Mirvac Property Trust

ANNUAL REPORT 2024

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MIRVAC PROPERTY TRUST
AND ITS CONTROLLED ENTITIES

Annual Report
For the year ended 30 June 2024

The consolidated entity comprises Mirvac Property Trust (ARSN 086 780 645) and its controlled entities.

DIRECTORS' REPORT

The Directors of Mirvac Funds Limited (ABN 70 002 561 640, AFSL 233121), the Responsible Entity of Mirvac Property Trust (MPT or Trust), present their report, together with the consolidated report of MPT (ARSN 086 780 645) and its controlled entities (consolidated entity) for the year ended 30 June 2024.

MPT and its controlled entities together with Mirvac Limited and its controlled entities form the stapled entity, Mirvac Group (Mirvac or Group).

Responsible Entity

The Responsible Entity of the Trust is Mirvac Funds Limited, an entity incorporated in New South Wales. The immediate parent entity of the Responsible Entity is Mirvac Woolloomooloo Pty Limited (ABN 44 001 162 205), incorporated in New South Wales, and its ultimate parent entity is Mirvac Limited (ABN 92 003 280 699), incorporated in New South Wales.

Directors

The following persons were Directors of Mirvac Funds Limited during the whole of the year and up to the date of this report, unless otherwise stated:

- Robert Sindel, Chair
- Campbell Hanan, Group CEO/MD
- Christine Bartlett
- James Cain[1]
- Damien Frawley
- Jane Hewitt
- Peter Nash
- James M. Millar AM[2]
- Samantha Mostyn AC[3]

1. James Cain was appointed as a Director effective 1 December 2023.
2. James M. Millar AM resigned as a Director effective 31 December 2023.
3. Samantha Mostyn AC resigned as a Director effective 3 April 2024.

Principal activities

The principal continuing activities of the consolidated entity consist of property investment for the purpose of deriving rental income and investments in unlisted funds. There has been no significant change in the principal activities of the consolidated entity during the year.

REVIEW OF OPERATIONS AND ACTIVITIES

FINANCIAL, CAPITAL MANAGEMENT AND OPERATIONAL HIGHLIGHTS

Our diversified and integrated model continued to underpin our resilience to deliver strong, visible cash flows, sustainable distribution growth, and attractive returns for our securityholders.

Key financial highlights for the year ended 30 June 2024:

- Loss attributable to the stapled unitholders of MPT of $696 million (2023: $104 million loss)
- Operating cash inflow of $383 million (2023: $501 million)
- Distributions of $414 million (2023: $414 million), representing 10.5 cents per stapled unit (2023: 10.5 cents per stapled unit)
- Net tangible assets per stapled unit of $1.99, down from $2.27 (June 2023)

Refer to the consolidated statement of financial position and notes to the consolidated financial statements, for the consolidated entity's value of assets and basis used to value its assets.

REVIEW OF OPERATIONS AND ACTIVITIES (continued)

FINANCIAL, CAPITAL MANAGEMENT AND OPERATIONAL HIGHLIGHTS (continued)

Key capital management highlights for the year ended 30 June 2024:

The Trust has related party borrowings from the Mirvac Group. The Trust's overall capital structure and financial risks are centrally managed at the Mirvac Group level. Key capital management highlights related to the Trust for the year ended 30 June 2024 include:

- Maturity profile of related party loan facilities is beyond 5 years, with no loans due for payment within the next 12 months;
- $1,049 m of cash and undrawn debt facilities at 30 June 2024;
- Gearing of the Trust is 20.9% which is the within the Group's target range of 20-30 per cent.

Key operational highlights for the year ended 30 June 2024:

Operational results were impacted by the disposal of $0.7 bililon non-core asset. However, the loss in income has been offset by:

- growth in MPT portfolio from the investment in Mirvac Wholesale Office Fund (MWOF) in May 2023, and the acquisition of a 44 per cent interest in LIV Mirvac Property Trust (LIVMPT) in January 2024;
- solid like-for-like net operating income (NOI) growth, reflecting strong leasing across the office portfolio; and
- additional income from completed development, including Heritage Lanes, 80 Ann Street, Brisbane; the first warehouse at Aspect North, Kemps Creek; and Switchyard, Auburn.

Outlook and risks[1]

Office
The rising cost of debt has impacted office markets both domestically and globally, resulting in a slowdown in capital market activity and decreased asset valuations. There continues to be a pronounced bifurcation of tenant and capital demand for new, Premium-grade, core-CBD workplaces that have high sustainability credentials, reflected in lower vacancy, stronger rent growth, and tighter capitalisation rates at these assets. Our office portfolio, which is 100 per cent weighted to Prime-grade assets and has an average age of 9.1 years, is well placed to benefit from this trend.

Industrial
Fundamental drivers in the Industrial sector remain broadly positive. Rental growth continues to stabilise, with demand for institutional-grade logistics space moderating as consumer demand and supply chains normalise, supported by tighter vacancy levels. Our industrial portfolio, which is 99 per cent occupied and has a WALE of over six years, is expected to benefit from tighter vacancy levels, continued capital demand for high-quality and well-located industrial assets. Our upcoming development completions at Aspect Industrial Estate in Kemps Creek are also expected to bolster the Group's recurring income stream.

Retail
Key retail fundamentals continue to show strength, despite a softening in consumer spending as higher interest rates and inflation place out pressure on household budgets. Retail sales are expected to remain subdued across most states for the remainder of 2024, however, spending is broadly expected to rebound from the positive impact of Stage 3 tax cuts in Australia and the continued forecast increase in net migration. The level of investment activity in the retail sector has also gathered pace over the past months, with higher-value transactions and increased interest from institutional capital. While economic headwinds remain, our urban-based retail portfolio is well placed to benefit from strong population growth and low unemployment, along with our exposure to more affluent, urban catchments.

1. These statements are future looking and based on our reasonable assumptions at the time they were made. They include possible outlooks for our operating environments, but are subject to external factors outside of the consolidated entity's control.

REVIEW OF OPERATIONS AND ACTIVITIES (continued)

Living

Australia's ageing population, population growth (driven by migration), and low residential supply is driving strong demand in housing as well as historically low rental vacancy rates. The higher interest rate environment continues to create affordability and cost of living challenges for home buyers, home owners, and renters. Our Build to Rent portfolio is well placed to benefit from these macroeconomic conditions. A more supportive policy environment also recognises the important role build to rent can play in addressing the housing supply shortage in Australia's capital cities.

Significant changes in the state of affairs

Details of the state of affairs of the consolidated entity are disclosed within the Financial, Capital Management and Operational Highlights section above.

Interests in the Trust

	2024 No. units m	2023 No. units m
Total ordinary stapled units issued	**3,945**	3,945
Stapled units issued under Long-Term Incentive Plan (LTI) and Employee Incentive Scheme (EIS)	**1**	1
Total stapled units issued	**3,946**	3,946

Refer to note F2 to the consolidated financial statements for the consolidated entity's movements in stapled units during the financial year. This includes any stapled units issued and withdrawn during the financial year.

Instruments held by Directors

Particulars of Directors' interests in the stapled securities of Mirvac or a related body corporate, are as follows:

Director	Mirvac stapled securities	Performance rights/rights to acquire stapled securities	Interests in securities of related entities or related bodies corporate
Robert Sindel	189,426	-	-
Campbell Hanan	817,600	2,558,894	-
Christine Bartlett	127,297	-	-
James Cain[1]	-	-	-
Damien Frawley	50,415	-	-
Jane Hewitt	110,000	-	-
Peter Nash	106,941	-	-

1. James Cain was appointed as a Director effective 1 December 2023

Refer to note H3 to the consolidated financial statements for detailed information regarding Directors' and key management personnel's interest in the stapled securities of Mirvac including any options granted and exercised over unissued stapled securities.

Fees paid to the Responsible Entity or its associates

Fees paid to the Responsible Entity out of Trust property during the year were $20 million (2023: $29 million). Fees charged by the Responsible Entity represent recovery of costs. No fees were paid out of Trust property to the Directors of the Responsible Entity during the year. Fees paid to the Responsible Entity and its associates out of Trust property during the year are disclosed in note H4 to the consolidated financial statements.

REVIEW OF OPERATIONS AND ACTIVITIES (continued)

Net current asset deficiency

As at 30 June 2024, the Trust was in a net current liability position of $284 million (2023: net current asset position of $351 million). The Trust repays its borrowings with excess cash, but had access to $1,049 million of unused borrowing facilities at 30 June 2024 (2023: $731 million). Accordingly, the Directors of the Responsible Entity expect that the Trust will have sufficient cash flows to meet all financial obligations as and when they fall due.

Events occurring after the end of the year

No events have occurred since the end of the year which have significantly affected or may significantly affect the consolidated entity's operations, the results of those operations, or state of affairs in future years.

Environmental regulations

The consolidated entity and its business operations are subject to compliance with both Commonwealth and state environment protection legislation. The Board is satisfied that adequate policies and procedures are in place to ensure the consolidated entity's compliance with the applicable legislation. In addition, the consolidated entity is also subject to the reporting requirements of the *National Greenhouse and Energy Reporting Act 2007* and *Building Energy Efficiency Disclosure Act 2010*. The consolidated entity is not aware of any incidents that have resulted in material non-compliance with environmental regulations during the financial year.

More information on Mirvac's sustainability strategy, actions and performance for the year ended 30 June 2024 can be found in the 30 June 2024 Annual Report of the Mirvac Group.

Non-audit services

From time to time, the consolidated entity may engage its external auditor, PricewaterhouseCoopers, to perform services additional to its statutory audit duties. Details of the amounts paid or payable to PricewaterhouseCoopers for audit and non-audit services provided during the year ended 30 June 2024 are set out in note H5 to the consolidated financial statements.

In accordance with the advice received from the Audit, Risk & Compliance Committee (ARCC), the Board is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were reviewed by the ARCC to ensure they did not affect the impartiality and objectivity of the auditor; and
- none of the services undermined the general principles relating to auditor independence as set out in Accounting Professional & Ethical Standards 110 *Code of Ethics for Professional Accountants*, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Trust, acting as advocate for the Trust or jointly sharing economic risk and rewards.

Insurance of officers

During the year, the Responsible Entity has not indemnified, or entered into any agreement indemnifying against a liability, any person who is or who has been an officer of the Responsible Entity of the Trust. No insurance premiums are paid for out of the assets of the Trust in regards to insurance cover provided to Mirvac Funds Limited.

REVIEW OF OPERATIONS AND ACTIVITIES (continued)

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 7 and forms part of the Directors' report.

Rounding of amounts

The amounts in the financial statements have been rounded off to the nearest million (m) dollars in accordance with the *ASIC Corporations Instrument 2016/191*.

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

Campbell Hanan
Director

Sydney
8 August 2024

Auditor's Independence Declaration

As lead auditor for the audit of Mirvac Property Trust for the year ended 30 June 2024, I declare that 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 audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Mirvac Property Trust and the entities it controlled during the period.

V. Papageorgiou

Voula Papageorgiou
Partner
PricewaterhouseCoopers

Sydney
8 August 2024

CONTENTS

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

These financial statements cover the financial statements for the consolidated entity consisting of Mirvac Property Trust and its controlled entities. The financial statements are presented in Australian currency.

The Responsible Entity of Mirvac Property Trust is Mirvac Funds Limited (ABN 70 002 561 640, AFSL 233121), a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are as per below:

Mirvac Funds Limited
Level 28
200 George Street
Sydney NSW 2000.

A description of the nature of the consolidated entity's operations and its principal activities is included in the Directors' report on pages 2 to 6, both of which are not part of these financial statements.

The financial statements were authorised for issue by the Directors on 8 August 2024. The Directors have the power to amend and reissue the financial statements.

Through the use of the internet, the Trust has ensured that its corporate reporting is timely and complete. All press releases, financial reports and other information are available in the Investor Centre section on the Group's website.

Mirvac Property Trust and its controlled entities
Consolidated statement of comprehensive income
For the year ended 30 June 2024

	Note	2024 $m	2023 $m
Revenue	B2	**692**	742
Total revenue and other income		**692**	742
Revaluation loss on investment properties	C1	**798**	396
Share of net losses of joint ventures and associates	C2	**155**	42
Loss on disposal of assets		**22**	22
Investment property expenses and outgoings	B3	**187**	198
Amortisation expenses		**61**	58
Finance costs	B3	**130**	97
Loss on financial instruments		**11**	2
Responsible Entity fees	H4	**20**	29
Other expenses		**4**	2
Loss before income tax		**(696)**	(104)
Income tax expense	B5	**-**	-
Loss for the year attributable to stapled unitholders		**(696)**	(104)
Other comprehensive income that may be reclassified to profit or loss			
Other comprehensive income for the year		**-**	-
Total comprehensive loss for the year attributable to stapled unitholders		**(696)**	(104)
Earnings per stapled unit attributable to stapled unitholders		**Cents**	Cents
Basic earnings per stapled unit	H2	**(17.6)**	(2.6)
Diluted earnings per stapled unit	H2	**(17.6)**	(2.6)

The above consolidated statement of comprehensive income (SoCI) should be read in conjunction with the accompanying notes.

Mirvac Property Trust and its controlled entities
Consolidated statement of financial position
As at 30 June 2024

	Note	2024 $m	2023 $m
Current assets			
Cash and cash equivalents		**43**	37
Receivables	D1	**42**	24
Other assets		**17**	18
Assets classified as held for sale	C1	**300**	759
Total current assets		**402**	838
Non-current assets			
Receivables	D1	**5**	-
Investment properties	C1	**8,119**	8,929
Investments in joint ventures and associates	C2	**2,263**	1,884
Other financial assets	D2	**48**	59
Intangible assets	D3	**43**	43
Total non-current assets		**10,478**	10,915
Total assets		**10,880**	11,753
Current liabilities			
Payables	D4	**422**	278
Provisions	D5	**264**	209
Total current liabilities		**686**	487
Non-current liabilities			
Payables	D4	**6**	-
Borrowings	E2	**2,301**	2,269
Lease liabilities		**7**	7
Total non-current liabilities		**2,314**	2,276
Total liabilities		**3,000**	2,763
Net assets		**7,880**	8,990
Equity			
Contributed equity	F2	**5,394**	5,394
Reserves	F3	**5**	5
Retained earnings		**2,481**	3,591
Total equity attributable to the stapled unitholders		**7,880**	8,990

The above consolidated statement of financial position (SoFP) should be read in conjunction with the accompanying notes.

Mirvac Property Trust and its controlled entities
Consolidated statement of changes in equity
For the year ended 30 June 2024

	Note	Attributable to stapled unitholders			
		Contributed equity $m	Reserves $m	Retained earnings $m	Total equity $m
Balance 30 June 2022		5,388	5	4,109	9,502
Loss for the year		-	-	(104)	(104)
Total comprehensive loss for the year		-	-	(104)	(104)
Transactions with owners in their capacity as owners					
Unit-based payments					
Long-term incentives (LTI) vested	F2	6	-	-	6
Distributions	F1	-	-	(414)	(414)
Total transactions with owners in their capacity as owners		6	-	(414)	(408)
Balance 30 June 2023		5,394	5	3,591	8,990
Loss for the year		-	-	**(696)**	**(696)**
Total comprehensive loss for the year		-	-	**(696)**	**(696)**
Transactions with owners in their capacity as owners					
Unit-based payments					
LTI vested	F2	**-**	-	-	**-**
Distributions	F1	-	-	**(414)**	**(414)**
Total transactions with owners in their capacity as owners		**-**	-	**(414)**	**(414)**
Balance 30 June 2024		**5,394**	**5**	**2,481**	**7,880**

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

Mirvac Property Trust and its controlled entities
Consolidated statement of cash flows
For the year ended 30 June 2024

	Note	2024 $m	2023 $m
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**675**	762
Payments to suppliers (inclusive of GST)		**(234)**	(230)
Net receipts in the course of operations		**441**	532
Distributions received from joint ventures and associates		**71**	65
Distributions received		**-**	2
Interest paid	B3	**(129)**	(98)
Net cash inflows from operating activities	E3	**383**	501
Cash flows from investing activities			
Payments for investment properties		**(218)**	(224)
Proceeds from sale of investment properties		**803**	442
Contributions to joint ventures and associates		**(614)**	(694)
Return of capital from investments		**6**	1
Net cash outflows from investing activities		**(23)**	(475)
Cash flows from financing activities			
Proceeds from loans from entities related to Responsible Entity		**1,061**	1,267
Repayments of loans to entities related to Responsible Entity		**(1,028)**	(889)
Proceeds from issue of stapled units		**-**	5
Distributions paid		**(387)**	(406)
Net cash outflows from financing activities		**(354)**	(23)
Net increase in cash and cash equivalents		**6**	3
Cash and cash equivalents at the beginning of the year		**37**	34
Cash and cash equivalents at the end of the year		**43**	37

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

A BASIS OF PREPARATION

Mirvac Group – stapled securities

A Mirvac Group stapled security comprises one Mirvac Limited share 'stapled' to one unit in the Trust to create a single listed security traded on the Australian Securities Exchange (ASX). The stapled securities cannot be traded or dealt with separately. Mirvac Limited (the deemed parent entity) and Mirvac Funds Limited (as Responsible Entity for MPT) have common directors and operate as Mirvac Group. Mirvac Limited and MPT have a Deed of Cooperation to recharge each other on a cost recovery basis, where permitted by law, to maintain the best interests of Mirvac as a whole.

The stapled security structure will cease to operate on the first of:
- Mirvac Limited or MPT resolving by special resolution in a general meeting, and in accordance with its Constitution, to terminate the stapled security structure;
- Mirvac Limited or MPT commencing winding up.

The ASX reserves the right (but without limiting its absolute discretion) to remove entities with stapled securities from the official list if their securities cease to be stapled together, or one or more stapled entities issues any equity securities of the same class that are not stapled.

Mirvac Limited and MPT remain separate legal entities in accordance with the *Corporations Act 2001.* For accounting purposes, Mirvac Limited has been deemed the parent entity of Mirvac Group.

Statement of compliance

These consolidated financial statements are general purpose financial statements. They have been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board, the *Corporations Act 2001* and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Net current asset deficiency

As of 30 June 2024, the consolidated entity was in a net current liability position of $284 million (June 2023: net current asset position of $351 million) but had undrawn capacity under its debt facilities of $1,049 million (June 2023: $731 million).

Basis of preparation

The consolidated entity is a for-profit entity for the purpose of preparing the financial statements.

These financial statements have been prepared on a going concern basis, using historical cost conventions except for investment properties, investment properties under construction, assets classified as held for sale, and other financial assets and financial liabilities that have been measured at fair value.

All figures in the financial statements are presented in Australian dollars and have been rounded off to the nearest million (m) dollars in accordance with *ASIC Corporations Instrument 2016/191*, unless otherwise indicated.

Basis of preparation (continued)

Critical accounting estimates and judgements

The preparation of financial statements requires estimation and judgement. The areas involving a higher degree of estimation or judgement are discussed in the following notes:

	Note		Note
Investment properties	C1	Fair value measurement of financial instruments	E5
Investments in joint ventures and associates	C2	Intangible assets	D3

Comparative information

Where necessary, comparative information has been restated to conform to the current year's disclosures.

New and amended standards adopted by the Trust

Amended standards and interpretations adopted by the consolidated entity for the year ended 30 June 2024 have not had a significant impact on the current period or any prior period and are not likely to have a significant impact in future periods. These are listed below:

- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates* [AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2]
- AASB 2021-7b *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections* [AASB 17 editorials]
- AASB 2022-7 *Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*

B RESULTS FOR THE YEAR

This section explains the results and performance of the consolidated entity, including detailed breakdowns and analysis.

B1 SEGMENT INFORMATION

The consolidated entity is a single segment for reporting to the Executive Leadership Team (ELT). The ELT is the chief operating decision maker of the consolidated entity.

The consolidated entity operates predominantly in Australia. No single customer in the current or prior year provided more than 10 per cent of the consolidated entity's revenue.

B2 REVENUE

The consolidated entity's revenue is principally property rental revenue. Property rental revenue comes from holding properties as investment properties and earning rental yields over time.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade allowances and duties and taxes paid. The consolidated entity recognises revenue from the transfer of services over time in the following revenue stream:

Property rental revenue

Lease revenue
The consolidated entity invests in properties for rental yields and capital appreciation. Rental revenue from investment properties is recognised on a straight-line basis over the lease term, net of any incentives. Modifications to the leases are accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Services revenue
The consolidated entity also provides services to the lessees which primarily consist of general building management and operations in accordance with their lease agreements. Service income, representing the recovery of associated costs from the lessees, is recognised over time when the services are provided.

	2024 $m	2023 $m
Revenue		
Lease revenue	**559**	582
Service revenue	**90**	100
Other property rental revenue	**6**	24
Total property rental revenue	**655**	706
Other revenue	**37**	36
Total revenue	**692**	742

B3 EXPENSES

Investment property expenses

Investment property expenses relate to those costs that are required to be incurred to allow for the occupation and maintenance of investment properties in order to continue to earn rental revenue. Expenses include statutory levies, insurance and other property outgoings and are recognised on an accruals basis.

	2024 $m	2023 $m
Profit before income tax includes the following specific expenses:		
Statutory levies	**42**	41
Insurance	**6**	7
Power and gas	**24**	23
Property maintenance	**45**	49
Other property expenses	**70**	78
Total investment property expenses and outgoings	**187**	198
Interest paid/payable	**130**	98
Interest capitalised	**-**	(1)
Total finance costs	**130**	97

B4 EVENTS OCCURRING AFTER THE END OF THE YEAR

No events have occurred since the end of the year which have significantly affected or may significantly affect the consolidated entity's operations, the results of those operations, or state of affairs in future years.

B5 INCOME TAX

The consolidated entity's profit is earned by trusts which are not subject to taxation. Income from the trusts is instead attributed to unitholders who pay income tax at their marginal tax rates.

Tax allowances for depreciation are distributed to the stapled unitholders as a tax deferred component of the distribution.

C INVESTMENT ASSETS

This section includes investment properties and investments in joint ventures and associates (JVA). They represent the core assets of the business and drive the value of the consolidated entity.

C1 INVESTMENT PROPERTIES

The consolidated entity holds a property portfolio for long-term rental yields and capital appreciation. Depending on the specific arrangements for each property, they are classified as investment properties or properties held through joint ventures and associates.

Investment properties

Investment properties are properties owned by the consolidated entity. Investment properties include investment properties under construction, which will become investment properties once construction is completed.

The consolidated entity accounts for its investment properties at fair value. Revaluation gains are recognised as Other income and revaluation losses are recognised as an expense. For the year ended 30 June 2024, $798m revaluation loss has been recognised in the SoCI (2023: $396m revaluation loss). The fair value movements are non-cash and do not affect the consolidated entity's distributable income.

Judgement in fair value estimation

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants.

For all investment property that is measured at fair value, the existing use of the property is considered the highest and best use.

The consolidated entity assesses its property portfolio for environmental risks and incorporates sustainability initiatives, where appropriate, in determining the fair value of investment properties.

The fair value of properties are calculated using a combination of market sales comparisons, discounted cash flows and capitalisation rates.

To assist with calculating reliable estimates, the consolidated entity uses independent valuers on a rotational basis. Approximately 25 per cent of the portfolio is independently valued every six months, with management internally estimating the fair value of the remaining properties using estimation techniques by suitably qualified personnel. As at 30 June 2024, the consolidated entity undertook independent valuations covering 29 per cent of its investment property portfolio by value, excluding investment properties under construction (IPUC).

The fair value is a best estimate but may differ from the actual sales price if the properties were to be sold. The key judgements for each valuation method are explained below:

Discounted cash flow (DCF): Projects a series of cash flows over the property's life and a terminal value, discounted using a discount rate to give the present value.

The projected cash flows incorporate expected rental income (based on contracts or market rates), operating costs, lease incentives, lease fees, capital expenditure, and a terminal value from selling the property. The terminal value is calculated by applying the terminal yield to the net market income. The discount rate is a market rate reflecting the risk associated with the cash flows, the nature, location and tenancy profile of the property relative to comparable investment properties and other asset classes.

Capitalisation rate: The rate or yield at which the annual net income from an investment is capitalised to ascertain its capital value at a given date. The annual net income is based on contracted rents, market rents, operating costs and future income on vacant space. The capitalisation rate reflects the nature, location and tenancy profile of the property together with current market evidence and sales of comparable properties.

Direct comparison approach: Utilises recent sales of comparable properties, adjusted for any differences, including the nature, location, town planning/zoning, flooding and environmental impediments.

C1 INVESTMENT PROPERTIES (continued)

Investment properties under construction: There generally is not an active market for IPUC. Due to the inherent difficulty in valuing IPUC, fair value will typically be capitalised costs to date. Where a valuation is performed, fair value is measured using the capitalisation rate, DCF or residual valuations. Capitalisation rate and DCF valuations for investment properties under construction are as described above, but also consider the costs and risks of completing construction and letting the property.

Residual: Estimates the value of the completed project, less the remaining development costs, which include construction, finance costs and an allowance for the developer's risk and profit. This valuation is then discounted back to the present value.

Lease incentives
The carrying amount of investment properties includes lease incentives provided to tenants. Lease incentives are capitalised and recognised on a straight-line basis over the lease term as a reduction of net property income.

Ground leases
A lease liability reflecting the leasehold arrangements of investment properties is separately disclosed in the consolidated SoFP and the carrying value of the investment properties is adjusted (i.e. increased) so that the net of these two amounts equals the fair value of the investment properties. The lease liabilities are calculated as the net present value of the future lease payments discounted at the incremental borrowing rate.

At 30 June 2024, $7 million of lease liabilities for ground leases has been recognised in the consolidated SoFP (2023: $7 million).

Lease liabilities are subsequently measured by:
- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications.

Some ground leases contain variable payment terms that are linked to sales generated. Variable lease payments that depend on sales are recognised in the consolidated SoCI in the period in which the condition that triggers those payments occurs.

Interest on the lease liabilities and any variable lease payments not included in the measurement of the lease liabilities are recognised in the consolidated SoCI in the period to which they relate.

Derecognition of investment properties
Investment properties are reclassified from non-current to current assets held for sale when they satisfy the conditions under AASB 5 *Non-current Assets Held for Sale and Discontinued Operations.*

For reclassification to occur, the disposal of the investment property must be highly probable with an exchanged contract and settlement pending. Once control of an investment property transfers to a purchaser, usually upon settlement, the consolidated entity will derecognise the book value of the investment property with any resultant gain or loss recognised in the consolidated SoFP. During the year the consolidated entity transferred $44m investment property to Assets classified as held for sale which was subsequently disposed of during the year (2023: $759m).

Commitments
At 30 June 2024, capital commitments on the consolidated entity's investment property portfolio were $132 million (2023: $89 million). There were no investment properties pledged as security by the consolidated entity (2023: nil).

C1 INVESTMENT PROPERTIES (continued)

Movements in investment properties

	2024 Total $m	2023 Total $m
Balance 1 July	**8,929**	10,341
Expenditure capitalised	**266**	231
Acquisitions	**-**	71
Disposals	**(243)**	(459)
Transfers to Assets classified as held for sale	**(44)**	(759)
Net revaluation loss from fair value adjustments[1]	**(697)**	(396)
Amortisation expenses	**(92)**	(100)
Balance 30 June	**8,119**	8,929
Total investment properties	**7,766**	8,741
Total investment properties under construction	**353**	188

1. Excludes revaluation loss of $101m (June 2023: nil) for assets classified as held for sale

Fair value measurement and valuation basis

The basis of valuation of investment properties is fair value. Fair values are based on market values, being the price that would be received to sell an asset in an orderly transaction between market participants at the reporting date.

Investment properties are measured as Level 3 financial instruments. Refer to note E5 for explanation of the levels of fair value measurement. The following are the unobservable inputs used in determining the fair value measurement of investment properties. Movement in any of the unobservable inputs is likely to have an impact on the fair value of investment property. The higher the net market income or 10-year compound annual growth rate, the higher the fair value. The higher the capitalisation rate, terminal yield or discount rate, the lower the fair value.

The key inputs and sensitivity to changes are explained below.

	Unobservable inputs	Details
	Capitalisation rate	The rate at which net market income is capitalised to determine the value of a property.
	Discount rate	The rate of return used to convert a monetary sum, payable or receivable in the future, into present value. This should reflect the opportunity cost of capital; that is, the required rate of return the capital can earn if put to other uses having regard to a similar risk profile.
	Terminal yield	The capitalisation rate used to convert income into an indication of the anticipated value of the property at the end of the holding period when carrying out a discounted cash flow calculation.
	Market rent and growth rate	The rent at which a tenancy could be leased in the market, including rental growth in future years at the date of valuation. Market rent includes gross rent and net rent. Gross rent is where outgoings are incorporated in the rent being paid. Net market rent is where the owner recovers outgoings from the tenant on a pro-rata basis.
	Market rate	The market rate per square metre uses recent transactional evidence of comparable properties to determine the fair value of the investment property under the direct comparison method.

C1 INVESTMENT PROPERTIES (continued)

The DCF, capitalisation rate, residual valuation and direct comparison methods all use unobservable inputs in determining fair value; ranges of the inputs are included below per asset class:

Sector	Level 3 fair value	Inputs used to measure fair value				
		Net market income	10-year compound annual growth rate	Capitalisation rate	Terminal yield	Discount rate
	$m	$/sqm	%	%	%	%
2024						
Office	**4,618**	**350.0 – 1,367.0**	**3.45 – 3.95**	**5.25 – 8.00**	**5.50 – 8.25**	**6.50 – 8.00**
Industrial	**1,223**	**170.0 – 480.0**	**3.27 – 3.40**	**5.13 – 5.75**	**5.38 – 6.13**	**6.75 – 7.43**
Retail	**2,278**	**353.0 – 744.0**	**2.99 – 4.10**	**5.00 – 8.75**	**5.25 – 9.00**	**6.50 – 10.00**
Total	**8,119**	**-**	**-**	**-**	**-**	**-**
2023						
Office	5,253	350.0 – 1,367.0	3.30 – 4.10	4.88 – 5.88	5.13 – 6.38	6.13 – 6.50
Industrial	1,324	150.0 – 448.6	3.47 – 3.62	4.25 – 5.25	4.50 – 5.50	5.75 – 6.63
Retail	2,352	327.0 – 880.0	2.21 – 4.02	5.00 – 8.75	5.25 – 9.00	6.25 – 10.00
Total	8,929	-	-	-	-	-

Sensitivity analysis

Due to the uncertain economic climate and the judgement required to assess the fair value of the consolidated entity's investment properties, a sensitivity analysis was undertaken to further stress test the assessment of fair value as at 30 June 2024.

The following sensitivity analysis is based on upward and downward movement scenarios of 25 bps and 50 bps on the movement of capitalisation rates, discount rates, and terminal yields per asset class compared to the capitalisation rates, discount rates, and terminal yields adopted by the consolidated entity as at 30 June 2024. These are considered to be the key unobservable inputs that would be expected to have the most material impact on the fair values adopted if they moved. Valuations use a blended capitalisation rate and DCF approach whereby the current market income and the cash flow of the investment property are considered to determine the final fair value. Varying the capitalisation rates alone will only impact the valuation derived through the capitalisation method and has no impact on the DCF analysis. A change in discount rate and terminal capitalisation rate will only impact the DCF valuation. Accordingly, all three metrics need to be moved proportionately to ensure a consistent methodology when performing the sensitivity analysis.

Presented below is the outcome of the sensitivity analysis as the decrement or increment to the fair value of each asset class of the consolidated entity's investment property portfolio (including assets classified as held for sale and office JV but excluding all other JVAs and IPUC) should the unobservable inputs increase or decrease by 25 bps or 50 bps. For example, an increase of 25 bps of the capitalisation rate, discount rate and terminal yield in the consolidated entity's Office portfolio would have resulted in a decrement of $271m in addition to the fair value presented as at 30 June 2024.

Investment properties at fair value assessed using DCF, market capitalisation and capitalisation rate	Capitalisation rate, discount rate and terminal yield movement by			
	⇧ 25 bps $m	⇩ 25 bps $m	⇧ 50 bps $m	⇩ 50 bps $m
Office	(271)	291	(552)	637
Industrial	(75)	75	(138)	158
Retail	(97)	106	(187)	223
Total	**(443)**	**472**	**(877)**	**1,018**

For investment properties at fair value assessed using the direct comparison approach, a sensitivity analysis was performed. Using an increase of 5 per cent in the rate per square metre and a decrease of 5 per cent in the rate per square metre, the impact to the fair value presented as at 30 June 2024 was not material.

C1 INVESTMENT PROPERTIES (continued)

Future committed operating lease receipts

Lease revenue from investment properties is accounted for as operating lease revenue. The revenue from lease is recognised in the consolidated SoCI on a straight-line basis over the lease term. Future receipts are shown as undiscounted contractual cash flows.

	2024 $m	2023 $m
Future operating lease receipts as a lessor		
Within one year	**431**	461
Between one and five years	**1,398**	1,449
Later than five years	**1,022**	1,150
Total future operating lease receipts as a lessor	**2,851**	3,060

C2 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

A joint venture (JV) is a joint arrangement where the Trust has joint control over the activities and joint rights to the net assets. An associate is an entity over which the Trust has significant influence, and that is neither a subsidiary nor an interest in a joint venture. Refer to note G1 for details on how the Trust decides if it controls an entity.

The Trust initially records its JVAs at cost and subsequently accounts for them using the equity method. Under the equity method, the Trust's share of the JVA's profit or loss is added to/deducted from the carrying amount each year. Distributions received or receivable are recognised by reducing the carrying amount of the JVA.

All JVAs are established or incorporated in Australia. The movements in the carrying amount of the JVAs are as follows:

Movements in the carrying amount of JVAs	**30 June 2024 Total $m**	30 June 2023 Total $m
Balance 1 July	**1,884**	1,299
Share of losses	**(155)**	(43)
Equity acquired	**614**	694
Return of capital	**(6)**	-
Distributions received/receivable	**(74)**	(66)
Closing balance	**2,263**	1,884

The table below provides summarised financial information for those JVAs that are significant to the Trust. The information below reflects the total amounts presented in the financial statements of the relevant JVAs and not the Trust's share, unless otherwise stated. The information has been amended to reflect any unrealised gains or losses on transactions between the Trust and its JVAs.

	Mirvac 8 Chifley Trust 2024 $m	Mirvac (Old Treasury) Trust 2024 $m	The George Street Trust 2024 $m	Mirvac Locomotive Trust 2024 $m	MIV Switchyards Trust 2024 $m	LIV Mirvac Property Trust[1] 2024 $m	Other Joint Ventures[2,3] 2024 $m	Mirvac Wholesale Office Fund 2024 $m	Total 2024 $m
Primary Activities	Property investment	Property investment	Property investment	Property investment	Property investment	Property investment	Property investment	Property investment	
Accounting Classfication	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Associate	
Summarised SoFP									
Cash and cash equivalents	3	5	3	3	6	4	4		
Other current assets	2	2	11	3	2	3	1		
Total current assets	5	7	14	6	8	7	5	71	123
Total non-current assets	423	477	883	437	351	1,374	452	5,888	10,285
Other current liabilities	3	8	15	6	16	49	14		
Total current liabilities	3	8	15	6	16	49	14	80	191
Total non-current liabilities	-	-	-	-	-	439	-	1,414	1,853
Net assets	425	476	882	437	343	893	443	4,465	8,364
Trust's ownership (%)	50	50	50	51	49	44	-	8	
Trust's share of net assets ($m)	213	238	442	223	168	395	225	359	2,263
Carrying amount in consolidated SoFP	213	238	442	223	168	395	225	359	2,263
Summarised SoCI									
Revenue	27	43	64	30	16	15	2	353	550
Profit after tax	(20)	(3)	(154)	13	2	40	4	(1,169)	(1,287)
Total comprehensive income/ (loss)	(20)	(3)	(154)	13	2	40	4	(1,168)	(1,286)
Trust's ownership (%)	50	50	50	51	49	44	-	8	
Trust's share of profit/(loss) after tax ($m)	(10)	(2)	(77)	7	1	18	2	(94)	(155)
Distributions received/receivable from JVAs	10	16	25	10	5	1	-	6	73

1 On 31 January 2024, the Trust acquired 44.26 per cent of the units in LIV Mirvac Property Trust (LIVMPT) from Mirvac Limited for consideration of $339m. LIVMPT holds operational assets, LIV Indigo, Sydney and LIV Munro, Melbourne, as well as build to rent assets under construction, LIV Anura, Brisbane, and LIV Aston and LIV Albert Fields, Melbourne.
2 On 31 January 2024, the Trust acquired 51 per cent of units in in Aspect North Trust from Mirvac Holdings Limited for consideration of $93m. Aspect North Trust holds industrial estate in Kemps Creek, NSW.
3 On 28 June 2024, The Trust acquired 51 per cent of units in Aspect South Trust from Mirvac Holdings Limited for consideration of $120m. Aspect South Trust holds industrial estate in Kemps Creek, NSW.

C2 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)

	Mirvac 8 Chifley Trust	Mirvac (Old Treasury) Trust	The George Street Trust	Mirvac Locomotive Trust	MIV Switchyards Trust	Mirvac Wholesale Office Fund	Total
	2023 $m	2023 $m	2023 $m	2023 $m	2023 $m	2023 $m	2023 $m
Primary Activities	Property investment	Property investment	Property investment	Property investment	Property investment	Property investment	
Accounting Classfication	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Associate	
Summarised SoFP							
Cash and cash equivalents	9	6	1	3	-		
Other current assets	1	1	9	2	1		
Total current assets	10	7	10	5	1	65	98
Total non-current assets	441	512	1,087	443	362	7,359	10,204
Other current liabilities	7	8	11	5	-		
Total current liabilities	7	8	11	5	-	652	683
Total non-current liabilities	-	-	-	-	-	969	969
Net assets	444	511	1,086	443	363	5,803	8,650
Trust's ownership (%)	50	50	50.1	51	49	7.9	
Trust's share of net assets ($m)	222	255	544	226	178	459	1,884
Carrying amount in consolidated SoFP	222	255	544	226	178	459	1,884
Summarised SoCI							
Revenue	23	42	63	31	13	112	284
Profit after tax	(8)	45	(25)	(11)	120	(558)	(437)
Total comprehensive income/ (loss)	(8)	45	(25)	(11)	120	(558)	(437)
Trust's ownership (%)	50	50	50	51	49	8	
Trust's share of profit/(loss) after tax ($m)	(4)	22	(13)	(6)	(6)	(36)	(43)
Distributions received/receivable from JVAs	10	15	23	8	6	5	67

Capital expenditure commitments

At 30 June 2024, the consolidated entity's share of its JVA's capital commitments approved but not yet provided for was $215 million (2023: $2 million).

D OPERATING ASSETS AND LIABILITIES

D1 RECEIVABLES

Receivables are initially recognised at fair value. Receivables are subsequently measured at amortised cost using the effective interest rate method, less loss allowance if required. Due to the short-term nature of current receivables, their carrying amount (less loss allowance) is assumed to be the same as their fair value.

For the majority of the non-current receivables, the carrying amount is also not significantly different to their fair value. The Expected Credit Loss (ECL) of receivables is reviewed on an ongoing basis. The consolidated entity applies the simplified approach to measuring ECL as appropriate based on the different characteristics of each financial asset class. To measure the ECL, management has grouped together the consolidated entity's receivables based on shared credit risk characteristics and the days past due. The consolidated entity uses judgement in making assumptions about risk of default, ECL rates and the inputs to the impairment calculation, based on the consolidated entity's past history, existing market conditions and future looking estimates at the end of each reporting period. Receivables that are determined to be uncollectable are written off.

	2024			2023		
	Gross $m	Loss allowance $m	Net $m	Gross $m	Loss allowance $m	Net $m
Trade receivables	9	(4)	5	11	(9)	2
Amounts due from related party	9	-	9	-	-	-
Accrued income	28	-	28	22	-	22
Total current receivables	46	(4)	42	33	(9)	24
Other receivables	5	-	5	-	-	-
Total non-current receivables	5	-	5	-	-	-
Total receivables	51	(4)	47	33	(9)	24

Movement in loss allowance

	2024 $m	2023 $m
Balance 1 July	(9)	(17)
Loss allowance recognised	-	-
Amounts utilised for write-off of receivables	5	8
Balance 30 June	(4)	(9)

Ageing

		Days past due					
	Not past due	1 - 30	31 - 60	61 - 90	91 - 120	Over 120	Total
2024							
Total receivables	42	3	1	1	1	3	51
Loss allowance	-	-	-	-	(1)	(3)	(4)
Balance 30 June 2024	42	3	1	1	-	-	47
2023							
Total receivables	22	3	1	1	1	5	33
Loss allowance	-	(1)	(1)	(1)	(1)	(5)	(9)
Balance 30 June 2023	22	2	-	-	-	-	24

The consolidated entity does not have any significant credit risk exposure to a single customer. The consolidated entity holds $119 million of tenant collateral (2023: $133 million), primarily in the form of bank guarantees. The terms and conditions of the collateral are outlined in the lease agreements, however generally as a lessor, the consolidated entity has the right to call upon the collateral if a lessee breaches their lease. Refer to note E4 for further details on the consolidated entity's exposure to, and management of, credit risk.

D2 OTHER FINANCIAL ASSETS

Units in unlisted funds

The Trust may hold units in unlisted funds that do not give the Trust control or significant influence, as explained in note G1.These units are accounted for at fair value. Distributions received are recognised in revenue and any changes in fair value are recognised in the gain or loss on financial instruments in the consolidated SoCI.

Units in unlisted funds are traded in inactive markets and therefore the fair value is estimated based on the value of the underlying assets held by the funds.

Fair value of other financial assets is determined by giving consideration to the unit prices and net assets of the underlying funds. These are largely driven by the fair values of investment properties held by the funds.

	2024 $m	2023 $m
Non-current		
Units in unlisted funds	48	59
Total non-current other financial assets	**48**	59

D3 INTANGIBLE ASSETS

Goodwill

	2024 $m	2023 $m
Balance 1 July	43	43
Balance 30 June	**43**	43

Impairment testing

Goodwill acquired in a business combination is tested annually for impairment. Goodwill is impaired if the recoverable amount, calculated as the higher of the value in use and the fair value less costs to sell, is less than its carrying amount. For the purpose of assessing impairment, assets are grouped at the lowest levels for which goodwill is monitored for internal management purposes and allocated to cash generating units (CGU). The estimation of the recoverable amount of goodwill depends on the nature of the CGU. For the consolidated entity CGU, the value in use is the discounted present value of estimated cash flows that the CGU will generate, which primarily comprise of the consolidated entity's investment properties in Office, Industrial and Retail sectors.

D3 INTANGIBLE ASSETS (continued)

Impairment testing (continued)

The key assumptions used to determine the forecast cash flows include:

Key assumption	Details of key assumption	Inputs used
Net market rent	The rent at which a tenancy could be leased in the market including outgoings recovery.	Lease specific assumptions including let up periods and incentives
Other cash flows	These cash flows are minimal in comparison to the rental cash flows but form part of the Investments CGU.	Cash flows from the Investment CGU and the associated Management & Administration expense
Capital expenditure	The amount of additional investment required to upgrade or maintain the consolidated entity's investment properties.	Investment property assumptions based on the age and condition of the property
Growth rate	The rate at which cash flows will grow over time. The growth rate has been adjusted to reflect current market conditions and does not exceed the long-term average growth rate. The cash flow projections are based on management approved forecasts covering an initial period of five years and the subsequent five years are based on a growth rate.	3.0-5.1% (2023: 3.2%)
Cash flow period	AASB 136 *Impairment of Assets* recommends that cash flow projections should cover a maximum period of five years, unless a longer period can be justified. As the cash flow projections used for budgeting and forecasting are based on long-term, predictable and quantifiable leases, with renewal assumptions based on asset class and industry experience, management is comfortable that a ten year cash flow projection is appropriate.	10 years (2023: 10 years)
Terminal growth rate	The constant rate that cash flows are expected to grow at into perpetuity.	3.0% (2023: 3.0%)
Pre-tax discount rate	The rate of return used to convert cash flows into present value; these are specific to the risks of each of the cash flows within the consolidated entity. This includes using the weighted average investment property portfolio discount rate, which was 6.9% as at 30 June 2024 (2023: 6.3%).	6.9% (2023: 6.3%)

Sensitivity
If the cash flow projections used in the value in use calculations increased or decreased the pre-tax discount rate by 50 bps, and the terminal growth rate or growth rate were increased or decreased by 50 bps, and 100bps respectively, the consolidated entity would have sufficient headroom and this would not result in an impairment.

Based on information available, and market conditions as at 30 June 2024 and up to the date of this report, management have considered that a reasonably foreseeable change in the other assumptions used in the goodwill assessment would not result in an impairment to the value of goodwill as at 30 June 2024 (2023: nil).

D4 PAYABLES

Payables are measured at amortised cost. Due to the short-term nature of current payables, their carrying amount is assumed to be the same as their fair value. For the majority of non-current payables, the carrying amount is also not significantly different to their fair value.

Trade payables due more than 12 months after year end are classified as non-current.

	Note	2024 $m	2023 $m
Current			
Trade payables		**4**	17
Rent in advance		**25**	31
Other accruals		**114**	105
Other creditors		**157**	10
Amounts due to related parties	H4	**122**	115
Total current payables		**422**	278
Non-current			
Other accruals		**6**	-
Total non-current payables		**6**	-
Total payables		**428**	278

D5 PROVISIONS

A provision is made for the amount of any distribution declared at or before the end of the year but not distributed by the end of the year. Refer to note F1 for further details.

	2024 $m	2023 $m
Balance 1 July	**209**	201
Interim and final distributions declared	**414**	414
Distribution payments made	**(387)**	(406)
Other provisions	**28**	-
Balance 30 June	**264**	209

E CAPITAL STRUCTURE AND RISKS

This section outlines the market, credit and liquidity risks that the consolidated entity is exposed to, and how it manages these risks. Capital comprises unitholders' equity and net debt (borrowings less cash).

E1 CAPITAL MANAGEMENT

The consolidated entity's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can provide returns to unitholders and aim to address the market, credit and liquidity risks while also meeting the Group's strategic objectives.

The consolidated entity's gearing ratio is within the Group's target gearing ratio range of between 20 and 30 per cent. If the consolidated entity wishes to change its gearing ratio, it could adjust its dividends/distributions, issue new equity (or buy back securities), or sell property to repay borrowings.

E2 BORROWINGS AND LIQUIDITY

The consolidated entity borrows using loans from related parties.

The consolidated entity has two loan facilities from a related party. One facility limit as at 30 June 2024 is $3,000 million (2023: $3,000 million) and can be drawn in Australian or US dollars. This facility expires on 15 December 2029. A new facility was entered into on 30 January 2024 and would expire on 31 January 2031. The facility limit as at 30 June 2024 is $350 million (2023: nil). Interest accrues at the related party's cost of financing from their borrowing facilities, calculated including associated derivative financial instruments.

At 30 June 2024, the consolidated entity had $1,049 million of undrawn facilities available (2023: $731 million).

	2024						2023					
		Fixed interest maturing in:						Fixed interest maturing in:				
	Floating interest rate $m	**Less than 1 year $m**	**1 to 2 years $m**	**2 to 5 years $m**	**Over 5 years $m**	**Total $m**	Floating interest rate $m	Less than 1 year $m	1 to 2 years $m	2 to 5 years $m	Over 5 years $m	Total $m
Loans from related party	**2,301**	-	-	-	-	**2,301**	2,269	-	-	-	-	2,269

Borrowings are initially recognised at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method. The fair value of borrowings is considered to approximate their carrying amount as the interest rates are variable.

E3 CASH FLOW INFORMATION

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash at bank and short-term deposits at call.

Reconciliation of profit to operating cash flow

	2024 $m	2023 $m
Loss for the year attributable to stapled unitholders	(696)	(104)
Revaluation of investment properties	798	396
Share of net loss of JVAs net of distributions received	226	104
Loss on sale of assets	22	22
Net loss on financial instruments	11	2
Amortisation expenses	98	100
Lease incentives and straight-lining of lease revenue	(41)	(60)
Change in operating assets and liabilities	(35)	41
Net cash inflows from operating activities	**383**	501

Net Debt Reconciliation

	Current lease liabilities $m	Non-current lease liabilities $m	Non-current borrowings $m	Total liabilities $m	Cash and cash equivalents $m	Total $m
Balance 1 July 2022	-	(7)	(1,891)	(1,898)	34	(1,864)
Net cash flow movements	-	-	(378)	(378)	3	(375)
Balance 30 June 2023	-	(7)	(2,269)	(2,276)	37	(2,239)
Net cash flow movements	-	-	(32)	(32)	6	(26)
Balance 30 June 2024	**-**	**(7)**	**(2,301)**	**(2,308)**	**43**	**(2,265)**

E4 FINANCIAL RISK MANAGEMENT

The consolidated entity's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The consolidated entity seeks to minimise the potential impact of these financial risks on financial performance, for example, by using derivative financial instruments to protect against interest rate and foreign exchange risk.

Financial risk management is carried out by a central treasury department (Mirvac Group Treasury) under policies approved by the Board. The Board provides overall risk management principles and policies covering specific areas. Mirvac Group Treasury identifies, evaluates, reports and manages financial risks in close cooperation with the consolidated entity in accordance with Board policy.

A summary of the Group's key risks identified, exposures and management of exposures is detailed in the table below:

Risk	Definition	Exposures arising from	Management of exposures
Market risk - interest rate	The risk that the fair value or cash flows of financial instruments will fluctuate due to changes in market interest rates	• Borrowings issued at fixed rates and variable rates • Derivatives	• Interest rate derivatives manage cash flow interest rate risk by converting floating rate borrowings to fixed or capped rates with a target of 55 per cent. • Mirvac does not manage the fair value risk for debt instruments from interest rates, as it does not have an impact on the cash flows paid by the business.
Market risk - foreign exchange	The risk that the fair value of a financial commitment, asset or liability will fluctuate due to changes in foreign exchange rates	• Bonds denominated in other currencies • Receipts and payments that are denominated in other currencies	• Cross currency interest rate swaps to convert non-Australian dollar borrowings to Australian dollar exposures. These cross currency interest rate swaps have been designated as cash flow hedges with the movements in fair value recognised while they are still in an effective hedge relationship.
Market risk – price	The risk that the fair value of other financial assets at fair value through profit and loss will fluctuate due to changes in the underlying share/unit price	• Other financial assets at fair value through profit or loss	• The Group is exposed to minimal price risk and so does not manage the exposures.
Credit risk	The risk that a counterparty will not make payments to Mirvac as they fall due	• Cash and cash equivalents • Receivables • Derivative financial assets • Other financial assets	• Setting credit limits and obtaining collateral as security (where appropriate). • Diversified trading spread across large financial institutions with investment grade credit ratings. • Regularly monitoring the exposure to each counterparty and their credit ratings. • Refer to note D1 for details on credit risk exposure on receivables. The Group deems the exposure to credit risk as not significant for all other classes of financial assets and liabilities.
Liquidity risk	The risk that Mirvac will not be able to meet its obligations as they fall due	• Payables • Borrowings • Derivative financial liabilities	• Regular forecasts of the Group's liquidity requirements. Surplus funds are only invested in highly liquid instruments. • Availability of cash, marketable securities and committed credit facilities. • Ability to raise funds through issue of new securities through placements or Distribution Reinvestment Plan.

E4 FINANCIAL RISK MANAGEMENT (continued)

Sensitivity analysis
This sensitivity analysis shows the impact on profit after tax and equity if Australian interest rates changed by 75 basis points.

Given the consolidated entity is operating in an interest rate environment which is in a tightening cycle, a 75 bps movement is deemed an appropriate sensitivity to consider for 30 June 2024.

Total impact on profit after tax and equity	2024		2023	
	75 bps ⇧ $m	75 bps ⇩ $m	50 bps ⇧ $m	50 bps ⇩ $m
Changes[1] in:				
Australian interest rates	**$15 m decrease**	**$15 m increase**	$11 m decrease	$11 m increase

1 It assumes that no interest is capitalised into qualifying assets as discussed in note B3.

Based on current exposures, there is no material foreign exchange sensitivity in the consolidated entity.

Liquidity risk

Maturity of financial liabilities
The consolidated entity's maturity of financial liabilities is provided in the following table. The amounts disclosed in the table are the contractual undiscounted cash flows:

	2024					2023				
	Maturing in:					Maturing in:				
	Less than 1 year $m	1 to 2 years $m	2 to 5 years $m	Over 5 years $m	Total $m	Less than 1 year $m	1 to 2 years $m	2 to 5 years $m	Over 5 years $m	Total $m
Payables	**422**	**1**	**5**	**-**	**428**	278	-	-	-	278
Borrowings	**129**	**121**	**367**	**2,375**	**2,992**	128	125	346	2,448	3,047
Lease liabilities	**-**	**-**	**-**	**7**	**7**	-	-	-	7	7
	551	**122**	**372**	**2,382**	**3,427**	406	125	346	2,455	3,332

E5 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The consolidated entity measures various financial assets and liabilities at fair value, which in some cases, may be subjective and depend on the inputs used in the calculations. The different levels of measurement are described below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: not traded in an active market but calculated with significant inputs coming from observable market data; and
- Level 3: significant inputs to the calculation that are not based on observable market data (unobservable inputs).

The consolidated entity holds no Level 1 or Level 2 financial instruments.

The methods and assumptions used to estimate the fair value of financial instruments are as follows:

Other financial assets

Other financial assets include units in unlisted funds; refer to note D2 for further details. The carrying value of other financial assets is equal to the fair value. Other financial assets are classified as Level 3 as the fair values are not based on observable data.

Investments in unlisted entities are traded in inactive markets and the fair value is determined by the unit or share price as advised by the trustee of the unlisted entity, based on the value of the underlying assets. The unlisted entity's assets are subject to regular external valuations using the valuation methods explained in note C1.

The following table presents a reconciliation of the carrying value of Level 3 instruments (excluding investment properties which are shown in note C1):

	2024 Units in unlisted funds $m	2023 Units in unlisted funds $m
Balance 1 July	**59**	62
Net revaluation loss on financial instruments	**(11)**	(2)
Return of capital	**-**	(1)
Balance 30 June	**48**	59

F EQUITY

This section includes distributions, unitholders' equity and reserves. It represents how the consolidated entity raised equity from unitholders in order to finance activities both now and in the future.

F1 DISTRIBUTIONS

Half-yearly ordinary distributions paid/payable per stapled security were as follows:

	Distribution cents	Date paid/payable	Total amount $m
Distributions for the year ended 30 June 2024			
31 December 2023	4.50	29 Feb 2024	**178**
30 June 2024	6.00	29 Aug 2024	**236**
Total distribution	10.50		**414**
Distributions for the year ended 30 June 2023			
31 December 2022	5.20	28 Feb 2023	205
30 June 2023	5.30	31 Aug 2023	209
Total distribution	10.50		414

F2 CONTRIBUTED EQUITY

Ordinary units are classified as equity. Each ordinary unit entitles the holder to receive distributions when declared, and one vote per unit at securityholders' meetings on polls and proceeds on wind up of the Trust, in proportion to the number of units held.

When new units or options are issued, the directly attributable incremental costs are deducted from equity.

The number of stapled units issued as listed on the ASX at 30 June 2024 was 3,946 million (2023: 3,946 million), which includes 1 million of stapled units issued under the LTI and EIS (2023: 1 million). Units issued to employees under the Mirvac LTI and EIS are accounted for as options and are recognised by the Group in the security-based payments reserve, not in contributed equity.

Movements in paid up equity

	2024		2023	
	No. units	**Units $m**	No. units	Units $m
Balance 1 July	3,944,597,806	5,394	3,941,722,042	5,388
Stapled units issued under EEP	**-**	**-**	-	-
Long-term performance plan, LTI and EIS stapled units converted, sold, vested or forfeited	**-**	**-**	2,790,895	6
Legacy schemes vested	**198,771**	**-**	84,869	-
Balance 30 June	**3,944,796,577**	**5,394**	3,944,597,806	5,394

F3 RESERVES

Non-controlling interests (NCI) reserve

The NCI reserve was used to record the discount received on acquiring the NCI in Mirvac Real Estate Investment Trust, a controlled entity of the consolidated entity, in December 2009.

	Capital reserve $m	NCI reserve $m	Total reserves $m
Balance 30 June 2023	(1)	6	5
Balance 30 June 2024	**(1)**	**6**	**5**

G CONSOLIDATED ENTITY STRUCTURE

This section explains how the consolidated entity's structure affects its financial position and performance.

G1 CONTROLLED ENTITIES

Controlled entities

The consolidated financial statements of the consolidated entity incorporate the assets, liabilities and results of all controlled entities. Controlled entities are all entities over which the consolidated entity has power to direct the activities of the entity and an exposure to and ability to influence its variable returns from its involvement with the entity.

Controlled entities are fully consolidated from the date control is obtained until the date that control ceases. Inter-entity transactions and balances are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the assets transferred.

Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. The consolidated entity considers that all funds and trusts in which it currently has an investment, or from which it currently earns income, to be structured entities. Depending on the consolidated entity's power to direct the activities of the entity and its exposure to and ability to influence its own returns, it may consolidate the entity. In other cases, it may sponsor or have some form of exposure to a structured entity, but not consolidate it.

If the consolidated entity does not control a structured entity but has joint control over the activities and joint rights to the net assets, it is treated as a joint venture. Refer to note C2.

G1 CONTROLLED ENTITIES (continued)

Funds and trusts

The consolidated entity invests in a number of funds and trusts which invest in real estate as investment properties. The funds and trusts finance their operations through borrowings and through equity issues. The consolidated entity determines whether it controls or has significant influence over these funds and trusts as discussed above.

The following entities were wholly owned and established in Australia and controlled by MPT as at the current year end:

10-20 Bond Street Trust
367 Collins Street Trust
367 Collins Street No. 2 Trust
380 St Kilda Road Trust[1]
477 Collins Street No. 1 Trust
Australian Office Partnership Trust
Eveleigh Trust
James Fielding Trust
Joynton North Property Trust
Joynton Properties Trust
Meridian Investment Trust No. 1
Meridian Investment Trust No. 2
Meridian Investment Trust No. 3
Meridian Investment Trust No. 4
Meridian Investment Trust No. 5
Meridian Investment Trust No. 6
Mirvac 90 Collins Street Trust
Mirvac Allendale Square Trust
Mirvac Ann Street Trust
Mirvac Bay St Trust
Mirvac Bourke Street No.1 Sub-Trust
Mirvac Broadway Sub-Trust
Mirvac Capital Partners 1 Trust
Mirvac Collins Street No.1 Sub-Trust
Mirvac Commercial No.3 Sub Trust
Mirvac Commercial Trust[1]
Mirvac Group Funding No.2 Pty Limited
Mirvac Group Funding No.3 Pty Limited
Mirvac Hoxton Park Trust
Mirvac Industrial No. 1 Sub-Trust
Mirvac Kensington Trust
Mirvac Kirrawee Trust No.1
Mirvac Kirrawee Trust No.2
Mirvac La Trobe Office Trust
Mirvac Living Trust
Mirvac Padstow Trust No.1
Mirvac Parramatta Sub-Trust No. 1
Mirvac Pitt Street Trust
Mirvac Property Trust No.3
Mirvac Property Trust No.4
Mirvac Property Trust No.5
Mirvac Property Trust No.6
Mirvac Property Trust No.7
Mirvac Real Estate Investment Trust
Mirvac Retail Head Trust
Mirvac Retail Sub-Trust No. 1
Mirvac Retail Sub-Trust No. 2
Mirvac Retail Sub-Trust No. 3
Mirvac Retail Sub-Trust No. 4
Mirvac Rhodes Sub-Trust
Mirvac Rydalmere Trust No. 1
Mirvac Rydalmere Trust No. 2
Mirvac Smail Street Trust
Mirvac Toombul Trust No. 1
Mirvac Toombul Trust No. 2
Old Treasury Holding Trust
Springfield Regional Shopping Centre Trust
Mirvac Spencer Trust
Walker Sub Trust

1. One unit on issue held by Mirvac Limited as custodian for MPT.

G2 PARENT ENTITY

The financial information for the parent entity, MPT, has been prepared on the same basis as the consolidated financial statements.

Parent entity	2024 $m	2023 $m
Current assets	**14**	76
Total assets	**10,691**	11,152
Current liabilities	**1,224**	1,173
Total liabilities	**3,125**	3,268
Equity		
Contributed equity	**5,394**	5,394
Reserves	**8**	8
Retained earnings	**2,164**	2,482
Total equity	**7,566**	7,884
Profit for the year	**95**	298
Total comprehensive income for the year	**95**	298

As outlined in note E2, MPT is a borrower under a loan facility from a related party of the Group. This related party mainly sources MPT's funding needs from external debt facilities. MPT is party to a guarantee deed poll to guarantee the external debt of the related party.

At 30 June 2024, the parent entity did not provide any other guarantees in relation to the debts of its subsidiaries (2023: nil) or have any contingent liabilities (2023: nil). The parent entity had $2 million of capital commitments approved but not yet provided (2023: $3 million).

H OTHER DISCLOSURES

This section provides additional required disclosures that are not covered in the previous sections.

H1 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that may become payable depending on a future event or a present obligation that is not probable to require payment/cannot be reliably measured. A provision is not recognised for contingent liabilities.

As at 30 June 2024, the consolidated entity had contingent liabilities at 30 June 2024 in respect of the following:

	2024 $000	2023 $000
Health and safety claims	**293**	85

The consolidated entity has no contingent liabilities relating to JVAs (2023: nil).

H2 EARNINGS PER STAPLED UNIT

Basic earnings per stapled unit (EPU) is calculated by dividing:
- the profit attributable to stapled unitholders; by
- the weighted average number of ordinary units (WANOU) outstanding during the year.

Diluted EPU adjusts the WANOU to take into account the dilutive potential of ordinary securities from security-based payments.

	2024	2023
Earnings per stapled unit		
(Loss)/ Profit for the year attributable to stapled unitholders ($m) used to calculate basic and diluted EPU	**(696)**	(104)
WANOU used in calculating basic EPU (m)	**3,945**	3,945
WANOU used in calculating diluted EPU (m)	**3,946**	3,946
Basic and diluted EPU (cents)	**(17.6)**	(2.6)

H3 KEY MANAGEMENT PERSONNEL

Key management personnel compensation

Key management personnel (KMP) are employed by an entity controlled by Mirvac Limited. Payments made from the consolidated entity to Mirvac Limited and its controlled entities do not include any amounts directly attributable to the compensation of KMP. The total payments made to Mirvac Limited and its controlled entities are shown in note H4.

Equity instrument disclosures relating to KMP

Securityholdings
As at 30 June 2024, the number of ordinary securities in Mirvac held during the year by each Executive KMP, including their personally related parties, is set out below:

	Balance 1 July 2023	Changes	Balance 30 June 2024	Value 30 June 2024[1] $	Minimum securityholding guideline $	Date securityholding to be attained
Executive KMP						
Campbell Hanan	570,344	247,256	817,600	1,528,912	2,250,000	March 2028
Courtenay Smith	100,305	109,908	210,213	393,098	950,000	January 2028
Scott Mosely	-	-	-	-	780,000	November 2027
Stuart Penklis	427,686	58,215	485,901	908,635	1,100,000	January 2028
Richard Seddon	36,985	47,858	84,843	158,656	650,000	March 2028

1. Based on closing price as at 30 June 2024.

Options
No options (i.e. a right to acquire a security upon payment of an exercise price) were granted as remuneration during the year ended 30 June 2024 and no unvested or unexercised options are held by Executive KMP as at 30 June 2024.

Performance rights held during the year
The number of performance rights in Mirvac held during the year by each Executive KMP, including their personally-related parties, is set out below:

		Long-term Performance Plan (LTP)		Deferred Short-term Incentives (STI)		
	Balance 1 July 2023	Rights issued	Rights vested/forfeited relating to performance period ended 30 June 2024	Rights issued	Rights vested/ forfeited	Balance 30 June 2024
Executive KMP						
Campbell Hanan	1,303,427	1,333,423	(180,969)	212,806	(109,793)	2,558,894
Courtenay Smith	476,468	281,500	(152,395)	140,661	(52,029)	694,205
Scott Mosely	224,137	231,126	-	75,861	-	531,124
Stuart Penklis	589,582	325,947	(152,395)	229,935	(92,457)	900,612
Richard Seddon	142,228	192,605	(54,297)	41,516	-	322,052

H3 KEY MANAGEMENT PERSONNEL (continued)

Equity instrument disclosures relating to KMP (continued)

Details of the movement in the number and value of performance rights held by Executive KMP during the year are set out below:

						Vested			Lapsed		
Executive KMP	Plan	Grant date	Number of rights granted	Value at grant date[1]	Performance period ended	Number of rights vested	% of total grant	Value ($) of rights vested	Number of rights lapsed	% of total grant	Value of rights lapsed
Campbell Hanan	STI	31 Aug 21	50,192	146,941	31 Aug 23	50,192	100%	146,941	-	-	-
	LTP	30 Nov 21	180,969	382,404	30 Jun 24	-	-	-	180,969	100%	382,404
	STI	31 Aug 22	59,601	119,492	31 Aug 23	59,601	100%	119,492	-	-	-
	STI	31 Aug 22	59,601	114,079	31 Aug 24	-	-	-	-	-	-
	LTP	2 Dec 22	953,064	1,622,425	30 Jun 25	-	-	-	-	-	-
	STI	31 Aug 23	106,403	221,090	31 Aug 24	-	-	-	-	-	-
	STI	31 Aug 23	106,403	211,702	31 Aug 25	-	-	-	-	-	-
	LTP	30 Nov 23	1,333,423	1,758,160	30 Jun 26	-	-	-	-	-	-
Total			**2,849,656**	**4,576,293**		**109,793**		**266,433**	**180,969**		**382,404**
Courtenay Smith	STI	31 Aug 21	9,869	28,892	31 Aug 23	9,869	100%	28,892	-	-	-
	LTP	30 Nov 21	152,395	322,024	30 Jun 24	-	-	-	152,395	100%	322,024
	STI	31 Aug 22	42,160	84,525	31 Aug 23	42,160	100%	84,525	-	-	-
	STI	31 Aug 22	42,159	80,694	31 Aug 24	-	-	-	-	-	-
	LTP	2 Dec 22	229,885	391,339	30 Jun 25	-	-	-	-	-	-
	STI	31 Aug 23	70,331	146,138	31 Aug 24	-	-	-	-	-	-
	STI	31 Aug 23	70,330	139,930	31 Aug 25	-	-	-	-	-	-
	LTP	30 Nov 23	281,500	371,167	30 Jun 26	-	-	-	-	-	-
Total			**898,629**	**1,564,709**		**52,029**		**113,417**	**152,395**		**322,024**
Scott Mosely	LTP	2 Dec 22	224,137	381,554	30 Jun 25	-	-	-	-	-	-
	STI	31 Aug 23	37,931	78,815	31 Aug 24	-	-	-	-	-	-
	STI	31 Aug 23	37,930	75,467	31 Aug 25	-	-	-	-	-	-
	LTP	30 Nov 23	231,126	304,747	30 Jun 26	-	-	-	-	-	-
Total			**531,124**	**840,583**		**-**		**-**	**-**		**-**
Stuart Penklis	STI	31 Aug 21	42,267	123,740	31 Aug 23	42,267	100%	123,740	-	-	-
	LTP	30 Nov 21	152,395	322,024	30 Jun 24	-	-	-	152,395	100%	322,024
	STI	31 Aug 22	50,190	100,624	31 Aug 23	50,190	100%	100,624	-	-	-
	STI	31 Aug 22	50,190	96,066	31 Aug 24	-	-	-	-	-	-
	LTP	2 Dec 22	294,540	501,403	30 Jun 25	-	-	-	-	-	-
	STI	31 Aug 23	114,968	238,887	31 Aug 24	-	-	-	-	-	-
	STI	31 Aug 23	114,967	228,741	31 Aug 25						
	LTP	30 Nov 23	325,947	429,771	30 Jun 26	-	-	-	-	-	-
Total			**1,145,464**	**2,041,256**		**92,457**		**224,364**	**152,395**		**322,024**
Richard Seddon	LTP	30 Nov 21	54,297	141,922	30 Jun 24	21,718	40%	48,251	32,579	60%	85,155
	LTP	2 Dec 22	87,931	174,972	30 Jun 25	-	-	-	-	-	-
	STI	31 Aug 23	20,758	43,132	31 Aug 24	-	-	-	-	-	-
	STI	31 Aug 23	20,758	41,301	31 Aug 25	-	-	-	-	-	-
	LTP	30 Nov 23	192,605	253,956	30 Jun 26	-	-	-	-	-	-
Total			**376,349**	**655,283**		**21,718**		**48,251**	**32,579**		**85,155**

1. The calculation of the value of performance rights used the fair value as determined at the time of grant. The value at grant date for the FY22 and FY23 LTP grants has been adjusted from the number presented in the FY23 remuneration report to be consistent with the current year presentation which reflects 100% of the fair value of rights.

H4 RELATED PARTIES

The Responsible Entity

The Responsible Entity of the Trust is Mirvac Funds Limited, an entity incorporated in New South Wales and ultimately controlled by Mirvac Limited.

As outlined in the Explanatory Memorandum dated 4 May 1999, Mirvac Funds Limited charges MPT Responsible Entity fees on a cost recovery basis. Fees charged by Mirvac Funds Limited for the year ended 30 June 2024 were $20 million (2023: $29 million).

Transactions with related parties

	Note	2024 $000	2023 $000
Property rental revenue from entities related to Responsible Entity		**4,381**	6,871
Fees paid to Responsible Entity		**(19,967)**	(28,697)
Interest paid to entities related to Responsible Entity		**(129,062)**	(97,171)
Property management fee expense paid to entities related to Responsible Entity		**(16,363)**	(16,537)
Capital expenditure paid to entities related to Responsible Entity		**(83,667)**	(39,635)
Purchase of investment property or ownership in JVA from related party		**(551,873)**	(69,307)
Amounts due to/(from) entities related to Responsible Entity	D1 D4	**113,047**	115,440
Loans from entities related to Responsible Entity	E2	**2,301,500**	2,269,000

Capital expenditure paid to related parties is on a cost recovery basis, all other transactions with related parties were made on commercial terms and conditions.

Transactions between Mirvac and its JVAs were made on commercial terms and conditions. Distributions received from JVAs were on the same terms and conditions that applied to other unitholders.

H5 AUDITOR'S REMUNERATION

	2024 $000	2023 $000
Audit services		
Audit and review of financial reports	**742**	798
Other assurance services	**208**	230
Total auditor's remuneration	**950**	1,028

In the Directors' opinion:

(a) the financial statements and notes set out on pages 8 to 40 are in accordance with the *Corporations Act 2001*, including:

   (i) complying with Accounting Standards, 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 30 June 2024 and of its performance for the financial year ended on that date; and

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

The basis of preparation note confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer/Managing Director and the Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

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

Campbell Hanan
Director

Sydney
8 August 2024

Independent auditor's report

To the stapled securityholders of Mirvac Property Trust

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Mirvac Property Trust (the Registered Scheme, MPT or Trust) and its controlled entities (together the Consolidated entity) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Consolidated entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The consolidated entity financial report comprises:

- the consolidated statement of financial position as at 30 June 2024
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the Directors' declaration.

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

Independence

We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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.

Other information

The Directors of Mirvac Funds Limited, the Responsible Entity of Mirvac Property Trust (the Directors) are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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 on the other information that we obtained prior to the date of this auditor's report, 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.

Responsibilities of the Directors for the financial report

The Directors are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that 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 consolidated entity 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 consolidated entity or to cease operations, or have 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 the 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 at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Responsibilities

The Directors 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.

PricewaterhouseCoopers

PricewaterhouseCoopers

Voula Papageorgiou Partner	Joe Sheeran Partner	Sydney 8 August 2024

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