1H25

APPENDIX 4D
FINANCIAL REPORT


FORESTVILLE SA


VILLAGE GREEN QLD

130 years | PEET

Peet Limited

ABN 56 008 665 834

Appendix 4D and Consolidated Financial Statements for the half-year ended 31 December 2024

Results for announcement to the market

Entity:	Peet Limited and its controlled entities
Reporting Period:	31 December 2024
Previous Corresponding Period:	31 December 2023

Revenue	Up	18%	to	$174.2m
Statutory profit after tax attributable to owners of Peet Limited	Up	63%	to	$ 25.2m
Basic and diluted earnings per share (cents)	Up	64%	to	5.38c

Dividends	Cents per security	% Franked per security
Current Year		
Interim dividend 2025	2.75	Fully franked
Previous Year		
Interim dividend 2024	1.50	Fully franked
Final dividend 2024	2.75	Fully franked

Results Commentary

Key Results[1]

- **Operating profit[2] and statutory profit[3] after tax of $25.2 million, up 63%**
- **Earnings per share of 5.38 cents, up 64%**
- **1,370 lots[4] sold**
- **1,009 lots[4] settled**
- **Value of contracts on hand as at 31 December 2024 of $661 million**
- **Gearing[5] of 35.3%**
- **Fully franked interim dividend of 2.75 cents per share**

Financial commentary

The Peet Group achieved an operating profit[2] and statutory profit[3] after tax of $25.2 million for the half-year ended 31 December 2024 (**1H25**), which compares to $15.5 million in the previous corresponding period (**1H24**). This improved underlying performance has been derived on the back of continuing strong performance across the portfolio, particularly from projects in Qld, WA and SA.

The Group derived EBITDA[6] of $46.9 million during the half on a margin of 26%, compared to $28.9 million and 18%, respectively, for the previous corresponding period. The improvements in EBITDA[6] and EBITDA[6] margin have resulted from increased sales from the Funds Management business, accompanied by continued price growth generally across the Qld, WA and SA portfolios and an increase in settlements at Flagstone (Qld).

The 1H25 performance has resulted in earnings per share increasing 64%, compared with 1H24, to 5.38 cents.

The Group enters the second half of FY25 in a solid capital position, with cash and available debt headroom of approximately $130 million at 31 December 2024.

Operational commentary

The Group achieved sales of 1,370 lots[4] with a gross value of $541.1 million and settlement of 1,009 lots[4] with a gross value of $361.2 million in 1H25 across its operations. Lot sales were 24% higher than in 1H24 and settlements for the half were 9% lower than in 1H24.

The material improvement in sales was especially evident across the Qld portfolio, where increased sales were accompanied by solid price growth.

The reduction in total settlements was driven by lower settlements in Vic, compared to 1H24, partially offset by higher settlements in Qld (Flagstone).

1 Comparative period is half year ended 31 December 2023 unless stated otherwise. The non-IFRS measures have not been audited or reviewed by EY.

2 Operating profit is a non-IFRS measure that is determined to present the ongoing activities of the Group in a way that reflects its operating performance. Operating profit excludes unrealised fair value gains/(losses) arising from the effect of revaluing assets and liabilities and adjustments for realised / (unrealised) transactions outside the core ongoing business activities.

3 Statutory profit after tax means net profit measured in accordance with Australian Accounting Standards, attributable to the owners of Peet Limited.

4 Includes equivalent lots.

5 Balance sheet gearing calculated as (Total interest-bearing liabilities (including land vendor liabilities) less cash) / (Total assets less cash, less intangible assets).

6 EBITDA is a non-IFRIS measure that includes effects of non-cash movements in investments in associates and joint ventures.

As at 31 December 2024, the Group had contracts on hand[7] with a gross value of $661.0 million, compared with contracts on hand[7] as at 30 June 2024, with a gross value of $481.2 million. The contracts on hand as at 31 December 2024 provide solid visibility of earnings as the Group moves into 2H25.

Development projects

Key highlights	1H25	1H24	Var (%)
Lot sales[7]	513	338	52%
Lot settlements[7]:	383	424	(10%)
- *Land only*	*329*	*388*	*(15%)*
- *Medium Density*	*54*	*36*	*50%*
Revenue	$128.8m	$117.6m	10%
EBITDA[8]	$27.5m	$18.1m	52%
EBITDA[8] margin	21%	15%	6%

While Development project settlements were lower, the continued strong performance from the Group's Flagstone (Qld) project (increased settlements and price growth) and the increase in settlements from townhouse projects contributed to the material increase in EBITDA[8]. 1H25 sales underpin the forward settlement program.

Funds Management projects

Key highlights	1H25	1H24	Var (%)
Lot sales[7]	707	683	4%
Lot settlements[7]	464	530	(12%)
Revenue	$22.6m	$10.7m	111%
Share of net profit of equity accounted investments	$4.4m	$3.6m	22%
EBITDA[8]	$19.6m	$9.2m	113%
EBITDA[8] margin	72%	65%	7%

The strong performance of the Group's Funds Management business was driven by the continued price growth across the WA portfolio, increased sales at Mt Barker (SA) and Vic projects and the englobo sale of a syndicated project in WA.

7 Includes equivalent lots.

8 EBITDA is a non-IFRIS measure that includes effects of non-cash movements in investments in associates and joint ventures (where applicable) and is calculated before inter-segment transfers and other unallocated items.

Joint Ventures

Key highlights	1H25	1H24	Var (%)
Lot sales[9]	150	85	76%
Lot settlements[9]	162	157	3%
Revenue	$17.5m	$14.7m	19%
Share of net profit of equity accounted investments	$4.2m	$4.7m	(11%)
EBITDA[10]	$7.9m	$7.2m	10%
EBITDA[10] margin	36%	37%	(1%)

The increase in EBITDA[10] is attributable to price growth in WA and Qld projects, partially offset by a reduced margin in NSW due to subdued market conditions. 1H25 sales underpin the forward settlement program.

Land portfolio metrics

	1H25	1H24	Var (%)
Lot sales[9]	1,370	1,106	24%
Lot settlements[9]	1,009	1,111	(9%)

Contracts on hand[9] as at	31 Dec 24	30 Jun 24	Var (%)
Value	$661.0m	$481.2m	37%

Capital management

As at 31 December 2024, the Group had:

- balance sheet gearing[11] of 35.3%, compared to 34.8% at 30 June 2024;
- net interest-bearing debt (including Peet Bonds) of $328.1 million, compared with $314.5 million at 30 June 2024;
- cash and debt facility headroom of approximately $130 million as at 31 December 2024; and
- a weighted average debt maturity of 2.8 years.

Gearing[11], as expected, remained above the target range of 20% to 30% at 31 December 2024. This is predominantly due to:

- land vendor payments for the acquisition of the University of Canberra (ACT) land and instalment payments for the acquisition of the Flagstone (Qld) project; and
- the significant investment in the development of lots and medium density product in response to the high level of sales activity across Development projects (particularly in Qld).

As at 31 December 2024, more than 70% of the Group's land bank was under development, with this expected to increase to approximately 86% over the next two years.

The Group has a strong balance sheet and sufficient financial capacity to fund the current portfolio of projects, including accelerating delivery of product, if required, to meet increases in demand.

9 Includes equivalent lots.
10 EBITDA is a non-IFRIS measure that includes effects of non-cash movements in investments in associates and joint ventures and is calculated before inter-segment transfers and other unallocated items.
11 Balance sheet gearing calculated as (Total interest-bearing liabilities (including land vendor liabilities) less cash) / (Total assets less cash, less intangible assets).

With more than $660 million of contracts on hand, as at 31 December 2024, settlements are expected to improve during 2H25 and gearing[12] is expected to trend down towards the Group's target range of 20% to 30% on the back of an expected material increase in cash inflows from operations (pre any payments for land).

During 1H25, Peet Limited extended its on-market share buy-back of up to 5% of its issued ordinary shares for a further twelve months to 1 September 2025. As at 31 December 2024, the Company had acquired 21.7 million of its ordinary shares, representing approximately 89% of the total shares to be acquired.

Dividend

Subsequent to 31 December 2024, the Directors have declared an interim dividend of 2.75 cents per share, fully franked, in respect of the year ending 30 June 2025. This dividend compares to a 1.50 cents per share, fully franked, interim dividend for the year ended 30 June 2024. The dividend is to be paid on Friday, 11 April 2025, with a record date of Thursday, 20 March 2025.

The Dividend Reinvestment Plan remains deactivated.

Group strategy

Peet remains well positioned for growth and value creation over the medium to long-term, with its key strategic focus areas continuing to be:

- investing in high quality land in strategic locations across the country;
- expanding product offering – including medium density and town houses - and geographic presence to appeal to a wider variety of customers; and
- maintaining strong capital management.

During 1H25, the Group established two new wholesale funds – for a land project in Qld and a medium density project in WA.

A wholesale fund was established to fund the $56 million (excluding GST) acquisition of approximately 33.1 developable hectares in Palmview on the Sunshine Coast, Qld with the potential to be developed into c.480 dwellings, and which adjoins Peet's highly successful Village Green estate. Peet retains 50% of this fund (which will be funded from its existing cash and available debt facilities) and has been appointed as the development manager.

While the contract for the acquisition remains conditional on the property being subdivided and titled from a parent lot and the signing of other planning-related agreements, settlement is due to occur between 30 June 2025 and 30 September 2025. Subject to market conditions, the project is expected to be developed out over five years commencing in 2026.

Also established in the 1H25 was a wholesale fund with Tokyo Gas Real Estate Australia for the development of a 100-dwelling townhouse project less than 10km from the Perth (WA) Central Business District. Earthworks and civil works have been completed and the first stage of townhouse construction is underway.

Outlook

Peet expects that mixed market conditions will prevail for the balance of FY25, with:

- volume and price growth expected to continue in Qld;
- volume and price growth expected to moderate in WA and SA;
- ACT/NSW expected to show some signs of improvement, albeit off a low base;
- Vic continuing to be subdued; and

12 Balance sheet gearing calculated as (Total interest-bearing liabilities (including land vendor liabilities) less cash) / (Total assets less cash, less intangible assets).

- cost of living pressures continuing to prevail, however inflation is trending down and the Reserve Bank of Australia has this week reduced the cash rate, indicating that interest rates are likely to have reached the peak of the current cycle.

The fundamentals and underlying drivers of the national residential market remain supportive - including ongoing constraints in housing supply, elevated levels of overseas migration and positive labour market conditions.

Enquiry levels throughout 1H25 remained materially higher than the 10-year average and increased by more than 80% compared to 1H24. This indicates positive underlying demand and supports expectations for another solid performance in 2H25.

The Group remains well-positioned to navigate the current environment, including having projects in Vic and ACT/NSW that are ready to benefit from a recovery in those markets and the capital to implement an appropriate delivery program in response.

Subject to continuing market conditions and the timing of settlements, and supported by more than $660 million in contracts on hand, Peet is well-positioned for FY25, with expectations for earnings growth and strong operating cash flows.

Based on current forecasts, Peet is targeting FY25 NPAT of $50 million to $55 million.

BRENDAN GORE
MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER
19 February 2025

Directors report

Your Directors present their report on the Consolidated Entity consisting of Peet Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

The following persons were Directors of Peet Limited during the half-year and up to the date of this report. Directors were in office for this entire period unless otherwise stated.

Tony Lennon (Chairman, retired 30 October 2024)
Greg Wall (appointed as Chairman on 30 October 2024)
Brendan Gore
Trevor Allen
Anthony Lennon
Margaret Kennedy
Michelle Tierney

Review of operations

Net profit after tax for the half-year ended 31 December 2024 attributable to owners of Peet Limited was $25.2 million (2024: $15.5 million). The review of operations for the Group for the half-year ended 31 December 2024 and the results of those operations are covered in the Results Commentary section on pages 2 to 6.

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 on page 8.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations Instrument 2016/91, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors 'report and financial report have been rounded off to the nearest thousand dollars in accordance with that legislative instrument.

Signed for, and on behalf of the Board in accordance with a resolution of the Board of Directors.

BRENDAN GORE
MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER
19 February 2025

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Shape the future with confidence

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Auditor's independence declaration to the directors of Peet Limited

As lead auditor for the review of the half-year financial report of Peet Limited for the half-year ended 31 December 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Peet Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
19 February 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2024

	Notes	December 2024 $'000	December 2023 $'000
Revenue	4	174,186	147,746
Expenses	5	(145,579)	(133,633)
Finance costs (net of capitalised borrowing costs)	5	(2,734)	(2,789)
Share of net profit of associates and joint ventures		8,382	9,170
Profit before income tax		**34,255**	**20,494**
Income tax expense	6	(8,912)	(5,484)
Profit for the period		**25,343**	**15,010**
Attributable to:			
Owners of Peet Limited		25,208	15,453
Non-controlling interests		135	(443)
Profit for the period		**25,343**	**15,010**
Total comprehensive income for the period		**25,343**	**15,010**

Earnings per share for profit attributable to the ordinary equity holders of the Company

	Notes	Cents	Cents
Basic and diluted earnings per share	7	5.38	3.28

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

Consolidated Balance Sheet
As at 31 December 2024

	Notes	December 2024 $000	June 2024 $000
Current assets			
Cash and cash equivalents		14,840	23,758
Receivables		19,751	19,885
Contract assets		17,039	11,752
Inventories		219,057	189,380
Total current assets		**270,687**	**244,775**
Non-current assets			
Receivables		44,916	43,286
Inventories		575,276	601,460
Investments accounted for using the equity method		199,020	194,896
Property, plant and equipment		3,930	4,029
Right-of-use assets		3,800	4,359
Intangible assets		1,224	1,279
Total non-current assets		**828,166**	**849,309**
Total assets		**1,098,853**	**1,094,084**
Current liabilities			
Payables		34,519	34,349
Land vendor liabilities	8	19,245	18,933
Borrowings	9	1,714	-
Lease liabilities		1,247	908
Other financial liabilities		6,970	5,300
Current tax liabilities		-	2,379
Provisions		22,398	30,513
Total current liabilities		**86,093**	**92,382**
Non-current liabilities			
Land vendor liabilities	8	35,060	38,977
Borrowings	9	341,141	338,215
Lease liabilities		3,314	3,936
Other financial liabilities		-	1,822
Deferred tax liabilities		26,700	22,993
Provisions		760	762
Total non-current liabilities		**406,975**	**406,705**
Total liabilities		**493,068**	**499,087**
Net assets		**605,785**	**594,997**
Equity			
Contributed equity	10	362,728	363,594
Reserves		(1,535)	(734)
Retained profits		223,723	211,403
Capital and reserves attributable to owners of Peet Limited		**584,916**	**574,263**
Non-controlling interest		20,869	20,734
Total equity		**605,785**	**594,997**

The above consolidated balance sheet should be read in conjunction with the accompanying notes

PEET

	Notes	Contributed equity $'000	Reserves $'000	Retained profits $'000	Total $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 July 2023		**366,416**	**327**	**200,760**	**567,503**	**21,388**	**588,891**
Profit for the period		-	-	15,453	15,453	(443)	15,010
Total comprehensive income for the period		**-**	**-**	**15,453**	**15,453**	**(443)**	**15,010**
Share buyback, including transaction costs		(929)	-	-	(929)	-	(929)
Share-based payments		-	1,181	-	1,181	-	1,181
Vesting of performance rights		-	(3,055)	-	(3,055)	-	(3,055)
Dividends paid		-	-	(18,849)	(18,849)	-	(18,849)
Balance at 31 December 2023		**365,487**	**(1,547)**	**197,364**	**561,304**	**20,945**	**582,249**
Balance at 1 July 2024		**363,594**	**(734)**	**211,403**	**574,263**	**20,734**	**594,997**
Profit for the period		-	-	25,208	25,208	135	25,343
Total comprehensive income for the period		**-**	**-**	**25,208**	**25,208**	**135**	**25,343**
Share buyback, including transaction costs		(866)	-	-	(866)	-	(866)
Share-based payments		-	1,378	-	1,378	-	1,378
Vesting of performance rights		-	(2,179)	-	(2,179)	-	(2,179)
Dividends paid	12	-	-	(12,888)	(12,888)	-	(12,888)
Balance at 31 December 2024		**362,728**	**(1,535)**	**223,723**	**584,916**	**20,869**	**605,785**

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

PEET

	December 2024 $'000	December 2023 $'000
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	178,890	156,575
Payments to suppliers and employees (inclusive of GST)	(160,829)	(150,200)
Payments for purchase of land	(7,309)	(21,215)
Interest and other finance costs paid	(14,862)	(13,921)
Distributions and dividends received from associates and joint ventures	6,223	7,527
Interest received	456	540
Income tax paid	(8,998)	(17,729)
Net cash outflow from operating activities	**(6,429)**	**(38,423)**
Cash flows from investing activities		
Payments for property, plant and equipment	(430)	(1,509)
Payments for investment in associates and joint ventures	(2,750)	-
Proceeds from capital returns from associates and joint ventures	5,558	1,015
Loans to associates and joint ventures	(215)	-
Repayment of loans by associates and joint ventures	4,986	3,890
Net cash inflow from investing activities	**7,149**	**3,396**
Cash flows from financing activities		
Dividends paid	(12,888)	(18,849)
Repayment of borrowings	(49,000)	(32,350)
Proceeds from borrowings	53,461	85,906
Payment of principal portion of lease liabilities	(345)	(955)
Share buy back (including transaction costs)	(866)	(929)
Net cash (outflow) / inflow from financing activities	**(9,638)**	**32,823**
Net decrease in cash and cash equivalents	(8,918)	(2,204)
Cash and cash equivalents at the beginning of the period	23,758	38,790
Cash and cash equivalents at the end of the period	**14,840**	**36,586**

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

1. Basis of preparation of consolidated financial statements

The general purpose condensed financial report for the half-year ended 31 December 2024 is for the Consolidated Entity comprising of Peet Limited and its subsidiaries ("Group"). Peet Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is: Level 7, 200 St Georges Terrace, Perth WA 6000. The financial report was authorised for issue by the Directors on 19 February 2025. The financial report has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001.*

These half-year financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2024 and any public announcements made by Peet Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001.*

2. New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the condensed financial report are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2024, except for the adoption of new standards effective as at 1 July 2024. Several other amendments and interpretations apply for the first time on 1 July 2024, but do not have a material impact on the condensed financial report of the Group.

3. Segment information

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the executive management group.

The executive management group assesses the performance of the operating segments based on multiple measures including EBITDA[13], EBIT[14] and profit after tax.

The share of profits from associates and joint ventures is included as segment revenue as it is treated as revenue for internal reporting purposes.

The Group operates only in Australia.

The executive management group considers the business to have the following three reportable business segments:

(a) Funds management

Peet Limited enters into asset and funds management agreements with external capital providers. Peet Limited and/or the external capital provider commit equity funds towards the acquisition of land and this is generally supplemented with debt funds either at the time of acquisition or during the development phase of a project. The Group derives fees from underwriting, capital raising and asset identification services. Ongoing project related fees (mainly project management and selling fees as well as performance fees) are then derived by the Group for the duration of a project.

(b) Company owned projects

The Group acquires parcels of land in Australia, primarily for residential development purposes. Certain land holdings will also produce non-residential blocks of land.

(c) *Joint arrangements*

Joint arrangements are entered into with government, statutory authorities and private landowners. The form of these arrangements can vary from project to project but generally involves Peet Limited undertaking the development of land on behalf of the landowner or in conjunction with the co-owner. The Group is typically entitled to ongoing fees for management of the development project and also a share of the profits.

[13] EBITDA: Earnings Before Interest (including interest and finance charges amortised through cost of sales) Tax, Depreciation and Amortisation
[14] EBIT: Earnings Before Interest (including interest and finance charges amortised through cost of sales) and Tax

(d) Inter-segment eliminations and other unallocated

Segment revenue, expenses and results include transfers between segments. Such transfers are based on an arm's length basis and are eliminated on consolidation.

The adoption of AASB 10 Consolidated Financial Statements from 1 July 2013, resulted in certain property syndicates being consolidated. These entities, however, continue to be managed and reported to the executive management group as part of the funds management business segment. Adjustments are included in "Inter-Segment Eliminations and Other Unallocated" to reconcile reportable business segment information to the Group's consolidated statement of profit or loss.

	Funds management		Company-owned projects		Joint arrangements		Inter-segment transfers and other unallocated		Consolidated	
	December 2024 $'000	December 2023 $'000	December 2024 $'000	December 2023 $'000	December 2024 $'000	December 2023 $'000	December 2024 $'000	December 2023 $'000	December 2024 $'000	December 2023 $'000
Revenue by segment										
Sales to external parties	21,824	9,985	128,337	117,356	17,425	14,700	5,229	4,425	172,815	146,466
Other income	762	721	503	277	80	3	26	279	1,371	1,280
Share of net profit/(loss) of associates and JVs	4,402	3,628	-	-	4,246	4,668	(266)	874	8,382	9,170
Total	**26,988**	**14,334**	**128,840**	**117,633**	**21,751**	**19,371**	**4,989**	**5,578**	**182,568**	**156,916**
Corporate overheads							(6,958)	(6,661)	(6,958)	(6,661)
EBITDA[1]	**19,551**	**9,248**	**27,506**	**18,124**	**7,911**	**7,228**	**(8,076)**	**(5,720)**	**46,892**	**28,880**
Depreciation and amortisation	(25)	(25)	(314)	(224)	(4)	(13)	(763)	(906)	(1,106)	(1,168)
Segment result (EBIT[2])	**19,526**	**9,223**	**27,192**	**17,900**	**7,907**	**7,215**	**(8,839)**	**(6,626)**	**45,786**	**27,712**
Financing costs (includes interest and finance costs expensed through cost of sales)									(11,531)	(7,218)
Profit before income tax									**34,255**	**20,494**
Income tax expense									(8,912)	(5,484)
Profit after income tax									**25,343**	**15,010**
(Profit)/loss attributable to non-controlling interests									(135)	443
Profit attributable to owners of Peet Limited									**25,208**	**15,453**

1. EBITDA: Earnings Before Interest (including interest and finance charges amortised through cost of sales), Tax, Depreciation and Amortisation
2. EBIT: Earnings Before Interest (including interest and finance charges amortised through cost of sales) and Tax

4. Revenue

	December 2024 $'000	December 2023 $'000
Revenue from contracts with customers		
- Sales of land and built form[1]	148,682	131,656
- Project management and selling services	24,133	14,810
Other income	1,371	1,280
	174,186	**147,746**

[1] Revenue for the current period includes $11.5 million relating to the sale of a 50% interest in the Glendalough land development. An equivalent amount of $11.5 million has been recognised in total land and development costs for the period.

5. Expenses

	December 2024 $'000	December 2023 $'000
Profit before income tax includes the following specific expenses:		
Land and development costs	100,001	95,299
Amortised interest and finance expense	8,797	4,429
Total land and development cost	**108,798**	**99,728**
Depreciation		
- Right-of-use assets	559	697
- Property, plant and equipment	484	408
Amortisation	63	63
Total depreciation and amortisation	**1,106**	**1,168**
Employee benefits expense	15,329	14,123
Project management, selling and other operating costs	10,750	9,722
Other expenses	9,596	8,892
Total other expenses	**35,675**	**32,737**
Total expenses	**145,579**	**133,633**

Total other expenses are incurred in part to derive project management and selling services revenue (Note 4).

Finance costs		
Interest and finance charges		
- Bank borrowings	9,825	8,313
- Land vendor liabilities	2,086	1,067
- Lease liabilities	186	125
Interest on corporate bonds	7,288	6,170
Amount capitalised	(16,651)	(12,886)
Total finance costs	**2,734**	**2,789**

6. Income tax

	December 2024 $'000	December 2023 $'000
Major components of tax expense		
Current income tax expense		
Current tax	4,679	2,429
Adjustments for prior periods	394	(883)
	5,073	**1,546**
Deferred income tax expense		
Deferred tax	4,801	2,976
Adjustments for prior periods	(962)	962
	3,839	**3,938**
	8,912	**5,484**

Numerical reconciliation of income tax expense to prima facie tax payable		
Profit before income tax	34,255	20,494
Tax at Australian tax rate of 30%	10,277	6,148
Tax effect of amounts which are not assessable or deductible:		
Share of net profit of associates	(41)	(51)
Employee benefits	(240)	(562)
Franking credits	(954)	(580)
Sundry items	439	450
(Over)/under provision in prior periods	(569)	79
	8,912	**5,484**

7. Earnings per share

	December 2024	December 2023
Profit attributable to the ordinary equity holders of the Company ($'000)	25,208	15,453
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	468,754,709	471,175,481
Basic and diluted earnings per share (cents)	5.38	3.28

There are 1,200,000 options excluded from the calculation of diluted earnings per share as they are anti-dilutive. They could potentially dilute basic earnings per share in the future.

8. Land vendor liabilities

	December 2024 $'000	June 2024 $'000
Current		
Instalments for purchase of development property	19,535	19,535
Future interest component of deferred payment	(290)	(602)
	19,245	**18,933**
Non-current		
Instalments for purchase of development property	46,312	52,002
Future interest component of deferred payment	(11,252)	(13,025)
	35,060	**38,977**
Total land vendor liabilities	**54,305**	**57,910**

9. Borrowings

	December 2024 Facility Amount $'000	December 2024 Utilised Amount[3] $'000	June 2024 Facility Amount $'000	June 2024 Utilised Amount[3] $'000
Bank loans[1]	331,000	187,280	332,000	183,594
Development loan[2]	7,000	6,950	7,000	6,175
Total loans		**194,230**		**189,769**

	December 2024 Face value $'000	December 2024 Carrying amount[4] $'000	June 2024 Face value $'000	June 2024 Carrying amount[4] $'000
Peet notes 2021[5]	75,000	74,590	75,000	74,465
Peet notes 2024[6]	75,000	74,035	75,000	73,981
Total notes	**150,000**	**148,625**	**150,000**	**148,446**
Total borrowings		**342,855**		**338,215**

[1] Secured. The Group's main bank facility comprises three tranches of $100 million each with expiry dates 1 October 2026, 1 October 2027 and 1 October 2028 respectively. The Group's total facility also includes bank facilities associated with Peet Yanchep Land Syndicate ($26 million, stepping down to $20 million from 30 October 2026 and expires on 31 March 2027).

[2] Unsecured. Interest rate is the yield on 3 year Commonwealth Government Security plus 1.5% margin. Maturing on 24 August 2026.

[3] Excludes bank guarantees. Refer note 11 for bank guarantees information.

[4] Net of transaction costs.

[5] Maturing on 30 September 2026.

[6] Maturing on 30 September 2029.

The borrowings are disclosed as follows in the balance sheet:

	December 2024 $'000	June 2024 $'000
Borrowings - Current	1,714	-
Borrowings - Non-current	341,141	338,215
Total borrowings	**342,855**	**338,215**
Cash and cash equivalents	(14,840)	(23,758)
Net debt	**328,015**	**314,457**

10. Contributed equity

The number of ordinary shares on issue and contributed equity at 31 December 2024 is 468,273,066 shares and $363.7 million (30 June 2024: 468,977,190 shares and $363.6 million), respectively.

11. Contingencies and commitments

Contingencies

Details of the estimated maximum amounts of contingent liabilities (for which no amounts are recognised in the financial statements) are as follows:

	December 2024 $'000	June 2024 $'000
Bank guarantees outstanding	31,564	31,596
Insurance bonds outstanding	24,515	25,009
	56,079	**56,605**

Most contingent liabilities are expected to mature within one year. There are no other changes to the contingent liabilities disclosed in the 30 June 2024 annual report.

Directors are not aware of any circumstances or information, which would lead them to believe that these contingent liabilities will eventuate and consequently no provisions are included in the accounts in respect of these matters.

Commitments

As of 31 December 2024, the Group had the following commitments:

- $24.75 million shareholder loan to a new wholesale fund: Peet Palmview Pty Ltd (refer to note 14 for significant events disclosure)
- $13.95 million for the acquisition of approximately 2 hectares of land in Keysborough VIC.

Both payments are subject to settlement which remains conditional at the balance date. Therefore, no liabilities have been recognised as at 31 December 2024.

12. Dividends

Dividends paid

The Directors declared a final fully franked dividend of 2.75 cents per share in respect of the year ended 30 June 2024. The dividend of $12.9 million was paid on 14 October 2024.

Dividends not recognised at period end

Subsequent to 31 December 2024, the Directors have declared an interim dividend of 2.75 cents per share fully franked in respect of the year ending 30 June 2025. The dividend is to be paid on Friday, 11 April 2025, with a record date of Thursday, 20 March 2025.

13. Fair value disclosure

Valuation of financial instruments

For financial assets and liabilities, the Group uses the following fair value measurement hierarchy:

- Level 1: the fair value is calculated using quoted prices in active markets for identical assets and liabilities.
- Level 2: the fair value is determined using inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices).
- Level 3: the fair value is based on inputs for the asset or liability that are not based on observable market data.

There have been no transfers between levels during the period.

Financial assets

Certain loans to associates and joint ventures are carried at fair value through profit or loss. The fair values of these financial assets have been estimated using discounted cashflows with significant unobservable inputs at each reporting date (level 3 of the fair value hierarchy).

At 31 December 2024, the fair value of these loans to associates and joint ventures was $22.8 million (30 June 2024: $28.4 million).

Land vendor liabilities

The Group's land vendor liabilities arise from project acquisitions. They are initially recognised at fair value using significant unobservable inputs (Level 3 of the fair value hierarchy). These liabilities are subsequently measured at amortised costs and at the net present value of remaining contracted instalments. The carrying value of the land vendor liability resulting from the acquisition of the remaining share of Peet Flagstone City Pty Ltd was $13.8 million at 31 December 2024 (30 June 2024: $13.3 million). The carrying value of the land vendor liability resulting from the acquisition of land from the University of Canberra in November 2023 was $40.5 million at 31 December 2024 (30 June 2024: $44.6 million).

Peet notes

The fair value of Peet notes as at 31 December 2024 is detailed below.

	December 2024 $'000	June 2024 $'000
Peet notes 2021	75,122	75,663
Peet notes 2024	75,582	73,577
Total fair value	**150,704**	**149,240**
Total carrying value	**150,000**	**150,000**

The fair value of Peet notes is measured using significant observable inputs (level 2).

Other financial liabilities

The financial liabilities are measured at fair value through profit or loss using discounted cashflows with significant unobservable inputs at each reporting date (level 3).

14. Significant events during the period

In December 2024, the Group established a new wholesale fund whose investors include Peet Limited (holds 50%) and Brown-Neaves Investments (29%). The wholesale fund has acquired 33.1 hectares in Palmview, Qld at a price of $56 million (excluding GST). An equity contribution of $2.75 million was paid in December. The contract remains conditional on the property being subdivided and titled from a parent lot and the signing of other planning -related agreements. Settlement is due to occur between 30 June 2025 and 30 September 2025. Peet will provide $24.75 million shareholder loan upon the settlement. The Group has been appointed as the development manager for the fund.

15. Events after the end of the reporting period

No other matters or circumstances have arisen since the end of the half-year, which have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

In the Directors' opinion:

(a) the financial statements and notes set out on pages 9 to 18 are in accordance with the *Corporations Act 2001,* including:

 (i) complying with AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

 (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

(b) there are reasonable grounds to believe that Peet Limited will be able to pay its debts as and when they become due and payable.

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

BRENDAN GORE
MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER
19 February 2025

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Independent auditor's review report to the members of Peet Limited

Conclusion

We have reviewed the accompanying half-year financial report of Peet Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated balance sheet as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Shape the future
with confidence

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
Perth
19 February 2025