispe
Title:	Executive Director
Qualifications:	B. Econ & C. Eng
Experience and expertise:	Gary is a co-founder of Racing and Sports and a highly respected thoroughbred industry expert. Gary heads the executive team within Racing and Sports, driving strategic growth and overseeing the expansion of the business model globally, with a specific immediate focus on the UK and US markets. Gary has been part of the executive team that has led Racing and Sports since 1999 and has developed the strategy that has seen the overseas expansion. Gary holds bachelor's degrees in economics and civil engineering.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	12,065,124 Fully paid ordinary shares
Interests in options:	Nil
Interests in rights:	67,780 share performance rights
Contractual rights to shares:	Nil

Name:	Greg Nicholas
Title:	Non-executive Director
Qualifications:	GAICD
Experience and expertise:	Greg Nichols is an internationally renowned leader within thoroughbred horseracing, sport and wagering, with global prominence as a senior executive for more than 30 years. Greg is a Director of Racing Australia, having previously also held the position of Chairman. Greg is currently a Non-executive Director of Racing Victoria and Chairman of the AFL Coaches' Association. Greg was formerly the Chief Executive of the British Horseracing Board and has also held the position of Managing Director for Sporting Affairs at Betfair UK. Greg holds Graduate Membership of the Australian Institute of Company Directors (GAICD).
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Member of the Nomination and Remuneration Committee and Member of the Audit & Risk Committee
Interests in shares:	100,000 Fully paid ordinary shares
Interests in options:	Nil
Interests in rights:	Nil
Contractual rights to shares:	Nil

Name:	James Richard Palmer
Title:	Non-executive Director
Qualifications:	B. Sci (Hons), CA, GAICD
Experience and expertise:	James is an experienced CFO and Board Director, currently providing CFO advisory services to early-stage, fast growth companies and serving on the boards of Lava Blue Ltd, Epicorp Ltd, ACT Auditor General (Chair of Audit & Risk Committee) and Project Independence Ltd (Audit & Risk Committee). James' previous experience includes CFO of ArchTIS (ASX:AR9), CFO of Seeing Machines Ltd (AIM:SEE), as an audit partner at Ernst & Young where he was managing partner of the Canberra audit practice for six years, and as a board member for a series of private and not-for-profit organisations. James is a fellow of the Institute of Chartered Accountants and is a Graduate of the Australian Institute of Company Directors. James holds a Bachelor of Science (Hons) from Manchester University.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Member of the Nomination and Remuneration Committee and Chair of the Audit & Risk Committee
Interests in shares:	70,000 Fully paid ordinary shares
Interests in options:	Nil
Interests in rights:	Nil
Contractual rights to shares:	Nil

Name:	Sophie Karzis
Title:	Non-executive Director
Qualifications:	LLB
Experience and expertise:	Sophie is a qualified legal practitioner specialising in ASX Listing Rules and corporations law. Sophie has provided general counsel and company secretarial services to a number of ASX-listed companies, such as Adacel Technologies Limited, Afterpay Limited, Gale Pacific Limited, Johns Lyng Group Limited, Maggie Beer Holdings Limited, Midway Limited and Whispir Limited. Sophie currently holds non-executive directorship roles at Touch Ventures Limited and Collingwood Football Club Foundation. Sophie is a former non-executive director of ASX-listed Crowd Media Holdings Limited. Sophie holds bachelor's degrees in law and jurisprudence from Monash University.
Other current directorships:	Touch Ventures Limited (ASX: TVL)
Former directorships (last 3 years):	Nil
Special responsibilities:	Chair of the Nomination and Remuneration Committee
Interests in shares:	42,175 Fully paid ordinary shares
Interests in options:	Nil
Interests in rights:	Nil
Contractual rights to shares:	Nil

Other current directorships quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Former directorships (last 3 years) quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretaries
Angela Gunton and Justin Mouchacca have been appointed as joint company secretaries.

Angela the Head of Corporate Services for the Group, with over 5 years' experience working in contracts and commercial law, and more than 10 years' experience in human resources and business operations. Since 2005, Angela has been a key part of the management team of Racing and Sports and was appointed Company Secretary in 2021. Angela holds bachelor's degrees in science and law and a Certificate IV in Human Resources.

Justin is a Chartered Accountant and Fellow of the Governance Institute of Australia with over 15 years' experience in public company responsibilities including statutory, corporate governance and financial reporting requirements. Since July 2019, Justin has been principal of JM Corporate Services and has been appointed Company Secretary and Financial Officer for a number of entities listed on the ASX and unlisted public companies.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Kate Carnell AO*	13	13	1	1	2	2
Gary Alexander Crispe *	13	13	-	-	-	-
Gregory Patrick Nichols **	13	13	1	1	2	2
James Richard Palmer **	13	13	1	1	2	2
Sophie Karzis **	13	13	1	1	2	2

* appointed 10 May 2021
**appointed 18 June 2021

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The key management personnel of the consolidated entity consisted of the following directors of RAS Technology Holdings Limited:

Kate Carnell AO (Non-executive Chair – appointed 10 May 2021)
Gary Alexander Crispe (Executive Director – appointed 10 May 2021)
Gregory Patrick Nichols (Non-executive Director – appointed 18 June 2021)
James Richard Palmer (Non-executive Director – appointed 18 June 2021)
Sophie Karzis (Non-executive Director – appointed 18 June 2021)

Other key management personnel:

Stephen Crispe (Chief Executive Officer appointed 15 Feb 2021)
Robert Vilkaitis (Chief Technical Officer continuation of service from company foundation)
Andrew Burns (Chief Financial Officer – appointed 5 May 2021)

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive and non-executive directors reward framework is to ensure the Group's remuneration structures are equitable and aligned with the long-term interests of the consolidated entity and its shareholders and having regard to relevant consolidated entity policies without rewarding conduct that is contrary to the entity's values or risk appetite. The framework aligns executive reward with the achievement of strategic objectives, the creation of value for shareholders, and adherence to the Group's values, policies and procedures. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness through benchmarking of listed companies of similar size, industry, customer base, and geographic locations;
- attract and retain skilled executives by ensuring the reward package is comparative to equivalent roles in public, private and government sectors; and
- incentives that are challenging and linked to the creation of sustainable shareholder returns.

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

In consultation with external remuneration consultants (refer to the section 'Use of remuneration consultants' below), the Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

This is the first year the reward framework has been implemented. As part of the IPO process Crichton and Associates Pty Limited was appointed to undertake a review of various aspects of Racing and Sports Pty Ltd (RAS) executive remuneration practices, including fixed remuneration short term incentives and long term incentives. The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having revenue growth as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of growth in share price, and on key non-financial drivers of value
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards through both the short term and long term incentive structures.

The reward framework was last reviewed by the Board during the IPO process in October 2021.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role, being the first year of operations the director's fess have been benchmarked against ASX listed entities of similar size and complexity. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chair's fees were determined independently to the fees of other non-executive directors based on a review of comparative roles in ASX listed entities of similar size and complexity. The chair is not present at any discussions relating to the determination of their own remuneration.

Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 21 October 2021, where the shareholders approved a maximum annual aggregate remuneration of $700,000.

Executive remuneration
The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components. For the year ended 20 June 2022 executive remuneration structure was introduced on the 1st of October 2021 as part of the IPO.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed Remuneration consisting of Base Salary plus Superannuation plus Other Benefits on a Total Employment Cost basis. Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the Group with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include revenue and AMRR growth, contribution of new revenue streams, and employee satisfaction.

The STI is a cash bonus. The amount of the bonus is determined having regard to the satisfaction of performance measures and weightings outline in the annual STI letter to the executive. The maximum bonus values are established at the start of each financial year and amounts payable are determined by the Nomination and Remuneration Committee prior to the release of the audited financial statements.

The STI includes a deferral of 25% of the calculated award, the deferral period is 12 months. The deferred component is subject to a 'malus' provision during the deferral period, under which the Board may exercise its discretion to forfeit some or all of the deferred component.

The long-term incentives ('LTI') including share-based payments. Shares rights are awarded to executives over a period of three years based on long-term incentive measures. These include increase in Total Shareholders Returns and the compound annual growth of Revenue for the period. The Nomination and Remuneration Committee reviewed the long-term equity-linked performance incentives specifically for executives as part of the IPO process during the year ended 30 June 2022, the Total Shareholders Returns and the compound annual growth of Revenue criteria were determined to be aligned with to shareholder interests.

Consolidated entity performance and link to remuneration
Remuneration for the executive is directly linked to the performance of the consolidated entity.

The STI is directly aligned to the achievement of annual revenue targets and growth in the annualised monthly recurring revenues being met during the fiscal year. The remaining portion of the STI payments related to the acquisition of new revenue streams both customer and products and non-financial key performance metrics that indirectly impact on value of the Group set at the discretion of the Nomination and Remuneration Committee. Refer to the section below for details of the earnings and total shareholders return for the last five years. During the year ended 30 June 2022 the executive achieved 40% of the STI award. As this was the first year of the reward framework the performance and vesting period for the LTI will not be met until 20 June 2024.

The Nomination and Remuneration Committee is of the opinion that the continued improvement of business results can be attributed in part to the adoption of performance-based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Use of remuneration consultants
During the financial year ended 30 June 2022, the consolidated entity, through the Nomination and Remuneration Committee, engaged Crichton and Associates remuneration consultants, to review its existing remuneration policies and provide recommendations on how to improve both the STI and LTI programs. This has resulted in share-based payments remuneration in the form of options and performance rights (LTI) being implemented. Crichton and Associates was paid $0 for remuneration advisory services and $16,464 for other services.

An agreed set of protocols were put in place to ensure that the remuneration recommendations would be free from undue influence from key management personnel. These protocols include requiring that the consultant not communicate final recommendations with affected key management personnel without a member of the Nomination and Remuneration Committee being present or copied on all correspondence. The Board is also required to make inquiries of the consultant's processes at the conclusion of the engagement to ensure that they are satisfied that any recommendations made have been free from undue influence. The Board is satisfied that these protocols were followed and as such there was no undue influence.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

2022	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total $	Perform-ance based %
	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $		
Non-Executive Directors:								
Kate Carnell AO	103,561	-	-	10,356	-	-	113,917	-
Gregory Patrick Nichols	62,500	-	-	-	-	-	62,500	-
James Richard Palmer	62,500	-	-	-	-	-	62,500	-
Sophie Karzis	62,500	-	-	-	-	-	62,500	-
Executive Directors:								
Gary Alexander Crispe	250,673	40,670	-	20,484	552	23,239	335,618	19%
Other Key Management Personnel:								
Stephen Crispe	282,105	66,000	-	28,180	771	262,714	639,770	51%
Robert Vilkaitis	248,617	40,670	-	24,397	18,815	23,239	355,738	18%
Andrew Burns**	198,000	88,500	-	-	-	129,091	415,591	52%
	1,270,456	235,840	-	83,417	20,138	438,283	2,048,134	-

* During the year ended 30 June 2022 the executive team achieved 40% of the defined short term incentive performance criteria forfeiting 60% for the period.

** The CFO received a one-time cash bonus of $72,500 on 3rd November 2021 relating to the successful completion of the IPO process. Andrew Burns is employed under a contractor arrangement through his consulting company, and as such no superannuation or leave entitlements were paid or incurred during the period.

Non-executive directors fees are 100% fixed remuneration.

Company Performance Indicators

Company Performance Indicators ($'000's)	FY18	FY19	FY20	FY21	FY22
Revenue	3,206	3,685	3,646	5,290	8,328
Annualised Monthly Recurring Revenue as at 30 June	Not Measured	4,117	3,777	6,624	8,920
EBITDA	805	1,141	1,260	2,511	(2,809)
Net Profit After Tax	368	429	408	1,581	(2,986)
Share Price (cents)*	-	-	-	-	44

* The Company was admitted to ASX in November 2021.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	**Stephen Crispe**
Title:	Chief Executive Officer
Agreement commenced:	1 October 2021 – Continuation of service from 15 Feb 2021
Term of agreement:	Full time employment
Details:	Fixed remuneration of $330,000 plus short-term incentive and long-term incentive both capped at 50% of fixed remuneration. Six months' notice period for both parties. Non-solicitation restrictions for 12 months post-employment.

Name:	**Gary Crispe**
Title:	Chief Commercial Officer
Agreement commenced:	1 October 2021 – Continuation of service from company foundation
Term of agreement:	Full time employment
Details:	Fixed remuneration of $305,000 plus short-term incentive and long-term incentive both capped at 33% of fixed remuneration. Six months' notice period for both parties. Non-solicitation restrictions for 12 months post-employment.

Name:	**Robert Vilkaitis**
Title:	Chief Technical Officer
Agreement commenced:	1 October 2021 – Continuation of service from company foundation
Term of agreement:	Full time employment
Details:	Fixed remuneration of $305,000 plus short-term incentive and long-term incentive both capped at 33% of fixed remuneration. Six months' notice period for both parties. Non-solicitation restrictions for 12 months post-employment.

Name:	Andrew Burns
Title:	Chief Financial Officer
Agreement commenced:	1 October 2021
Term of agreement:	Contracted part time service agreement
Details:	Contract fees of $180,000 plus short-term incentive and long-term incentive both capped at 20% of contract fees. Six months' notice period for both parties. Non-solicitation restrictions for 12 months post contract termination.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2022.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Stephen Crispe	843,328	29 Oct 2021	23 Nov 2021	23 Nov 2023	$1.95	$0.270
Andrew Burns	374,813	29 Oct 2021	23 Nov 2021	23 Nov 2023	$1.95	$0.270
Andrew Burns	127,389	29 Oct 2021	30 Sep 2022	30 Sep 2024	$1.95	$0.310

Options granted carry no dividend or voting rights.

Options vest on the vesting date, and are subject to the following conditions;

- The 843,328 options to Stephen Crispe and 374,813 options to Andrew Burns vest on the listing of the business on the ASX, and were subject to maintaining employment at the listing date;
- The 127,389 options for Andrew Burns are subject to a service condition up to the vesting date.

Performance rights

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Expiry date	Share price hurdle for vesting	Fair value per right at grant date
Stephen Crispe	110,000	14 Mar 2022	30 Sep 2024	31 Dec 2024	$0.00	$1.500
Gary Crispe	67,780	14 Mar 2022	30 Sep 2024	31 Dec 2024	$0.00	$1.500
Robert Vilkaitis	67,780	14 Mar 2022	30 Sep 2024	31 Dec 2024	$0.00	$1.500

Performance rights granted carry no dividend or voting rights.
Performance rights include the following conditions:

- Continued service until the vesting date;
- 50% of the award relates to the achievement of revenue growth targets;
- 50% of the award relates to total shareholder return targets.

The number of performance rights over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2022 are set out below:

Name	Number of rights granted during the year 2022	Number of rights granted during the year 2021	Number of rights vested during the year 2022	Number of rights vested during the year 2021
Stephen Crispe	110,000	-	-	-
Gary Crispe	67,780	-	-	-
Robert Vilkaitis	67,780	-	-	-

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Ordinary shares	Balance at the start of the year	Received as part of remuneration	Purchases	Corporate reorganisation *	Balance at the end of the year
Kate Carnell AO	-	-	230,000	-	230,000
Gary Crispe	-	-	-	12,065,124	12,065,124
Greg Nichols	-	-	100,000	-	100,000
Sophie Karzis	-	-	42,175	-	42,175
James Palmer	-	-	70,000	-	70,000
Stephen Crispe	-	-	10,000	-	10,000
Robert Vilkaitis	-	-	-	12,039,066	12,039,066
Andrew Burns	-	-	-	-	-
	-	-	452,175	24,104,190	24,556,365

* In July 2021, Racing and Sports undertook a corporate restructure. Under this corporate restructure, the shareholders in Racing and Sports Pty Ltd (Racing and Sports) exchanged their shares in that company for shares in RAS Technology Holdings Limited in a "top hat restructure" (Restructure). Each shareholder's proportionate interest in Racing and Sports was not altered as a result of the Restructure.

Option holding
The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Options over ordinary shares	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Stephen Crispe	-	843,328	-	-	843,328
Andrew Burns	-	502,202	-	-	502,202
	-	1,345,530	-	-	1,345,530

Performance rights holding
The number of performance rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Performance rights over ordinary shares	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
Stephen Crispe	-	110,000	-	-	110,000
Gary Crispe	-	67,780	-	-	67,780
Robert Vilkaitis	-	67,780	-	-	67,780
	-	245,560	-	-	245,560

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of RAS Technology Holdings Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
23 November 2021	18 November 2024	$1.95	1,218,141
23 November 2021	18 November 2024	$1.95	356,072
23 November 2021	18 November 2024	$1.95	127,389
			1,701,602

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options

The following ordinary shares of RAS Technology Holdings Limited were issued during the year ended 30 June 2022 and up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
29 March 2022	$0.00	66,667

Shares under performance rights

Unissued ordinary shares of RAS Technology Holdings Limited under share rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
14 March 2022	31 December 2024	$0.00	301,282
28 March 2022	18 December 2023	$0.00	53,648
			354,930

Shares issued on the exercise of performance rights

There were no ordinary shares of RAS Technology Holdings Limited issued on the exercise of performance rights during the year ended 30 June 2022 and up to the date of this report.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 32 to the financial statements.

No non-audit services have been provided to the company by the auditor for the year ended 30 June 2022.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Kate Carnell AO
Non-executive Chair

29 August 2022

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Australia

DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF RAS TECHNOLOGY HOLDINGS LIMITED

As lead auditor of RAS Technology Holdings Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of RAS Technology Holdings Limited and the entities it controlled during the year.

Clayton Eveleigh
Director

BDO Audit Pty Ltd

Sydney, 29 August 2022

For the year ended 30 June 2022

	Note	Consolidated	
		2022 $'000	2021 $'000
Revenue			
Revenue from contracts with customers	5	8,328	5,290
Other income	6	663	644
Expenses			
Data and processing expenses		(735)	(319)
Employee benefits expenses		(4,979)	(941)
Finance costs	7	(76)	(47)
Occupancy expenses		(106)	(100)
Technology expenses		(158)	(113)
Depreciation and amortisation expense	7	(1,022)	(676)
IPO costs		(1,792)	(97)
Administration expenses		(1,950)	(432)
Outsourced services		(1,440)	(949)
(Loss)/profit before income tax benefit/(expense)		**(3,267)**	**2,260**
Income tax benefit/(expense)	8	281	(679)
(Loss)/profit after income tax benefit/(expense) for the year attributable to the owners of RAS Technology Holdings Limited	**28**	**(2,986)**	**1,581**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		4	-
Other comprehensive income for the year, net of tax		4	-
Total comprehensive income for the year attributable to the owners of RAS Technology Holdings Limited		**(2,982)**	**1,581**
		Cents	Cents
Basic earnings per share	39	(7.15)	4.38
Diluted earnings per share	39	(7.15)	4.38

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

As at 30 June 2022	Note	Consolidated	
		2022 $'000	2021 $'000
Assets			
Current assets			
Cash and cash equivalents	9	10,767	2,049
Trade and other receivables	10	1,469	386
Contract assets	11	54	329
Other assets	12	121	36
Total current assets		**12,411**	**2,800**
Non-current assets			
Property, plant and equipment	13	604	249
Deferred tax	14	1,290	201
Intangibles	15	2,939	2,088
Right-of-use assets	16	1,049	459
Total non-current assets		**5,882**	**2,997**
Total assets		**18,293**	**5,797**
Liabilities			
Current liabilities			
Trade and other payables	17	2,171	1,709
Borrowings		-	21
Contract liabilities	18	131	210
Employee benefits	19	505	276
Lease liabilities	20	230	99
Total current liabilities		**3,037**	**2,315**
Non-current liabilities			
Borrowings		-	142
Deferred tax	21	407	46
Contract liabilities	22	-	48
Employee benefits	23	16	3
Lease liabilities	24	905	368
Provisions	25	100	-
Total non-current liabilities		**1,428**	**607**
Total liabilities		**4,465**	**2,922**
Net assets		**13,828**	**2,875**
Equity			
Issued capital	26	13,424	51
Reserves	27	566	-
(Accumulated losses)/retained profits	28	(162)	2,824
Total equity		**13,828**	**2,875**

The above statement of financial position should be read in conjunction with the accompanying notes

For the year ended 30 June 2022

Consolidated	**Issued capital $'000**	**Retained profits $'000**	**Reserves $'000**	**Total equity $'000**
Balance at 1 July 2020	51	1,364	-	1,415
Prior period adjustment (refer to Note 2 Revenue recognition)	-	329	-	329
Balance at 1 July 2020 - restated	**51**	**1,693**	**-**	**1,744**
Profit after income tax expense for the year	-	1,581	-	1,581
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	**-**	**1,581**	**-**	**1,581**
Transactions with owners in their capacity as owners:				
Dividends paid	-	(450)	-	(450)
Balance at 30 June 2021	**51**	**2,824**	**-**	**2,875**

For the year ended 30 June 2022

Consolidated	**Issued capital $'000**	**(Accumulated losses)/Retained profits $'000**	**Reserves $'000**	**Total equity $'000**
Balance at 1 July 2021	51	2,824	-	2,875
Loss after income tax benefit for the year	-	(2,986)	-	(2,986)
Other comprehensive income for the year, net of tax	-	-	4	4
Total comprehensive income for the year	**-**	**(2,986)**	**4**	**(2,982)**
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 26)	13,273	-	-	13,273
Share-based payments (note 40)	-	-	662	662
Transfer of equity - zero exercise priced options vested	100	-	(100)	-
Balance at 30 June 2022	**13,424**	**(162)**	**566**	**13,828**

The above statement of changes in equity should be read in conjunction with the accompanying notes

For the year ended 30 June 2022

	Note	Consolidated	
		2022 $'000	**2021 $'000**
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		8,336	5,702
Payments to suppliers (inclusive of GST)		(8,270)	(2,963)
Receipts from government grants – R&D		1,261	-
Receipts from government subsidy – cashflow boost and JobKeeper		-	253
Interest received		3	1
IPO costs		(1,697)	-
Income tax paid		(1,277)	-
Finance costs		(74)	(47)
Net cash (used in)/from operating activities	37	**(1,718)**	**2,946**
Cash flows from investing activities			
Payments for property, plant and equipment		(591)	(28)
Payments for intangible assets		(1,490)	(1,090)
Net cash used in investing activities		**(2,081)**	**(1,118)**
Cash flows from financing activities			
Proceeds from issue of shares		13,030	-
Repayment of loans to directors, managers and employees		-	18
Repayment of borrowings		(163)	(61)
Dividends paid		(300)	(525)
Principal repayment of lease liabilities		(50)	(160)
Net cash from/(used in) financing activities		**12,517**	**(728)**
Net increase in cash and cash equivalents		8,718	1,100
Cash and cash equivalents at the beginning of the financial year		2,049	949
Cash and cash equivalents at the end of the financial year	9	**10,767**	**2,049**

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover RAS Technology Holdings Limited as a consolidated entity. The financial statements are presented in Australian dollars, which is RAS Technology Holdings Limited's functional and presentation currency.

RAS Technology Holdings Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
Level 21, 459 Collins Street Melbourne, Victoria 3000 Phone: +61 3 8630 3321	Unit 4, Mezzanine Level 55 Wentworth Avenue Kingston, ACT 2604

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 4 August 2022. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 34.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of RAS Technology Holdings Limited ('company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. RAS Technology Holdings Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'. Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is RAS Technology Holdings Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet; and
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except exchange differences that arise from net investment hedges.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition
The consolidated entity recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Prior period adjustment
During the period, the Group has continued to review and improve its alignment of revenue recognition and billing practices in order to ensure compliance with AASB 15 Revenue from Contracts with Customers. As a result, the Group has identified amounts of revenue which related to prior periods dating back to years prior to the comparative balances, which were not recognised as revenue in the year they were earned. The Group has since corrected this difference between billing and revenue recognition for its customers that are billed monthly, which has resulted in a correction to prior period balances.

As a result, the Directors have recognised an adjustment to opening retained earnings reflecting amount of revenue that was related to prior years, resulting in a restatement of the balances of opening retained earnings and contracts as at 1 July 2021. Consequently, the balances of retained earnings and contract assets in the comparative period have increased by $329,000, which has had a flow on impact to total current assets, total assets and net assets in the 2021 financial year.

No other balances or line items in the comparative figures have been affected by this correction and there is no ongoing impact on the 2022 financial results.

Data services & technology solutions
Revenue from data and technology services are recognised over time on a monthly basis, as the customer simultaneously receives and consumes the benefits of the subscription to the database and technology offerings over the term of the contract.

Digital & Media
Revenue from digital and media services is recognised over time on a monthly basis, as the

customer receives and consumes the benefit of the media and advertising services over the term of the contract.

Other Services
Other services include consulting engagements and development projects. Revenue from these services are recognised over time, on a stage of completion basis. The stage of completion on ongoing engagements in measured on an output basis using periodic deliverables to determine the revenue recognition timing.

The timing of invoicing may differ to revenue recognition according to the billing arrangements in the contract, which will result in the recognition of contract assets and liabilities accordingly. Amounts billed in advance are recognised as contract liabilities and recognised over the term of the contract. Accrued income is recognised for services provided but not yet invoiced.

Grant income
The grant revenue from R&D tax incentive are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred grant revenue at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and due to their short-term nature, they are measured at amortised cost and are not discounted, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets

Contract assets are recognised when the consolidated entity has transferred goods or services to the customer but where the consolidated entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis or diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements based on the term of the lease	3-10 years
Motor vehicles	4-5 years
Plant and equipment including general pool	2-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately including internally developed intangible assets are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Database and Wagering Technology and Software Development

Expenditure during the research phase of a project is expensed in the period incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development; and its costs can be measured reliably.

The expenditure capitalised includes any direct costs of materials, direct labour and overheads directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the profit and loss for the period as incurred.

Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of between 4-5 years.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of the current accrued employee liability. Consideration is given to expected likelihood of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends
Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Earnings per share
Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of RAS Technology Holdings Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.
Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2022. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The fair value of share performance rights are determined by using the IPO price or the 30 day volume weighted average price (VWAP) as at grant date. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the

carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates. For all trade receivables with less than 90 days overdue there is no expected credit loss rate assigned.

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision
As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease make good provision
A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Note 4. Operating segments

Identification of reportable operating segments
The Group provides Wagering Technology solutions including software and race day controls as well and Data as a Service solutions to the racing and sports wagering industries on a global basis. The Chief Executive Officer is the Chief Operating Decision Maker (CODM) and monitors the operating results on a consolidated basis, and accordingly, the Group has concluded that it has one reportable segment.

The internal management reporting presented to key business decision makers report total assets and liabilities on the basis consistent with that of the consolidated financial statements. These reports do not allocate assets and liabilities based on the operations of each segment or by geographical location.

Under the current management reporting framework, total assets are not reviewed to a specific reporting segment or geographical location.

	Sales to external customers 2022 $'000	Sales to external customers 2021 $'000
Australia	3,857	3,138
United Kingdom	2,227	1,240
United States	1,241	430
Rest of the World	1,003	482
	8,328	5,290

	Sales to external customers 2022	Sales to external customers 2021
Number of individual customers with greater than 10% of revenue	2	2
Revenue from individual customers with greater than 10% of revenue ($'000)	2,106	1,421

Note 5. Revenue from contracts with customers

	Consolidated	
	2022 $'000	2021 $'000
Data services	6,017	4,232
Technology solutions	1,718	518
Digital & media	520	430
Other services	73	110
	8,328	5,290

Disaggregation of revenue

The consolidated entity derives its revenue from the delivery of the above services to its customers. The table above provides a breakdown of revenue by major business line. All revenue has been recognised over time as the performance obligations are satisfied. As disclosed in Note 4, the consolidated entity has one operating segment which derives revenues from a range of geographical locations.

Note 6. Other income

	Consolidate	
	2022 $'000	2021 $'000
Government grant - R&D tax incentive	660	354
Government subsidy - Cashflow boost and JobKeeper	-	240
Other income	3	32
Gain on the termination of the storage - Right of use	-	18
Other income	663	644

Note 7. Expenses

	Consolidated	
	2022 $'000	2021 $'000
Profit /(Loss) before income tax includes the following specific expenses:		
Depreciation and amortisation		
Right-of-use	239	137
Property, plant and equipment	144	67
Amortisation	639	472
Total depreciation and amortisation	**1,022**	**676**
Finance costs		
Financing cost	62	32
Interest paid	14	15
Total finance costs	**76**	**47**
Superannuation expense		
Defined contribution superannuation expense	368	112
Share-based payments expense		
Share-based payments expense	662	-
Research costs		
Research costs	1,603	525
Net foreign exchange (loss)/gain		
Net foreign exchange (loss)/gain	50	37

Note 8. Income tax (benefit)/expense

	Consolidated	
	2022 $'000	2021 $'000
Income tax (benefit)/expense		
Current tax	-	713
Deferred tax - origination and reversal of temporary differences	(485)	(34)
Adjustment recognised for prior periods	204	-
Aggregate income (benefit)/tax expense	**(281)**	**679**
Deferred tax included in income tax (benefit)/expense comprises:		
Increase in deferred tax assets (note 14)	(846)	(55)
Increase in deferred tax liabilities (note 21)	361	21
Deferred tax - origination and reversal of temporary differences	**(485)**	**(34)**
Numerical reconciliation of income tax (benefit)/expense and tax at the statutory rate		
(Loss)/profit before income tax benefit/(expense)	(3,267)	2,260
Tax at the statutory tax rate of 25% (2021: 26%)	(817)	588
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non assessable R&D grant income	(165)	(92)
Non assessable other income	-	(10)
Accounting expenditure relating to R&D	151	80
Amortisation of intangibles	141	107
Entertainment expenses	3	6
	(687)	**679**
Adjustment recognised for prior periods	204	-
Amounts charged directly to equity	243	-
Differences in overseas tax rates	17	-
Other items	(58)	-
Income tax (benefit)/expense	**(281)**	**679**

Note 9. Current assets - cash and cash equivalents

	Consolidated	
	2022 $'000	2021 $'000
Cash at bank	10,767	2,049

Note 10. Current assets - trade and other receivables

	Consolidated	
	2022 $'000	2021 $'000
Trade receivables	674	300
Other receivable	5	-
R&D tax incentive receivable	790	86
	1,469	386

Allowance for expected credit losses

The consolidated entity has not recognised a loss in respect of the expected credit losses for the year ended 30 June 2022.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2022 %	2021 %	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Not overdue	-	-	608	192	-	-
0 to 3 months overdue	-	-	66	51	-	-
Greater than 3 months overdue	50%	-	-	57	-	-
			674	300	-	-

The consolidated entity has improved its recovery of outstanding trade receivables during the period, and as such no credit losses are forecast on the portfolio of receivables at 30 June 2022 (2021: Nil).

Note 11. Current assets - contract assets

	Consolidated	
	2022 $'000	2021 $'000
Contract assets (2021: refer to Note 1 Revenue Recognition)	54	329

Note 12. Current assets - Other assets

	Consolidated	
	2022 $'000	2021 $'000
Prepayments	121	36

Note 13. Non-current assets - property, plant and equipment

	Consolidated	
	2022 $'000	**2021 $'000**
Leasehold improvements - at cost	427	69
Less: Accumulated depreciation	(49)	(12)
	378	**57**
Plant and equipment - at cost	205	164
Less: Accumulated depreciation	(71)	(113)
	134	**51**
Motor vehicles	193	289
Less: Accumulated depreciation	(101)	(148)
	92	**141**
	604	**249**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	**Leasehold improvements $'000**	**Plant and equipment $'000**	**Motor vehicle $'000**	**General pool $'000**	**Total $'000**
Balance at 1 July 2020	59	37	188	5	289
Additions	-	28	-	-	28
Depreciation expense	(2)	(17)	(47)	(2)	(68)
Balance at 30 June 2021	57	48	141	3	249
Additions	427	164	-	-	591
Disposals	(56)	(18)	(15)	(3)	(92)
Depreciation expense	(50)	(60)	(34)	-	(144)
Balance at 30 June 2022	**378**	**134**	**92**	**-**	**604**

Note 14. Non-current assets - deferred tax

	Consolidated	
	2022 $'000	2021 $'000
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	168	-
Property, plant and equipment	-	8
Employee benefits	128	52
Leases	309	-
Black hole expenses	309	-
Accrued expenses	133	141
	1,047	**201**
Amounts recognised in equity:		
Transaction costs on share issue	243	-
Deferred tax asset	**1,290**	**201**
Movements:		
Opening balance	201	146
Credited to profit or loss (note 8)	846	55
Credited to equity (note 8)	243	-
Closing balance	**1,290**	**201**

Note 15. Non-current assets - intangibles

	Consolidated	
	2022 $'000	2021 $'000
Software - work in progress - at cost	770	535
Software - at cost	265	-
Less: Accumulated amortisation	(26)	-
	239	**-**
Database development - at cost	3,015	2,713
Less: Accumulated amortisation	(1,085)	(1,160)
	1,930	**1,553**
	2,939	**2,088**

The remaining useful life of the assets above is between 4-5 years.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Software - work in progress $'000	Database development $'000	Software $'000	Total $'000
Balance at 1 July 2020	400	1,070	-	1,470
Additions	135	955	-	1,090
Amortisation expense	-	(472)	-	(472)
Balance at 30 June 2021	535	1,553	-	2,088
Additions	500	990	-	1,490
Transfers in/(out)	(265)	-	265	-
Amortisation expense	-	(613)	(26)	(639)
Balance at 30 June 2022	**770**	**1,930**	**239**	**2,939**

Note 16. Non-current assets - right-of-use assets

	Consolidated	
	2022 $'000	2021 $'000
Office premises - right-of-use	1,209	530
Less: Accumulated depreciation	(182)	(71)
	1,027	**459**
Computer equipment - right-of-use	26	-
Less: Accumulated depreciation	(4)	-
	22	**-**
	1,049	**459**

The Group's lease portfolio includes buildings, plant and equipment. These leases have an average of 5 years as their lease term.

The option to extend or terminate are contained in the property lease of the Group. There were no extension options for equipment leases. These clauses provide the Group opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the Group. The extension options or termination options which were reasonably certain to be exercised have been included in the calculation of the Right of use asset.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Office premises $'000	Storage facility $'000	Computer equipment $'000	Total $'000
Balance at 1 July 2020	-	303	-	303
Additions	530	-	-	530
Reduction due to termination of lease	-	(266)	-	(266)
Depreciation expense	(71)	(37)	-	(108)
Balance at 30 June 2021	459	-	-	459
Additions	1,209	-	26	1,235
Reduction due to termination of lease	(406)	-	-	(406)
Depreciation expense	(235)	-	(4)	(239)
Balance at 30 June 2022	**1,027**	**-**	**22**	**1,049**

Note 17. Current liabilities - trade and other payables

	Consolidated	
	2022 $'000	2021 $'000
Trade payables	103	88
Accrued expenses	891	519
Credit card liability	41	1
Deferred grant revenue - R&D tax incentive	978	746
Dividend payable	-	300
GST payable	15	19
Other payables	143	36
	2,171	**1,709**

Refer to note 30 for further information on financial instruments.

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Note 18. Current liabilities - contract liabilities

	Consolidated	
	2022 $'000	2021 $'000
Amounts received in advance	131	210

Reconciliation
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	Consolidated	
	2022 $'000	2021 $'000
Opening balance	210	-
Payments received in advance	954	971
Amounts recognised as revenue	(1,033)	(761)
Closing balance	**131**	**210**

Unsatisfied performance obligations
The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $130,986 as at 30 June 2022 ($258,036 as at 30 June 2021) and is expected to be recognised as revenue in future periods as follows:

Note 19. Current liabilities - employee benefits

	Consolidated	
	2022 $'000	2021 $'000
Provision for long service leave	100	123
Provision for annual leave	405	153
	505	**276**

Note 20. Current liabilities - lease liabilities

	Consolidated	
	2022 $'000	2021 $'000
Lease liability	230	99

Refer to note 30 for further information on financial instruments.

Note 21. Non-current liabilities - deferred tax

	Consolidated	
	2022 $'000	2021 $'000
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Intangible Assets	104	42
Prepayments	-	4
Property, plant and equipment	41	-
Rights to use assets	262	-
Deferred tax liability	**407**	**46**
Movements:		
Opening balance	46	25
Charged to profit or loss (note 8)	361	21
Closing balance	**407**	**46**

Note 22. Non-current liabilities - contract liabilities

	Consolidated	
	2022 $'000	2021 $'000
Amounts received in advance	-	48

Refer to Note 18 for future details on the maturity date of contract liabilities.

Note 23. Non-current liabilities - employee benefits

	Consolidated	
	2022 $'000	2021 $'000
Provision for long service leave	16	3

Note 24. Non-current liabilities - lease liabilities

	Consolidated	
	2022 $'000	2021 $'000
Lease liability	905	368

Refer to note 30 for further information on financial instruments.

Note 25. Non-current liabilities - provisions

	Consolidated	
	2022 $'000	2021 $'000
Lease make good	100	-

Lease make good
The provision represents the present value of the estimated costs to make good the premises leased by the consolidated entity at the end of the respective lease terms.

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Consolidated - 2022	Lease make good $'000
Carrying amount at the start of the year	-
Additional provisions recognised	98
Finance costs	2
Carrying amount at the end of the year	**100**

Note 26. Equity - issued capital

	Consolidated			
	2022 Shares	2021 Shares	2022 $'000	2021 $'000
Ordinary shares - fully paid	45,458,585	1,000	13,424	51

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 July 2020	1,000		51
Balance	30 June 2021	1,000		51
Share split on a 36,058.58:1 basis		36,057,584	-	-
Issue of share capital on IPO, net of costs		9,333,334	$1.50	13,273
Issue of share capital on zero exercise price options		66,667	-	100
Balance	**30 June 2022**	**45,458,585**		**13,424**

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Currently the company has no outstanding borrowings.
The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment.

The consolidated entity has no outstanding financing arrangements that are subject to covenants. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the Prospectus dated 27 October 2021.

Note 27. Equity - reserves

	Consolidated	
	2022 $'000	2021 $'000
Share-based payments reserve	662	-
Foreign currency reserve	4	-
Options reserve	(100)	-
	566	-

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Share based payment reserve $'000	FX reserve $'000	Total $'000
Balance at 1 July 2020	-	-	-
Balance at 30 June 2021	-	-	-
Share based payments	662	-	662
Options exercised	(100)	-	(100)
Foreign currency translation	-	4	4
Balance at 30 June 2022	**562**	**4**	**566**

Note 28. Equity - (Accumulated losses)/retained profits

	Consolidated	
	2022 $'000	2021 $'000
Retained profits at the beginning of the financial year	2,824	1,693
(Loss)/profit after income tax benefit/(expense) for the year	(2,986)	1,581
Dividends paid (note 29)	-	(450)
(Accumulated losses)/retained profits at the end of the financial year	**(162)**	**2,824**

Note 29. Equity - dividends

Dividends

Franked dividends declared or paid during the year were franked at the tax rate of 26.00%.

Franking credits

	Consolidated	
	2022 $'000	2021 $'000
Balance at the beginning of the reporting period	7	7
Franking credits that will arise from the payment of provision for income tax	16	-
Balance at the end of the reporting period	**23**	**7**

Note 30. Financial instruments

Financial risk management objectives

The company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and may seek to minimise potential adverse effects on the financial performance of the company. The company uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures when deemed appropriate. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange, and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the company and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the company's operating units. Finance reports to the Board on a monthly basis and includes analysis and recommendations in relation to of any identified material risks.

Market risk

Foreign currency risk
The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

In order to protect against exchange rate movements, the company reviews all transactions over $0.5 million to determine if the company will enter into forward foreign exchange contracts. Any forward contracts are hedging highly probable forecasted cash flows for the ensuing financial year. The company currently has no outstanding forward foreign exchange contracts. Management has a risk management policy to reviews all transactions over $0.5 million to determine specific hedging contract.

The carrying amount of the company's foreign currency denominated financial assets and financial liabilities, expressed in the reporting currency at the reporting date were as follows:

Consolidated	Assets		Liabilities	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
GBP	95,434	-	8,589	-
USD	25,960	-	4,215	-
EUR	-	-	4,224	-
NZD	-	-	5,881	-
LKR	-	-	1,297	2,162
	121,394	-	24,206	2,162

The following table summarises the impact on the consolidated entity's profit before tax for the year if the Australian dollars weakened by 5%/strengthened by 5% (2021: weakened by 5%/strengthened by 5%) against these foreign currencies with all other variables held constant.

	AUD strengthened			AUD weakened		
	% change	Effect on profit before tax	Effect on equity	% change	Effect on profit before tax	Effect on equity
Consolidated - 2022	5%	(8,630)	(8,630)	5%	8,630	8,630
Consolidated - 2021	5%	1	1	5%	(1)	(1)

Price risk
The consolidated entity holds no market-based investments and as such is no exposure to any market price risk.
Interest rate risk
The consolidated entity's main potential for interest rate risk arises from long-term borrowings, currently the company has no outstanding borrowings. Borrowings obtained at variable rates expose the consolidated entity to interest rate risk. Borrowings obtained at fixed rates expose the consolidated entity to fair value interest rate risk. The company has no borrowings with variable interest rates.

As at the reporting date, the company had the no variable rate borrowings and interest rate swap contracts outstanding (2021: Nil).

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits if management deem it necessary for new customers. The consolidated entity seeks to obtain guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. For all trade receivables with less than 90 days overdue there is no expected credit loss rate assigned. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

The consolidated entity has no credit risk exposure as at 30 June 2022, the consolidated entity reviewed all outstanding receivables greater than 90 days as at 30 June 2021, determined that the balances were recoverable, and accordingly no expected credit loss provision was raised. Management closely monitors the receivable balance on a monthly basis and is in regular contact with this customer to mitigate risk.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 6 months.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Currently the company has $10.77 million in cash and cash equivalents (2021: $2.05 million) and no borrowing facilities.

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid.

	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Consolidated - 2022						
Non-derivatives						
Non-interest bearing						
Trade payables	-	103	-	-	-	103
Interest bearing						
Lease liabilities	5.72%	230	254	751	-	1,235
Total non-derivatives		**333**	**254**	**751**	**-**	**1,338**
Consolidated – 2021						
Non-derivatives						
Non-interest bearing						
Trade payables	-	88	-	-	-	88
Interest bearing						
Borrowings	3.59%	21	142	-	-	163
Lease liability	5.00%	99	104	264	-	467
Total non-derivatives		**208**	**246**	**264**	**-**	**718**

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 31. Key management personnel disclosures

Directors

The following persons were directors of RAS Technology Holdings Limited during the financial year:

Kate Carnell AO	Non-executive Chair – appointed 10 May 2021
Gary Crispe	Executive Director – appointed 10 May 2021
Greg Nichols	Non-executive Director – appointed 18 June 2021
Sophie Karzis	Non-executive Director – appointed 18 June 2021
James Palmer	Non-executive Director – appointed 18 June 2021

Other key management personnel

The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Stephen Crispe	Chief Executive Officer
Robert Vilkaitis	Chief Technology Officer
Andrew Burns	Chief Financial Officer

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2022 $	2021 $
Short-term employee benefits	1,506,296	466,331
Post-employment benefits	83,417	18,347
Long-term benefits	20,138	3,821
Share-based payments	438,283	-
	2,048,134	**488,499**

Note 32. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the company, and its network firms:

	Consolidated	
	2022 $	2021 $
Audit services – BDO Audit Pty Ltd		
Audit or review of the financial statements	85,000	-
Audit services – Hardwickes Accountants		
Audit or review of the financial statements	-	15,000

Note 33. Related party transactions

Parent entity
RAS Technology Holdings Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 35.

Key management personnel
Disclosures relating to key management personnel are set out in note 31 and the remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2022 $	2021 $
Sale of goods and services:		
Rental payments – Office and storage to Racing and Sports Property Trust	69,032	186,291
Rental payments – Short term office to Stephen Crispe	-	22,061
Outsource service payments – technology development to GRSBet Pty Ltd	105,000	-
Consulting services of associates paid to Burns Executive Services	59,678	-
Other expenses:		
Employment remuneration of related parties – Corporate services	348,519	381,254

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There are no loan balances are outstanding at the reporting date in relation to loans with related parties.

Note 34. Parent entity information

Set out below is the supplementary information about the parent entity.

In July 2021, Racing and Sports undertook a corporate restructure. Under this corporate restructure, the shareholders in Racing and Sports Pty Ltd exchanged their shares in that company for shares in RAS Technology Holdings Limited in a "top hat restructure" (Restructure). Each shareholder's proportionate interest in Racing and Sports was not altered as a result of the Restructure.
The effect of the Restructure was to interpose RAS Technology Holdings Limited as the new legal parent of the Group.

RAS Technology Holdings Limited as the parent entity controls the Group expenses relating to the ongoing corporate governance, capital management and costs associated with being a listed entity, the asset base consists of intercompany loans to subsidiaries and deferred tax assets.

	2022 $'000
Statement of profit or loss and other comprehensive income	
(Loss)/profit after income tax	(2,985)
Total comprehensive income	**(2,985)**
Statement of financial position	
Total current assets	-
Total assets	13,828
Total current liabilities	-
Total liabilities	-
Equity	
Issued capital	13,424
Foreign currency reserve	4
Share-based payments reserve	562
Retained profits/(accumulated losses)	(162)
Total equity	**13,828**

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2022 and 30 June 2021.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2022 and 30 June 2021.

Capital commitments – Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2022 and 30 June 2021.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2.

Note 35. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2022 %	Ownership interest 2021 %
Racing and Sports Pty Ltd	Australia	100.00%	-
Racing and Sports IP Pty Ltd	Australia	100.00%	-
Racing and Sports International Pty Ltd	Australia	100.00%	-
Racing and Sports Limited	United Kingdom	100.00%	-

Note 36. Events after the reporting period

In July 2022 the company expanded an enterprise contract with Entain Group Pty Ltd for a further five years valued at $5 million.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 37. Reconciliation of (loss)/ profit after income tax to net cash (used in)/from operating activities

	Consolidated	
	2022 $'000	2021 $'000
(Loss)/profit after income tax benefit/(expense) for the year	(2,986)	1,581
Adjustments for:		
Depreciation and amortisation	1,022	676
Write off of property, plant and equipment	92	-
Share-based payments	662	-
Finance costs	2	48
Net Gain on termination of lease	(12)	(18)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(371)	(189)
Increase in contract assets	(54)	-
Increase in income tax refund due	(703)	(544)
Increase in deferred tax assets	(846)	(56)
Increase in prepayments	(85)	(15)
Decrease in R&D deferred grant revenue	232	189
Increase in trade and other payables	523	229
Increase/(decrease) in contract liabilities	(127)	259
Increase in provision for income tax	-	714
Increase in deferred tax liabilities	362	21
Increase in employee benefits	242	51
Increase/(decrease) in retained earnings through prior period adjustment	329	-
Net cash (used in)/from operating activities	**(1,718)**	**2,946**

Note 38. Changes in liabilities arising from financing activities

Consolidated	**Borrowings $'000**	**Lease Liabilities $'000**	**Total $'000**
Balance at 1 July 2020	210	348	558
Net cash used in financing activities	(47)	(160)	(207)
Acquisition of leases	-	530	530
Non-cash impact of lease termination	-	(251)	(251)
Balance at 30 June 2021	163	467	630
Net cash used in financing activities	(163)	(50)	(213)
Acquisition of leases	-	1,137	1,137
Non-cash impact of lease termination	-	(419)	(419)
Balance at 30 June 2022	**-**	**1,135**	**1,135**

Note 39. Earnings per share

	Consolidated	
	2022 $'000	2021 $'000
(Loss)/profit after income tax attributable to the owners of RAS Technology Holdings Limited	(2,986)	1,581

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	41,701,324	36,058,584
Adjustments for calculation of diluted earnings per share:		
Share options on issue	1,701,602	-
Adjustments for share options that are not dilutive	(1,701,602)	-
Share performance rights	354,930	-
Adjustments for share performance rights that are not dilutive	(354,930)	
Weighted average number of ordinary shares used in calculating diluted earnings per share	**41,701,325**	**36,058,584**

	Cents	Cents
Basic earnings per share	(7.15)	4.38
Diluted earnings per share	(7.15)	4.38

Note 40. Share-based payments

The Group has established and Equity Plan to provide long-term incentives to eligible employees, directors and contractors. Under the plan, cash, performance rights, options and shares may be granted to participants. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.
During the financial year ended 30 June 2022, the Group offered and issued options under the Group's Equity Plan and directly to Ord Minnett Limited as part of the lead manager fees outlined in the prospectus.

The vesting of options is contingent on service based conditions. The options will expire 24 months after their vesting dates.

Options are granted under the plan for no consideration and carry no dividend or voting rights.

The options issued to Ord Minnett are on the same terms and valuation as the LTIP options - tranche 1.

During the financial year ended 30 June 2022, 66,667 zero exercise price options vested and were exercised into ordinary shares.

Set out below are summaries of options granted under the plan:

	Number of options 2022	Weighted average exercise price 2022	Number of options 2021	Weighted average exercise price 2021
Outstanding at the beginning of the financial year	-	-	-	$0.00
Granted LTIP options - tranche 1	1,218,141	$1.95	-	$0.00
Lead manager options	356,072	$1.95	-	$0.00
Granted LTIP options - tranche 2	127,389	$1.95	-	$0.00
Granted zero exercise price options	66,667	-	-	$0.00
Outstanding at the end of the financial year	**1,768,269**	**-**	**-**	**$0.00**

2022							
Grant date	**Expiry date**	**Exercise price**	**Balance at the start of the year**	**Granted**	**Exercised**	**Expired/ forfeited/ other**	**Balance at the end of the year**
23/11/2021	23/11/2024	$1.95	-	1,701,602	-	-	1,701,602
17/03/2022	29/03/2022	$0.00	-	66,667	(66,667)	-	-
			-	**1,768,269**	**(66,667)**	**-**	**1,701,602**

The 1,218,141 LTIP options - tranche 1 and the 356,072 Lead manager options vested are exercisable with the successful completion of the IPO. The 66,667 zero exercise price options vested and were exercised into ordinary shares.

No options expired during the period.

The weighted average share price during the financial year was $1.32 (2021: N/A).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2 years (2021: N/A).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
23/11/2021	23/11/2024	$1.50	$1.95	50.00%	-	0.06%	$0.270
23/11/2021	23/11/2024	$1.50	$1.95	50.00%	-	0.06%	$0.310
17/03/2022	31/03/2022	$1.50	$0.00	-	-	-	$1.500

The inputs described above applied to all options issued during the financial year.

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

The fair value of share performance rights are determined by using the IPO price or the 30 day volume weighted average price (VWAP) as at grant date.

Set out below are summaries of performance rights granted under the plan:

	Number of rights 2022	Weighted average exercise price 2022	Number of rights 2021	Weighted average exercise price 2021
Outstanding at the beginning of the financial year	-	-	-	-
Granted FY22 LTIP rights – Existing	301,282	$0.00	-	$0.00
Granted FY22 LTIP rights - New	53,648	$0.00	-	$0.00
Outstanding at the end of the financial year	**354,930**	**-**	**-**	**$0.00**

2022							
Grant date	**Vesting dated and exercisable date**	**Expiry date**	**Balance at the start of the year**	**Granted**	**Exercised**	**Expired/ forfeited/ other**	**Balance at the end of the year**
14/3/2022	30/9/2024	31/12/2024	-	301,282	-	-	301,282
28/3/2022	30/9/2023	31/12/2023	-	53,648	-	-	53,648
			-	**354,930**	**-**	**-**	**354,930**

Performance rights granted carry no dividend or voting rights.
Performance rights include the following conditions:

- Continued service until the vesting date;
- 50% of the award relates to the achievement of revenue growth targets;
- 50% of the award relates to total shareholder return targets.

The fair value of share performance rights are determined by using the IPO price or the 30 day volume weighted average price (VWAP) as at grant date: For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Expiry date	Share price hurdle for vesting	Fair value per right at grant date
Granted FY22 LTIP rights – Existing	301,282	14/3/2022	30/9/2024	31/12/2024	$0.00	$1.500
Granted FY22 LTIP rights - New	53,648	28/3/2022	30/9/2023	31/12/2023	$0.00	$1.500

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company 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.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Kate Carnell AO
Non-executive Chair

29 August 2022

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INDEPENDENT AUDITOR'S REPORT

To the members of RAS Technology Holdings Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of RAS Technology Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	*How the matter was addressed in our audit*
Capitalisation of internally generated intangible assets As disclosed in Note 15 of the financial report, the Group capitalised internal development costs of $1.49m primarily related to the development of the database and software assets associated with its wagering technology product offerings. The Group's accounting policy in relation to these costs is detailed in Note 2 of the financial report. The capitalisation of development costs is considered a key audit matter due to the material nature of the costs capitalised, and the judgement required in allocating internal staff time to development projects and assessing when projects meet the criteria for capitalisation under AASB 138 *Intangible Assets*.	Our audit procedures in order to address this key audit matter included, but were not limited to: • Reviewing a summary of capitalised costs for the period, ensuring the arithmetic accuracy of the calculations and schedules for recognition of capitalised costs; • Testing a sample of capitalised costs to supporting documentation, ensuring the costs met the criteria for capitalisation under AASB 138 *Intangible Assets*; • Testing a sample of capitalised employee costs to supporting documentation, assessing the capacity in which the employee was employed and its alignment with development activities, the value of the remuneration paid and the allocation of their time to development projects through review of timekeeping records; • Discussing with management the nature of the work performed and the future plans for the database and wagering technology assets, supporting the assessment of the feasibility of the assets and the future economic benefit they are expected to generate.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter - Prior year financial report

The financial report for the year ended 30 June 2021 was audited by another auditor who expressed an unmodified opinion on that report on 20 August 2021.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of RAS Technology Holdings Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Clayton Eveleigh
Director

Sydney, 29 August 2022

The shareholder information set out below was applicable as at 26 July 2021.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Options over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total shares issued
1 to 1,000	81	12.58	-	-
1,001 to 5,000	234	36.34	-	-
5,001 to 10,000	140	21.74	-	-
10,001 to 100,000	168	26.08	-	-
100,001 and over	21	3.26	3	100
	644	**100.00**	**3**	**100**
Holding less than a marketable parcel	59	9.16	-	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Gary A Crispe	12,065,124	26.54
Robert I Vilkaitis	12,039,066	26.48
Ladbrokes Coral Group Limited	4,666,667	10.27
J P Morgan Nominees Australia Pty Limited	2,614,069	5.75
Mr Wayne L Crispe	2,000,000	4.40
Washington H Soul Pattinson and Company Limited	1,693,493	3.73
Investment Holdings Pty Ltd (Investment Holdings Unit A/C)	559,900	1.23
BNP Paribas Nominees Pty Ltd Hub24 Custodial Serv Ltd (DRP A/C)	507,317	1.12
National Nominees Limited	335,833	0.74
UBS Nominees Pty Ltd	318,261	0.70
CS Third Nominees Pty Limited (HSBC Cust Nom Au Ltd 13 A/C)	275,153	0.61
Crownace Pty Ltd	250,157	0.55
NDPM Pty Ltd (Morris Family Super Fund A/C)	197,550	0.43
Citicorp Nominees Pty Limited	182,954	0.40
Mr Daniel J Boettcher & Mr Raphael H Veit (Daniel J Boettcher S/F A/C)	165,594	0.36
Hunter Ward Pty Ltd (Ward Family A/C)	158,571	0.35
Mr Ian M Mackay & Mrs Clare R De Castella Mackay (I & C Mackay Family A/C)	151,893	0.33
Margate Pty Limited	150,000	0.33
Widegate Pty Ltd (The Sheene Super Fund A/)	148,500	0.33
Clapham Capital Pty Ltd (Clapham Capital S/F A/C)	130,845	0.29
	38,610,947	**84.94**

Unquoted equity securities	Number on issue	Number of holders
Options over ordinary shares issued	1,701,602	3

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	**% of total shares issued**
Gary A Crispe	12,065,124	26.54
Robert I Vilkaitis	12,039,066	26.48
Ladbrokes Coral Group Limited	4,666,667	10.27
J P Morgan Nominees Australia Pty Limited	2,614,069	5.75

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Consistency with business objectives - ASX Listing Rule 4.10.19

In accordance with ASX Listing Rule 4.10.9, the consolidated entity states that it has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives. The business objectives are maximising performance, generating appropriate levels of shareholder value and financial return, and sustaining the growth and success of the Company. Consistent with the use of funds which were disclosed in the Company's Prospectus dated 27 October 2021, the consolidated entity believes it has used its cash in a consistent manner for the following purposes:

- Product development;
- Expansion of business, including management, sales and marketing and software development teams;
- International expansion (UK and US);
- Working capital;
- Costs of the offer; and
- Payments to the Selling Shareholders.