Rule 4.3A

Appendix 4E

Results for Announcement to the Market

CROMWELL PROPERTY GROUP

The Appendix 4E should be read in conjunction with the annual financial report of Cromwell Property Group for the year ended 30 June 2024.

1. CROMWELL PROPERTY GROUP STRUCTURE

This report is for the Cromwell Property Group (“Cromwell”), consisting of Cromwell Corporation Limited (ABN 44 001 056 980) (“the Company”), and Cromwell Diversified Property Trust (ARSN 102 982 598) (“the Trust”).

Cromwell Property Group was formed in December 2006 by the Stapling of shares in the Company to units in the Trust. Each stapled security consists of one share in the Company and one unit in the Trust, which cannot be dealt with or traded separately.

The responsible entity of the Trust is Cromwell Property Securities Limited (ABN 11 079 147 809), a subsidiary of the Company.

2. REPORTING PERIOD

The financial information contained in this report is for the year ended 30 June 2024. Comparative amounts, unless otherwise indicated, are for the year ended 30 June 2023.

3. HIGHLIGHTS OF RESULTS

	30 Jun 2024 A$’M	30 Jun 2023 A$’M	% Change
Revenue and other income (1)	**219.7**	229.1	(4%)
Operating profit attributable to stapled security holders as assessed by the directors (2)	**136.7**	158.6	(14%)
Operating profit per stapled security as assessed by the directors (2) (3)	**5.22 cents**	6.06 cents	(14%)
Other items (including fair value adjustments)	**(668.3)**	(602.4)	(11%)
Loss after tax attributable to stapled security holders	**(531.6)**	(443.8)	(20%)
Basic earnings per stapled security (3)	**(20.30) cents**	(16.95) cents	(20%)
Diluted earnings per stapled security (4)	**(20.22) cents**	(16.90) cents	(20%)
Distributions per stapled security	**3.08 cents**	5.50 cents	(44%)
Total assets	**3,083.0**	4,215.7	(27%)
Net assets	**1,589.8**	2,212.2	(28%)
Net tangible assets (“NTA”) (5)	**1,589.5**	2,211.2	(28%)
Net debt (6)	**1,070.7**	1,735.4	(38%)
Gearing (%) (7)	**38.9%**	42.6%	(9%)
Securities issued (M)	**2,618.9**	2,618.9	-
NTA per security	**$0.61**	$0.84	(27%)
NTA per security (excluding interest rate derivatives)	**$0.60**	$0.82	(27%)

(1) Restatement to 30 June 2023 comparatives required due to the presentation of Polish Portfolio and European Fund Management Platform as discontinued operations in the Statement of Profit or Loss.
(2) Operating profit is calculated after adjusting for certain items (including fair value adjustments, realised gains on sale and other items) as set out in the Directors Report of the 2024 annual financial report.
(3) Earnings per stapled security calculated using weighted average number of stapled securities on issue during the relevant period.
(4) Earnings per stapled security calculated using weighted average number of stapled securities and potential stapled securities on issue during the relevant period.
(5) Net assets less deferred tax assets, intangible assets, deferred tax liabilities, right of use assets and lease liabilities.
(6) Borrowings less cash and cash equivalents and restricted cash.
(7) Net debt divided by total tangible assets less cash and cash equivalents.

4. COMMENTARY ON THE RESULTS

Refer to the Directors’ Report of the 2024 annual financial report for a commentary on the results of Cromwell.

5. DISTRIBUTIONS AND DIVIDENDS

Distributions/dividends declared during the current and previous years were as follows:

Cromwell	Dividend per Security	Distribution per Security	Total per Security	Total A$'M	Franked amt per Security	Record Date	Payment Date
2024							
Interim distribution	-	0.8300¢	0.8300¢	21.7	-	29/09/23	17/11/23
Interim distribution	-	0.7500¢	0.7500¢	19.6	-	29/12/23	16/02/24
Interim distribution	-	0.7500¢	0.7500¢	19.6	-	28/03/24	17/05/24
Final distribution	-	0.7500¢	0.7500¢	19.6	-	28/06/24	16/08/24
	-	**3.0800¢**	**3.0800¢**	**80.5**	-		
2023							
Interim distribution	-	1.3750¢	1.3750¢	36.0	-	30/09/22	18/11/22
Interim distribution	-	1.3750¢	1.3750¢	36.0	-	30/12/22	17/02/23
Interim distribution	-	1.3750¢	1.3750¢	36.0	-	31/03/23	19/05/23
Final distribution	-	1.3750¢	1.3750¢	36.0	-	30/06/23	18/08/23
	-	5.5000¢	5.5000¢	144.0	-		

6. DISTRIBUTION REINVESTMENT PLAN

Cromwell Property Group operates a distribution reinvestment plan ("Plan") which enables security holders to reinvest dividends/distributions and acquire Cromwell Property Group stapled securities. The directors may specify a discount rate to be applied to the issue price of stapled securities for Plan participants, however currently no discount applies. The issue price is generally the average of the daily volume weighted average price of stapled securities sold on ASX for the 10 trading days immediately prior to the Plan Record Date to which the distribution relates. The Plan Record Date is generally 15 business days prior to the distribution payment date.

An election to participate in the Plan in respect of some or all of a holding can be made at any time. To participate in the Plan in respect of a specific distribution, the security holder must have lodged their Plan election notice on or before the record date for that distribution.

In accordance with Rule 13 of the Plan, the Plan was suspended for the quarters ended 30 September 2023, 31 December 2023, 31 March 2024 and 30 June 2024 respectively and relevant distributions were paid to securityholders in cash.

7. INVESTMENTS IN JOINT VENTURES

Refer to Note 9 of the 2024 annual financial report for details of investments in joint ventures and associates.

8. CHANGES IN CONTROL OVER GROUP ENTITIES

Refer to Note 18 of the 2024 annual financial report for details of entities over which control was gained or lost.

9. COMPLIANCE STATEMENT

This report has been prepared in accordance with AASB Standards (including Australian Interpretations) and other standards acceptable to ASX. The report, and the annual financial report upon which the report is based, use the same accounting policies unless otherwise state in the notes to the financial report.

The information contained in this report is based on the attached audited financial report for the year ended 30 June 2024.

Authorised for lodgement by Michael Foster (Company Secretary) and Michelle Dance (Chief Financial Officer).

Michelle Dance
Chief Financial Officer
29 August 2024

Cromwell Property Group Annual Financial Report

30 June 2024

Consisting of the combined consolidated Financial Reports of

Cromwell Corporation Limited (ABN 44 001 056 980) and

Cromwell Diversified Property Trust (ARSN 102 982 598)

Cromwell Corporation Limited
ABN 44 001 056 980
Level 10, 100 Creek Street
Brisbane QLD 4000

Cromwell Diversified Property Trust
ARSN 102 982 598

Responsible entity:
Cromwell Property Securities Limited
ABN 11 079 147 809 AFSL 238052
Level 10, 100 Creek Street
Brisbane QLD 4000

Contents

DIRECTORY

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Gary Weiss AM
Eng Peng Ooi
Robert Blain
Jonathan Callaghan
Tanya Cox
Joseph Gersh AM
Lisa Scenna
Jialei Tang

Secretary:

Michael Foster

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Registered Office:

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Listing:

Cromwell Property Group is listed on the Australian Securities Exchange (ASX: CMW)

Auditor:

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Directors' Report

The Directors of Cromwell Corporation Limited and Cromwell Property Securities Limited as responsible entity for the Cromwell Diversified Property Trust (collectively referred to as "the Directors") present their report together with the consolidated financial statements for the year ended 30 June 2024 for both:

- the Cromwell Property Group ("Cromwell") consisting of Cromwell Corporation Limited ("the Company") and its controlled entities and the Cromwell Diversified Property Trust ("the CDPT") and its controlled entities; and
- the CDPT and its controlled entities ("the Trust").

The shares of the Company and units of the CDPT are combined and issued as stapled securities in Cromwell. The shares of the Company and units of CDPT cannot be traded separately and can only be traded as stapled securities.

Principal activities

The principal activities of Cromwell and the Trust are summarised below. In addition to the below activities, there have been significant transactions during the year which are outlined throughout this Director's Report and the Financial Report, including Note 20.

Investment portfolio	This involves the ownership of investment properties located in Australia. These properties are held for long term investment purposes and primarily contribute net rental income and associated cash flows to results.
Fund and asset management	Fund management represents activities in relation to the establishment and management of external funds for institutional and retail investors. Asset management includes property and facility management, leasing and project management and development related activities. These activities are carried out by Cromwell itself and by associates and contributes related fee revenues or the relevant share of profit of each investee to consolidated results.
Co-investments	This activity includes Cromwell's investments in assets it may not fully own or over which it cannot exercise unilateral control. This includes interests in investment property portfolios in Poland (CPRF) and Italy (CIULF), the Cromwell European Real Estate Investment Trust (CEREIT), and other investment vehicles. This activity contributes rental income and the relevant share of profit of each investee to consolidated results.

Key results and metrics

	2024	2023	2022	2021
Financial performance				
Total assets under management ($B)	**11.0**	11.5	12.0	11.9
Total revenue and other income for the year ($M) (1)	**219.7**	229.1	428.1	389.1
Statutory (loss)/profit for the year ($M)	**(531.6)**	(443.8)	263.2	308.2
Statutory (loss)/profit per stapled security for the year (basic) (cents)	**(20.30)**	(16.95)	10.05	11.78
Results from operations:				
Investment portfolio ($M)	**156.6**	161.2	172.8	174.5
Funds and asset management ($M)	**18.5**	41.3	49.7	44.6
Co-investments ($M)	**83.6**	77.2	86.8	75.0
Unallocated items ($M)	**(122.0)**	(121.1)	(108.3)	(101.9)
Operating profit for the year ($M)	**136.7**	158.6	201.0	192.2
Operating profit per stapled security for the year (cents)	**5.22**	6.06	7.68	7.35
Dividends / distributions for the year ($M)	**80.5**	144.0	170.3	183.1
Dividends / distributions per stapled security for the year (cents)	**3.08**	5.50	6.50	7.00
Financial position				
Total assets ($M)	**3,083.0**	4,215.7	5,054.2	5,008.9
Net assets ($M)	**1,589.8**	2,212.2	2,710.4	2,665.3
Net tangible assets ($M) (2)	**1,589.5**	2,211.2	2,721.2	2,656.7
Net debt ($M) (3)	**1,070.7**	1,735.4	1,879.5	2,021.2
Gearing (%) (4)	**38.9%**	42.6%	39.6%	41.8%
Look-through gearing (%)	**46.3%**	47.6%	44.8%	46.2%
Stapled securities issued (M)	**2,618.9**	2,618.9	2,618.9	2,617.5
NTA per stapled security	**$0.61**	$0.84	$1.04	$1.02

(1) Total revenue and other income for all periods reflect the classification changes as a result of the assets and entities classified as discontinued operations in the 2024 financial year.

(2) Net assets less deferred tax assets, intangible assets, leased assets and leased liabilities, and deferred tax liabilities.

(3) Borrowings less cash and cash equivalents and restricted cash.

(4) Net debt divided by total tangible assets less cash and cash equivalents.

Directors' Report

Financial performance

Statutory loss

Cromwell recorded a statutory loss after tax of $531.6 million for the year ended 30 June 2024 (2023: statutory loss of $443.8 million). The Trust recorded a statutory loss after tax of $541.1 million for the year ended 30 June 2024 (2023: statutory loss of $438.7 million).

Operating profit

The statutory loss includes a number of items which are non-cash in nature or occur infrequently and/or relate to realised or unrealised changes in the values of assets and liabilities and in the opinion of the Directors should be adjusted for in order to allow securityholders to gain a better understanding of Cromwell's operating profit. Operating profit is considered by the Directors to reflect the underlying earnings of Cromwell. It is a key metric taken into account in determining distributions. Operating profit is not a measure which is calculated in accordance with International Financial Reporting Standards ("IFRS") and has not been reviewed by Cromwell's auditor. There has been no significant change to the methodology of the calculation of operating profit since Cromwell stapled in 2007 other than the inclusion of items, such as foreign currency, which were associated with the European investments.

Cromwell recorded an operating profit of $136.7 million for the year ended 30 June 2024 compared with $158.6 million for the previous year.

A reconciliation of operating profit, as assessed by the Directors, to statutory loss after tax is as follows:

	Cromwell	
	2024 $M	2023 $M
Operating profit (1)	**136.7**	158.6
Reconciliation to loss after tax		
Gain on sale of investment properties	**1.8**	2.0
Fair value net losses - Investment properties	**(315.1)**	(272.1)
Fair value net losses - Derivative financial instruments	**(23.4)**	(5.9)
Fair value gain - Campbell Park Rights cost (2)	**15.5**	-
Fair value net losses - investments at fair value through profit or loss excluding Campbell Park	**(3.8)**	(3.3)
Lease cost and incentive amortisation and rent straight-lining	**(24.1)**	(18.7)
Relating to equity accounted investments (3)	**(0.7)**	(0.9)
Net exchange (loss) / gain on foreign currency borrowings	**3.5**	(14.0)
Non-cash or non-operating items from discontinued operations (4)	**(311.2)**	(290.1)
Tax benefit relating to non-operating items (5)	**1.8**	12.3
Other non-cash expenses or non-recurring items (6)	**(12.6)**	(11.7)
Loss after tax	**(531.6)**	(443.8)
Loss from discontinued operations, net of tax	**(251.3)**	(222.7)
Loss after tax from continuing operations	**(280.3)**	(221.1)

(1) Operating profit for 2024 includes 12 months operating profit from the equity accounted investments CEREIT and CIULF, however for financial reporting purposes only 11 months of share of profit or loss from the equity accounted investments is included in accordance with AASB 5 which requires equity accounting to cease on 22 May 2024 when the assets were classified as held for sale. Management consider that these investments continue to form part of the group until such time as rights and obligations associated with them are passed to the purchaser and as a result include them when reporting operating profit to the Chief Operating Decision Maker. The operating profit from the investments in CEREIT and CIULF for the period from 23 May 2024 to 30 June 2024 was $2.4m. Refer to note 20(b) for further information.

(2) The Campbell Park income assignment deed and call option deed ("Rights") financial asset was disposed during the year for proceeds of $28.2 million. Included in operating profit as distribution revenue is the part of the proceeds $12.7 million in excess of the initial acquisition cost of $15.5 million.

(3) Comprises fair value adjustments included in share of profit or loss of equity accounted entities.

(4) Non-cash or non-recurring items in relation to Poland and the European Platform being disclosed as a discontinued operation include:
- $44.8 million (2023: $219.5 million) fair value loss on investment properties
- $50.7 million (2023: $62.3 million) share of non-operating losses from equity accounted investments
- $162.5 million (2023: $1.9 million) impairment of equity accounted investments
- $29.0 million (2023: nil) of transactions costs
- $4.5 million tax expense (2023: $2.8 million tax benefit) relating to non-operating items

(5) Comprises tax benefits attributable to changes in deferred tax liabilities derecognised as a result of decreases in the carrying value of investments.

(6) These expenses include but are not limited to:
- Amortisation of loan transaction costs.
- Amortisation of intangible assets and depreciation of property, plant and equipment.
- Other transaction costs.

Operating profit per security for the year was 5.22 cents (2023: 6.06 cents). This represents a decrease of approximately 13.9% over the prior year. Operating profit is analysed within each segment in the following section.

Analysis of segment performance

The contribution to operating profit of each of the 3 segments of Cromwell and the reconciliation to total operating profit is set out in the upcoming sections.

INVESTMENT PORTFOLIO

Cromwell has investments in eight high quality office properties located in capital cities on the Australian Eastern seaboard. During the past financial year, Cromwell has been successful in the early extension of several material leases, driving income certainty and mitigating the volatility in market valuation movements.

Approximately 26,000sqm of leases that were due to expire during FY25, FY26 and FY27 have been renewed early, and the remaining large expiries over that period relate predominantly to leases to federal and state government departments at 400 George St Brisbane and the McKell building in Sydney.

Prudent capital expenditure will be applied to support leasing outcomes and sustainability initiatives, both of which combine to support the long term value of the portfolio. Some of the larger projects planned for the portfolio include electrification of 700 Collins St, Melbourne, VIC and lobby refurbishment projects for both 400 George St, Brisbane, QLD and 700 Collins St, Melbourne, VIC.

Cromwell has taken material steps to improve the sustainability of the portfolio during FY24, with Base Building GreenPower coverage at 97% where Cromwell directly manages[(1)] electricity and contracts. Our investment portfolio holds a NABERS Sustainable Portfolio Index (SPI) rating of 5.4 stars and in 2024 was ranked 4th highest by NABERS for the second consecutive year.

During the financial year ended 30 June 2024, Cromwell completed the sale of 2-6 Station Street, Penrith, NSW for $47.1 million, 243 Northbourne Avenue, Lyneham, ACT for $27.2 million, and Tuggeranong Office Park, Tuggeranong, ACT for $17.5 million. Together with the sale of Cromwell's investments in Europe these transactions have simplified Cromwell's business model and created a clear path for the business to grow its Australian third party funds management platform and, over time, transition to a capital light funds management structure.

Investment portfolio performance and key metrics

Portfolio performance	**2024 $M**	2023 $M
Rental income and recoverable outgoings[(1)]	**194.3**	202.3
Property expenses[(2)]	**(36.2)**	(39.5)
Net operating income	**158.1**	162.8
Investment property revaluation loss	**(315.1)**	(272.1)

[(1)] Rental income and recoverable outgoings excluding lease incentive amortisation and rent straight-lining.

[(2)] Property expenses excluding lease cost amortisation.

Key metrics	**2024**	2023
Investment portfolio value ($M)	**2,212.0**	2,584.1
Weighted average capitalisation rate (%)	**6.6**	5.7
Total lettable area (sqm)	**247,243**	256,637
Occupancy (%)	**94.1**	94.6
Weighted average lease expiry (years)	**5.4**	5.3

Net operating income from the investment portfolio decreased by 2.9% compared to the prior year largely due to the continued execution of our strategy to dispose of non-core investment properties. On a like-for-like basis, net operating income increased by 0.3%.

Income security is underpinned by 68.1% Government, Qantas and Metro Trains with the remaining rent roll being highly diversified.

The value of the properties in Cromwell's investment portfolio decreased on a like-for-like basis by $300.8 million or 12.0% primarily as a result of an expansion of capitalisation rates by 92 basis points on a weighted average basis from 5.7% to 6.6%. All states in which Cromwell's investment properties are located were affected by the general expansion of market capitalisation rates which reflects demand for higher returns by investors following the recent rise in interest rates.

Major individual valuation movements included decreases in fair value of 400 George St in QLD by $65.5 million (14.2%), 203 Coward St in NSW by $50.0 million (9.6%), 700 Collins St in VIC by $46.6 million (15.5%) and Soward Way in ACT by $40.2m (13.4%) - all primarily due to an expansion in capitalisation rates of between 50 and 125 basis points.

(1) Includes properties held in the Investment Portfolio and Property Funds managed by Cromwell Funds Management Limited.

FUND AND ASSET MANAGEMENT

Financial highlights in relation to fund and asset management include:

	Total		Australia		Europe		Joint ventures	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
Fee and other revenues ($M)	**90.5**	96.4	**21.3**	22.7	**69.2**	73.7	**-**	-
Development income ($M)	**3.1**	21.3	**-**	-	**3.1**	2.1	**-**	19.2
Share of operating profit ($M)	**1.3**	1.5	**-**	-	**0.4**	1.2	**0.9**	0.3
Expenses attributable ($M)	**76.4**	77.9	**13.7**	13.4	**62.7**	64.5	**-**	-
Operating profit ($M)	**18.5**	41.3	**7.6**	9.3	**10.0**	12.5	**0.9**	19.5
Assets under management ($B)	**11.0**	11.5	**3.6**	4.1	**6.2**	6.2	**1.2**	1.2

Australia

Retail fund management

A breakdown of retail fund management results is below:

	2024 $M	2023 $M
Recurring fee income	**8.4**	9.8
Performance fee income	**1.3**	-
Total fee and other revenue	**9.7**	9.8
Costs attributable	**4.4**	4.1
Operating profit	**5.3**	5.7

Retail funds management operating profit decreased by $0.4 million to $5.3 million, driven primarily by a reduction in asset values of investment properties under management. Total assets under management at 30 June 2024 was $1.3 billion (June 2023: $1.4 billion). The reduction in asset values and reduced recurring fee income was offset by the receipt of $1.3 million in performance fees from the Phoenix Funds.

Volatility in the real estate capital markets has continued, and this has meant that the environment has not been conducive to raising capital for retail investor products, with the relative risk/reward favouring more risk-free investments. The uncertainty surrounding asset valuations has compounded this difficulty, with investors cautious until stability returns.

Cromwell remains committed to increasing the scale and diversification of its retail funds management business, which it believes is highly complementary to its property and facilities management activities.

Completion of the interest rate tightening cycle should bring stability to real estate markets and open up opportunities for Cromwell to execute its growth strategy in Funds Management.

Wholesale fund management

A breakdown of wholesale fund management results is below:

	2024 $M	2023 $M
Recurring fee income	**0.4**	0.7
Total fee and other revenue	**0.4**	0.7
Operating profit	**0.4**	0.7

During the year wholesale funds management activities related to the management of the 50% interest held by an external party in the investment property at 475 Victoria Avenue, Chatswood NSW. In the prior year Cromwell also managed a second property for an external investor, this arrangement concluded on 31 December 2022.

Property management

A breakdown of property management results is below:

	2024 $M	2023 $M
Recurring fee income	**11.2**	12.2
Costs attributable	**9.3**	9.3
Operating profit	**1.9**	2.9

Property management profit decreased to $1.9 million (2023: $2.9 million) due to a decrease in property and facility management fees following asset sales in the current and prior year.

Europe

A breakdown of European fund management results is below:

	2024 $M	2023 $M
Fee and revenue		
Recurring fee income	**62.5**	59.6
Development income	**3.1**	2.1
Performance fee income	**3.4**	10.5
Transactional fee income	**3.3**	3.6
Total fee and other revenue	**72.3**	75.8
Costs attributable		
Employee benefits expense:		
Performance fee-related	**0.5**	2.3
Other	**48.4**	47.7
Other operational costs	**13.8**	14.5
Total costs attributable	**62.7**	64.5
Operating profit	**9.6**	11.3

The European funds management business generated an operating profit of $9.6 million (2023: $11.3 million) for the year. This was the result of a combination of higher recurring fee income due to favourable foreign currency translations, and a reduction in employee benefits expenses.

Excluding the impact of foreign currency translation, recurring fee income decreased by $0.7 million.

Employee benefits expense reduced by $4.1 million from June 2023, but was offset by an unfavourable FX translation of $3.0 million.

At 30 June 2024 the European funds management business had €3.7 billion ($5.9 billion) of Assets Under Management (AUM) (30 June 2023: €3.8 billion ($6.2 billion)).

CEREIT continued to reposition its portfolio towards light industrial / logistics assets, with 54% of the portfolio light industrial / logistics at 30 June 2024.

Joint ventures

Phoenix – Australia

Phoenix Portfolios Pty Ltd experienced an increase in performance fee income compared to the previous year.

Cromwell recognised a share of operating profit of $0.3 million for the year (June 2023: $0.4 million).

Oyster – New Zealand

Oyster Property Group's assets under management remained steady at NZD$1.8 billion at June 2024 (June 2023: NZD$1.9 billion).

Cromwell recognised a share of operating profit of $0.6 million for the year (June 2023: share of operating loss of $0.1 million).

LDK

In the prior year Cromwell sold its 50% interest in LDK for $20.0 million versus a carrying amount of $12.0 million. The gain on disposal reflected future development profit and was included in operating profit for the year.

The development loans provided to LDK were fully repaid in March 2023. During the year ended 30 June 2023 Cromwell and the Trust recorded $11.5 million finance income in respect of development-related loans made to LDK.

CO-INVESTMENTS

Financial highlights in relation to Co-investments include:

	Total		CPRF		CIULF		CEREIT		Other investments	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Rental income and recoverable outgoings ($M)	**73.0**	79.3	**72.6**	74.5	**0.4**	4.8	**-**	-	**-**	-
Share of operating profit ($M)	**40.9**	43.1	**1.9**	3.4	**1.4**	-	**37.6**	39.7	**-**	-
Distribution income ($M)	**13.6**	2.7	**-**	-	**-**	-	**-**	-	**13.6**	2.7
Operating profit ($M)	**83.6**	77.2	**30.8**	31.3	**1.6**	3.5	**37.6**	39.7	**13.6**	2.7
Net fair value losses ($M)	**(44.8)**	(219.5)	**(44.8)**	(212.6)	**-**	(6.9)	**-**	-	**-**	-
Occupancy rate (%)	**-**	93.9	**-**	92.7	**-**	100.0	**-**	-	**-**	-
WALE (years)	**-**	4.2	**-**	3.5	**-**	7.8	**-**	-	**-**	-
Ownership share (%)	**-**	-	**-**	100.0%	**50.0%**	100.0%	**27.8%**	27.8%	**-**	-
Investment value ($M)	**413.5**	1,261.4	**-**	559.6	**15.4**	91.5	**381.9**	589.7	**16.2**	20.6

CPRF

During May 2024, Cromwell completed the sale of the Cromwell Polish Retail Fund (CPRF) assets for gross proceeds of €285.0 million. In addition, in March 2024 Cromwell completed the sale of its 50% interest in the Ursynów Joint Venture to its partner Unibail, for net proceeds of €41.3 million.

The CPRF portfolio consisted of six retail shopping centre assets of varying sizes as well as a seventh shopping centre asset held jointly with Unibail Rodamco Westfield (URW), located throughout Poland. Following the sale, Cromwell repaid the associated loan facilities (secured against the properties).

Net operating income (NOI) for the six directly owned retail assets, for the period from July 2023 to the sale in May 2024, was €20.5 million compared to €23.6 million for the prior year.

The statutory profit / loss for the period after tax from CPRF has been disclosed under Discontinued Operations in Cromwell's Consolidated Statements of Profit or Loss.

CIULF

The Cromwell Italy Urban Logistics Fund (CIULF) portfolio contains seven logistics assets in Italy. As announced, in July 2023, Cromwell successfully entered into a joint venture with Value Partners to share ownership of the assets. Subsequently, Cromwell further announced the sale of its European Funds Management platform in a transaction that also includes divestment of the remaining 50% interest in CIULF.

Cromwell's initial equity value for its 50% share of the joint venture was $21.5 million, represented by Cromwell's 50% share of the investment property within the joint venture of $45.75 million (100% value $91.5 million) and Cromwell's 50% share of borrowings and other working capital.

The carrying amount of the interest in CIULF has been reduced to the €9.6 million ($15.4 million) as at 30 June 2024, reflecting the allocation of the European Platform transaction proceeds to CIULF.

The statutory profit / loss for the period after tax from CIULF has been disclosed under Discontinued Operations in Cromwell's Consolidated Statements of Profit or Loss. The assets and liabilities associated with CIULF have been disclosed as current assets and liabilities held for sale.

CEREIT

At 30 June 2024, Cromwell owned 27.8% of CEREIT, a SGX-listed real estate investment trust (2023: 27.8%). As part of the European Platform transaction, Cromwell's investment in CEREIT will be sold, as will the Cromwell entities that act as manager and sponsor for CEREIT.

At 30 June 2024, CEREIT owns 107 investment properties with a fair value of €2.2 billion (2023: 112 properties with a fair value of €2.3 billion) located across Europe. During the year, CEREIT continued its pivot towards logistics / light industrial assets, moving away from the traditional office and "other" classes of assets. As at 30 June 2024, CEREIT's portfolio is weighted 54% to logistics / light industrial.

Occupancy has slightly reduced during the year to 93.6% (2023: 95.4%). As at 30 June 2024, external valuations were conducted for all investment properties resulting in net fair value losses of €7.4 million (2023: external valuations were conducted for 111 properties representing approximately 99% of CEREIT's portfolio by value resulting in net fair value losses of €56.1 million).

During the year Cromwell recognised its share of operating profit of $37.6 million (2023: $39.7 million) and received $40.7 million in distributions (2023: $41.1 million).

The carrying amount of the interest in CEREIT has been reduced to €237.7 million ($381.9 million) as at 30 June 2024, reflecting the allocation of the European Platform transaction proceeds to CEREIT.

The statutory profit / loss for the period after tax from CEREIT has been disclosed under Discontinued Operations in Cromwell's Consolidated Statements of Profit or Loss. The assets and liabilities associated with CEREIT have been disclosed as current assets and liabilities held for sale.

OTHER INVESTMENTS

Cromwell, through an income assignment deed and call option deed entered into in 2017 ("Rights"), acquired a 49% interest in an investment property in Campbell Park, ACT for $15.5 million. The Rights had been fair valued to nil over time as the timing and nature of the cashflows were sporadic and uncertain. During the current year a sale contract for the underlying property was entered into, with settlement occurring in January 2024. As a result of the sale of the sole asset in the property trust, Cromwell's Rights were repurchased at the contract price of $28.2 million. The distribution income recognised by Cromwell for the period represents the estimated contract price above the initial cost of acquisition of $15.5 million.

Cromwell also has co-investments in Australian and European real estate investment mandates which are accounted for as investments at fair value through profit or loss. Cromwell receives distributions from these investments which also support the funds management business. The co-investments in European funds will be divested as part of the European Platform transaction.

Capital Management

As at 30 June 2024 Cromwell's gearing was 38.9% compared with the 30 June 2023 gearing level of 42.6%. The reduction in gearing followed the receipt of proceeds from the sale of CPRF and the decrease occurred despite the drop in fair value of investment properties in the Australian investment portfolio, and the fair value decrease and impairments in the European co-investment portfolio. The pro-forma gearing on both a headline and look-through basis post completion of the European platform and co-investment transaction sales is expected to be approximately 28.8%, slightly below the bottom of Cromwell's stated target gearing range of 30% - 40%.

While net borrowings have decreased during the year by $664.7 million (38.3%), interest expense in relation to borrowings for the period increased to $84.3 million (2023: $77.2 million). Interest expense has been impacted by rising cash rates set by Central Banks, however Cromwell's average interest rate for the current year increased by only 0.85% to 4.75% (2023: 3.90%), compared to the cash rate increase of 3.50% since 1 July 2022.

The net fair value loss in relation to interest rate derivative financial instruments of $32.1 million (2023: loss of $4.7 million) arose as a result of the revaluation of interest rate swap, cap and collar contracts. Cromwell has hedged future interest rates through various types of interest rate derivatives (predominately interest rate caps) with 77.9% of borrowings at 30 June 2024 hedged or fixed (excluding forward start derivatives), to minimise the earnings impact of changes in interest rates in the future (2023: 56.9%).

During the year Cromwell entered into a range of new derivative transactions to extend the term of its hedging profile, and following the settlement of the European platform sale, the majority of the drawn debt will be hedged. The weighted average hedge term at 30 June 2024 was 2.0 years (2023: 1.7 years).

Debt

The sale of Cromwell's European investments has facilitated a simplification of Cromwell's debt facilities. Following the sale of the CPRF portfolio in May 2024, the Euro revolving credit facility balance reduced to $88.4m as at 30 June 2024. This remaining amount was repaid, and the facility cancelled in July 2024.

The Australian platform is underpinned by its bilateral facilities secured against select assets of Cromwell's Australian investment portfolio. The bilateral facilities are regulated by a Common Terms Deed and continue to have headroom against the LVR and ICR covenants.

It is anticipated that the proceeds of the European platform sale will be applied in the first instance to reduce Australian drawn debt, with facilities right sized to provide ample liquidity and flexibility, while managing the cost of maintaining undrawn loans.

All other loan facilities are asset level financing with no reference to group level gearing.

Cromwell continues to actively monitor and manage its compliance obligations under its borrowing arrangements.

During the year Cromwell extended the maturity of two bilateral facilities ($325.0 million of debt) from June 2025 to November 2026 and June 2028 respectively.

Liquidity

As at 30 June 2024 Cromwell had $292.3 million of cash (30 June 2023: $113.9 million) and no undrawn and available bank facilities (30 June 2023: $173.6 million).

Equity

No additional stapled securities were issued during the year. Securities required to meet the exercise of employee performance rights are acquired on market.

Net tangible assets (NTA) per security has decreased during the year from $0.84 to $0.61, primarily as a result of an overall decrease in property valuations and the impairment of co-investments to their contracted sale price.

Sale of European Fund Management Platform

During May 2024, Cromwell entered into an agreement to sell its European funds management platform and interests, including the 50% interest in CIULF and the 27.8% interest in CEREIT, to Stoneweg for €280.0 million (subject to settlement adjustments). The proceeds on sale will be reduced by the amount of distributions which Cromwell receive from CEREIT and CIULF until completion including the distribution declared by CEREIT on 7 August 2024, with Cromwell's share at €11.0 million. This distribution is scheduled to be received in September 2024. Cromwell have entered into a deal contingent derivative to hedge foreign currency risk on translation of the proceeds.

The transaction continues the Group's strategy to simplify the business and transition to a capital-light fund management model, through the sale of non-core assets and realigning to Cromwell's core competencies in Australia and New Zealand. The Transaction, together with the completed divestment of the CPRF portfolio, puts Cromwell in a strong financial position to execute on its stated strategy, with significant capital to redeploy to pursue value accretive opportunities and provide longer term growth for securityholders.

It is anticipated that the sale proceeds will initially be used to reduce Australian debt. Post completion of the Transaction, Cromwell's pro-forma gearing and look through gearing will both reduce to approximately 28.8%.

The transaction remains subject to customary closing conditions and adjustments, including approval by the Monetary Authority of Singapore and the Commission de Surveillance du Secteur Financier in Luxembourg, as well as debt change of control consents or waivers. Conditions precedent to sale are progressing well and completion is anticipated to occur in Q1 FY25. The full amount of the sale proceeds is due to be received on completion of the sale.

Strategy

Cromwell remains committed to its long-term stability and growth objectives:

- Transition to being a capital-light Australian fund manager through acquisition of other Australian fund management platforms, the launch of new products in retail markets, as well as wholesale and institutional partnerships and mandates;
- Continued focus on resilience and strength of the Investment Portfolio through active management and leasing initiatives;
- Driving growth by deploying our balance sheet in a disciplined manner so as to maintain prudent gearing; and
- Long term commitment to ESG with the implementation of scope 1-3 emissions inventory and modelling reduction pathways.

Outlook

Cromwell is operating in an economic environment characterised by higher interest rates, challenging property markets, subdued property transactional volumes in fund management markets and the need to reduce gearing. As a consequence, Cromwell has maintained a prudent approach to distribution payments.

A distribution of 0.75 cents per security is expected to be paid for the September 2024 quarter.

Risks

Cromwell has an enterprise-wide risk management framework which provides a comprehensive approach to identifying, assessing and managing risk aligned with AS/NZS ISO 31000:2018. The framework ensures appropriate oversight of risk, includes policies and processes reflecting an integrated risk management approach and recognises that everyone at Cromwell has a role to play in effectively managing risk.

Cromwell actively identifies and manages the risks that may impact its strategy, operations and outlook, and considers the external environment, megatrends and market scanning to respond to emerging areas of risk The Board is ultimately accountable for risk management and is supported in its ongoing oversight by separate committees to review and assess key risks and ensure they are managed appropriately. The Investment Committee was responsible for overseeing and reviewing all major transactions including investment in and divestment of assets. From 1 July 2024, the responsibilities of the Investment Committee are now undertaken by the Board. In addition, from 1 July 2024, the Board's Audit, Risk and ESG Committee (AREC) is responsible for overseeing and reviewing the effectiveness of Cromwell's risk management framework in responding to the various exposures to risk Cromwell has in the course of its business. The AREC replaces and combines two of the Board's previous separate sub-committees, the Audit Committee and the Environmental-Social-Governance (ESG) and Risk Committee.

The Board has identified the material categories of risk to which it may be exposed in the course of its business and has determined an appropriate approach to managing, mitigating and responding to issues when they occur. Based on these categories, Cromwell's key risks and the core controls and mitigants to assist in managing them are described below:

Key Risk	Description	Mitigation
Health, Safety and Wellbeing (HSW)	• Ensuring the health, safety and wellbeing of Cromwell's staff, contractors, visitors and occupants. • Preventing death or serious injury at any Cromwell owned or controlled property or in the course of employment with Cromwell.	• Formal Management System aligned with and certified against *ISO 45001:2018 Occupational Health & Safety Management Systems* • Code of Conduct establishes required standards of behaviour across the Group, with complementary Whistleblower protection, grievance resolution and escalation mechanisms to promote a safe environment • Ongoing education, awareness and training programs for Directors, Officers and Staff to promote HSW awareness and a positive safety culture across our business • HSW policies, programs and procedures in place and reviewed regularly for Cromwell owned and managed properties and operational locations • Programs covering wellbeing and employee assistance to provide access to resources, tools and advice for Cromwell's people • Group wide Supplier Code of Conduct and Procurement Policy, and contractor management and oversight programs extending corporate expectations to contractors, our suppliers and service providers
Investment Performance	• Delivering investor returns and creating, protecting and growing value that meets market guidance and expectations • Ensuring that investments and developments perform in line with expectations • Retaining and growing AUM and stakeholder confidence	• Board approved strategy continuously reviewed with processes to monitor and manage performance to ensure maximisation of security value and best operational structures • Investment governance framework ensuring structured investment and divestment approval processes with appropriate consideration of risk factors and diligence • Investment Committee and management regular review of performance of investments and developments against targets
Capital & treasury management	• Ensuring continuous access to debt and equity markets to support Cromwell's sustainable growth	• Board approved gearing ranges and other loan facility covenants regularly monitored and reported on • Prudent capital management informed by cash flow forecasting and sensitivity analysis. Regular reviews of available liquidity matched to capital requirements and regular Board reporting • Long dated debt expiry profile • Diversification of debt funding sources • Spreading of debt maturities

Key Risk	Description	Mitigation
People and culture	• Ensuring Cromwell has access to and can retain key talent • Maintaining Cromwell's strong, adaptive and open culture	• Investment in our staff with focused learning and development plans • Promotion of group wide values and conduct standards • Fostering an inclusive workplace culture, supported by policies and forums, including the Diversity and Inclusion Working Group to promote equity and fairness • Succession planning and leadership development for senior staff • Fostering the development of key talent • Competitive remuneration and benefits • Effective performance management and review • Staff engagement and feedback mechanisms • Various staff wellbeing initiatives
Environment, Social and Governance (ESG)	• Delivering sustainable outcomes for investors and other stakeholders • Understanding, responding to and managing the impacts of changing environmental and social conditions that could affect our people, assets and business operations	• ESG Strategy and targets outlining goals and accountabilities for relevant focus areas, i.e. environment, economic, social and governance • ESG factors incorporated in our business operations, decisions and activities • Participation in benchmarking and assessment activities to measure our progress year on year and inform future ambitions • Comprehensive reporting including ESG Report, TCFD disclosures and Modern Slavery Statements • Formal Management System aligned with and certified against *ISO 14001:2015 Environmental Management Systems* • Risks and potential impacts of ESG matters, including climate and weather managed in accordance with our enterprise risk management framework • active engagement with our stakeholders and communities to contribute to society positively and relevantly.
Cyber-Security & Data Protection	• Ensuring that information management systems are resilient and able to meet business needs • Ensuring availability and integrity of critical IT infrastructure & applications • Ensuring Cromwell remains compliant with data protection requirements, and provides measures to protect against cyber-attack	• Maintaining suitable policies, guidelines and procedures to support secure business operations and standards for information management and privacy • Executing regular cyber-security evaluations, training, testing, and vulnerability mitigation activities • *Maintaining ISO 27001 Information Security Management System* certification for critical technology services • Maintaining and testing suitable business continuity plans and procedures • Providing robust vendor selection and assessment methodology with ongoing performance due diligence
Asset & Leasing	• Ensuring that assets are leased in accordance with asset management plans and forecasts • Maintaining a portfolio of high quality commercially attractive property assets that respond to tenant demand and market expectations ensuring consistent, predictable occupancy and income returns	• Defensive portfolio with long WALE • Large and diversified tenant base • Experienced leasing and property management teams • Active asset management with focus on repositioning, refurbishing and re-leasing properties to enhance returns • Strategic asset management plans to ensure optimisation of asset use and assist return expectations over the asset's lifecycle

Directors' Report

Key Risk	Description	Mitigation
Legal, Regulatory & Governance	• Ensuring continuous compliance with regulatory requirements • Meeting stakeholder and investor expectations	• Training programs addressing key compliance requirements in place across the business • Board approved policies and key frameworks that facilitate good governance and drive appropriate accountability and oversight • Board approved Tax Risk Management Policy and supporting operational monitoring processes to ensure ongoing REIT status • Board oversight of compliance objectives and obligations under compliance plans and regulation • Appropriate assurance activities for areas of potential compliance and governance risk

Climate-related financial disclosure

Cromwell understands the impact of climate change on its value chain, as well as on the broader business, the environment and society as a whole. In recognition of this, Cromwell has set ambitious decarbonisation goals aligned with the 2015 Paris Agreement. These goals aim to help prevent global warming from increasing to 2°C above pre-industrial levels, with a focus on limiting the increase to 1.5°C above pre-industrial levels.

Cromwell's ESG vision is to elevate real estate investment; empower its people; and deliver a resilient future for investors, tenants, communities, and the planet. As part of Cromwell's ESG strategy, ambitious net zero emissions targets were established in 2022. These include:

- 100% renewable electricity by 2030
- Net zero emissions from assets under operational control by 2035
- Net zero scope 1, 2, and 3 emissions, including tenants' emissions and embodied carbon, by 2045

Cromwell is committed to quantifying and improving our understanding of the risks and impacts on our business caused by climate change. Through alignment with the Task Force on Climate-Related Financial Disclosures (TCFD), Cromwell can better identify and manage the risks and opportunities associated with climate change. Reporting guidance provided by the TCFD framework ensures consistency and enables Cromwell to outline the material climate change-related risks, financial implications, and approach to management.

GOVERNANCE

Cromwell has a formalised governance and risk management process – oversight is by the Board and its specialist committees, comprised of Board directors. The Board tracks and reviews the collective skills and experience of its members on a regular basis, using a skills matrix to ensure that it – and, by extension, its committees – possess the necessary expertise and experience to address relevant business and governance issues. One of the key Board skillsets is an in-depth understanding of ESG, which includes an understanding of the risks and opportunities associated with climate change.

Effective 1 July 2022, the Board tasked its ESG and Risk Committee (ERC) with oversight of ESG and climate related matters. This measure was to ensure that, while Cromwell formalised its ESG strategy and objectives, the requisite level of review of ESG business-wide practices was appropriately overseen and monitored. Recently, the Board has revised its committee structures and, from 1 July 2024, the Board's newly constituted Audit, Risk and ESG Committee (AREC) is the committee responsible for oversight of ESG.

Since 1 July 2024, the AREC has been responsible for monitoring the implementation and effectiveness of the Group's ESG strategy, advising on relevant disclosures, and reviewing the overall approach to ESG. This includes evaluating current sustainability objectives; ensuring compliance with relevant regulations; and overseeing the integration of ESG principles into business operations. Both the Board and the AREC, (and its predecessor, the ERC) meet at least quarterly to review risks and sustainability measures across the business, including those related to climate change.

The committee is also responsible for various aspects of risk management, including approving and recommending policies and procedures for Board approval – such as the ESG Policy, Enterprise Risk Management (ERM) Policy, and ERM Framework. This ensures these frameworks are suitable for the Group strategy in consideration of climate-related impacts.

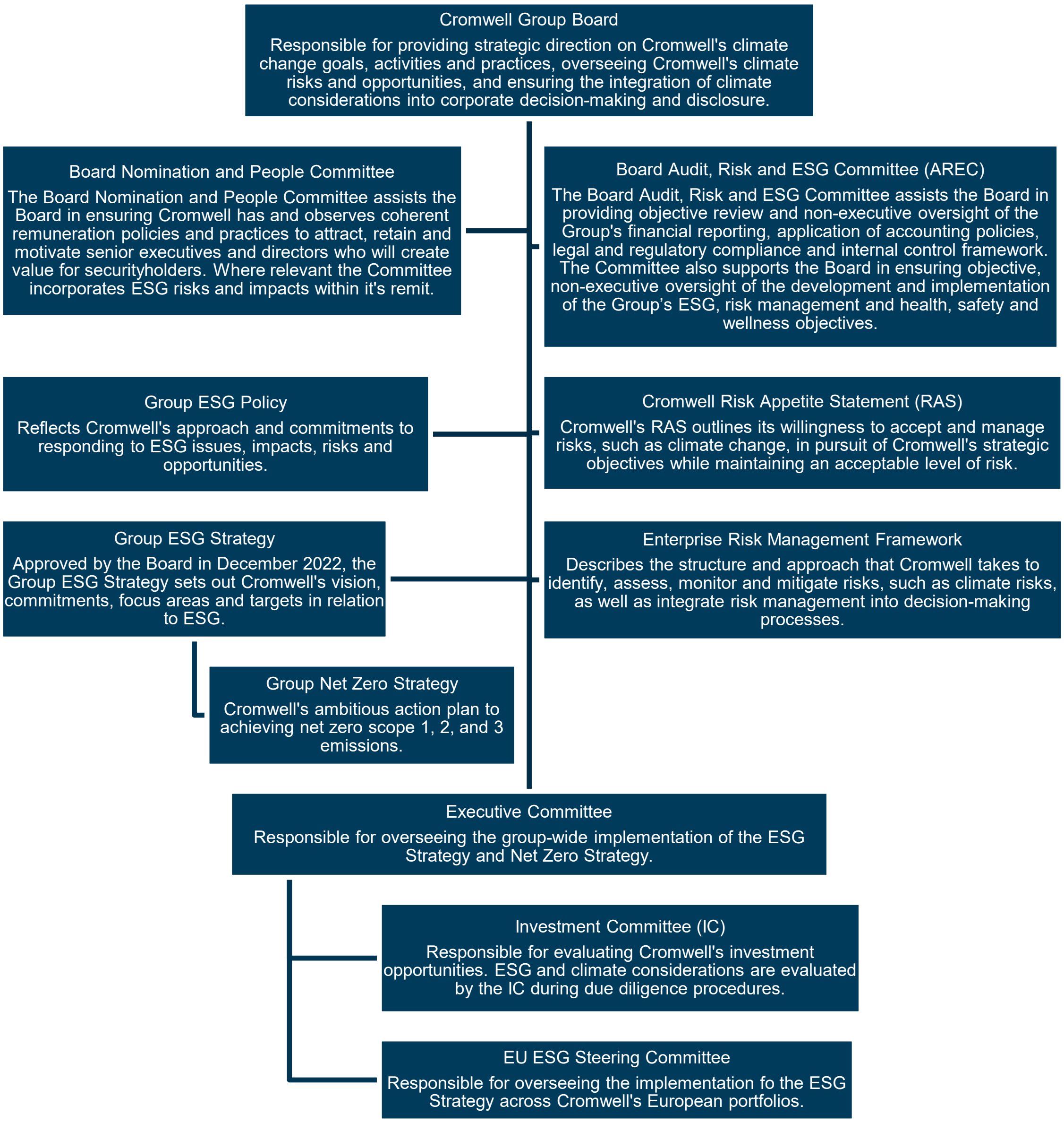
Cromwell's Climate Change Position Policy supports the internal assessment, reporting, and management of identified risks. The AREC also reviews the risk appetite and the Group's risk profile – and monitors the effectiveness and implementation of risk frameworks, internal compliance, and control systems. This establishes an efficient system for identifying, assessing, monitoring, and managing risk – including risks related to climate change and for disclosing any material changes to the risk profile.

The Board and the AREC promote a culture of risk management at Cromwell by integrating risk management and ESG into various aspects of the business. This is achieved by delegating the management of appropriate risks, opportunities and impacts to their respective risk owners throughout Cromwell. Opportunities are identified by regularly monitoring market movement and tenant demands. One such aspect of this process is the regular tenant survey that covers various aspects of facilities management and ESG ambitions. In addition, Cromwell has a dedicated research team that monitors changing market conditions to provide insights on emerging market preferences and growing opportunities.

In FY24, the Climate Change Risks and Opportunities Register was approved by the Executive Risk Committee (ERC), and will continue to be reviewed by the AREC. The register improves understanding, oversight and integration of climate related risks and opportunities.

Cromwell collaborates with stakeholders and industry partners to address the impact of climate change at an industry level. Cromwell's position aligns with all engagements including that which may impact public policy with the Paris Agreement. All third-party engagements are reviewed and monitored on an ongoing basis and expenditure for trade associations and other memberships is included in the ESG Data Pack.

Cromwell's climate-related governance structure is shown below.



Department	Responsibility
ESG	The ESG team is responsible for conveying advice to the executive committee, AREC, and Board. They deliver on the Cromwell ESG Strategy and the Net Zero Strategy; report progress against targets; and prepare annual corporate ESG and climate disclosures. The Group Head of ESG is a member of the Group EMT and a permanent voting member of the EU Investment Committee.
Investment Management	Cromwell's product development and fund management teams are responsible for integrating climate change considerations and impacts into the product strategies that they develop, and subsequently manage. These teams are responsible for preparing briefing papers including detailed technical, financial, and legal reviews on proposed acquisitions and divestments. The Investment Committee – or the Board, where applicable – has oversight and approval of asset acquisitions and disposals. Climate change risk is considered as part of the due diligence process.
Legal, Company Secretarial, Risk and Compliance	Cromwell's legal, company secretary, risk and compliance teams all have responsibility for maintaining Cromwell's oversight on emerging risks and regulation. Risk and compliance teams are responsible for developing and maintaining the Group Risk Appetite Statement; Enterprise Risk Management (ERM) Framework; and ERM Policy. This includes developing and maintaining a process for identifying, owning, managing, and tracking risks, including the "ESG integration" strategic risk, which considers the impact of climate change and weather phenomena.
Property & Facilities Management	Facility managers across all regions are responsible for maintaining active building continuity plans and conducting regular reviews of climate adaptability and stranding risk. Facility managers support the ongoing management of energy, emissions, water and waste data capture and reporting.
Property Operations & Asset management	Property operations and asset management teams ensure that activities with Cromwell's properties, suppliers, and tenants remain in line with the ESG Strategy. This includes achieving the ESG Strategy and decarbonisation approach at an individual property level; reporting on progress internally; and supporting engagement with tenants, contractors, and suppliers in ESG, decarbonisation, and climate-related activities.
Finance	Cromwell's Finance Team oversees the development of Cromwell's climate-related financial disclosures. The Treasury team leads Cromwell's green financing initiatives, which supports Cromwell in attaining and maintaining high energy and climate performance of its assets.
Marketing	The Marketing team supports the ESG teams in communicating Cromwell's decarbonisation progress and broader ESG activities to internal and external stakeholders.
People and Culture	P&C support management and leadership at Cromwell in developing and achieving Objectives and Key Results (OKRs) related to climate change and ESG, and aligning executive incentives to the achievement of Cromwell's ESG Strategy and climate objectives. They also stay actively involved in discussions on intersections between diversity, equity, inclusion, and reconciliation with climate change.
Research and Investment strategy	Research teams support management and leadership at Cromwell by integrating climate change considerations and impacts into the Group's research, strategy and function. They also stay actively involved in discussions on intersections between research, investment, and climate change.
Development	The Development team ensures that development activities remain in line with the Group ESG Strategy. They also stay actively involved in cross discipline discussions on construction, engineering, and climate change.

STRATEGY

In FY23, Cromwell reviewed and refreshed its ESG strategy to reflect its ambition, guide future actions and formalise targets, including those related to climate change. Where Cromwell maintains operational control of assets, strategies are in place to create and deliver opportunities to embrace sustainable development solutions for capital works, investment in new plant and equipment and the adoption of renewable energy solutions and technologies. Strategic asset plans include detailed asset-level ESG activities to support the achievement of the ESG Strategy. Cromwell recognises the importance of further integrating climate scenario analysis into its decision-making processes and proactively addressing and effectively managing its climate-related risks.

In FY23, Cromwell also developed its net zero strategy. Cromwell is committed to reducing its carbon footprint, including embodied carbon and tenant emissions.

Alongside comprehensive scope 1, 2, and 3 emissions baselines, marginal abatement cost curves were modelled for both of Cromwell's Australian and European regions. This supports decision making through the identification and analysis of different emissions reduction activities according to cost and quantity of emissions abatement. As well as prioritisation by cost and feasibility, initiatives to reduce emissions are assessed based on the carbon management hierarchy of avoid, reduce, substitute, sequester, and offset.

Cromwell recognises the importance of regularly performing climate scenario analysis to further integrate it into decision making and proactively address and effectively manage its climate-related risks. In FY24, Cromwell conducted a qualitative scenario analysis in alignment with the Task Force on Climate-related Financial Disclosures (TCFD), to identify climate-related risks and opportunities within the business. The process involved a detailed examination of current and emerging risks and opportunities across three distinct time horizons. Timeframes utilised in the scenario analysis were selected as short (2024 – 2030); medium (2030 – 2040); and long term (2040 – 2050). These timeframes are utilised to inform future strategic planning in line with Cromwell's net zero targets. Examination of risks were conducted against two distinct scenarios prescribed in the Sixth Assessment Report of the Intergovernmental Panel on Climate Change. These include SSP1-1.9 and SSP2-4.5 for transition risks and scenarios SSP2-4.5 and SSP5-8.5 for physical risks, detailed below.

Scenario	**Paris Agreement**	**Middle of the road**	**Fossil-fuelled development**
Risk category	Transition	Transition and physical	Physical
AR6 alignment	SSP1-1.9 Paris Agreement	SSP2-4.5 middle of the road	SSP5-8.5 fossil fuel-rich development
Global warming	1.5°C by 2050 and remains at that level	2°C by 2050 and 2.5°C by 2100	2.4°C by 2050 and 4.4°C by 2100
Description	Ambitious mitigation with emissions rapidly declining to net zero by 2050. • Emphasis on development that respects environmental boundaries, with a shift towards low material growth, resource use, and energy intensity. • From a growth emphasis to a broader focus on human well-being through increased educational and health investments.	Trends do not markedly shift from the past. • Power sector reductions offset by overall emission growth until 2050. Environmental systems experience degradation. • Institutions work towards sustainable development goals at a sluggish pace with some overall improvements. • Global population growth remains moderate, leveling off in the second half of the century. Difficulties in reducing vulnerability to societal and environmental challenges persist.	Adoption of resource- and energy-intensive lifestyles worldwide. • Fossil fuel exploitation leads to a doubling of emissions by 2050 and minimal mitigation efforts. • Emphasis on technological progress and human capital development with strong investments in health, education, and institutions. • Confidence in the ability to manage social and ecological systems, including through geo-engineering, if necessary.

Scenario analysis is a critical component of strategic planning, enabling us to anticipate and prepare for potential climate-related risks and opportunities. In FY25, Cromwell aims to transition from qualitative scenario to quantitative scenario analysis to identify and understand climate-related financial impacts more accurately. By incorporating these insights into decision-making processes, we aim to enhance our resilience to future climate scenarios. Overall, Cromwell's strategy focuses on proactive risk management, efficient resource utilisation, and embracing opportunities associated with the transition to a low-carbon and net zero economy. By aligning its operations with these strategic objectives, Cromwell aims to drive sustainable value creation and enhance its resilience in the face of climate-related challenges.

A summary of the risks and opportunities that are considered material to Cromwell are listed in the table below. The process of identifying these risks is outlined in the following risk management section.

Key risk driver	Description	Mitigation actions
Carbon pricing	• Reduced profitability of investment portfolios due to introduction of national or regional carbon pricing mechanisms. • Increased cost of import of building products due to regional carbon price border adjustments. • Under the Paris Agreement scenario, more policies are required in the short term, thereby heightening the risk factor in 2030.	AU: • Australian legislation and policy is considered through the Group Risk Management Policy and Framework. • Continued emissions reduction to avoid impact of carbon pricing. EU: • Local legislation and policies are mapped and local progress against these are being tracked to ensure compliance.
Asset impairment, depreciation, and stranding	• Reduced tenant and investor demand, decreased asset value or shortened useful life resulting in write-offs, impairments, or early retirements due to failure to meet evolving sustainability standards. • Compared to the Paris Agreement scenario, the 'middle-of-the-road' scenario will have less pressure to improve environmental performance of assets. This may result in a delay to devaluation, which would occur when a property is not adapted to changing market conditions.	AU: • Progressing the net zero pathway for our assets through management and decarbonisation strategies. • Climate change impacts, risks, and opportunities, as well as the asset's decarbonisation pathway, are assessed during investment due diligence. Cromwell conducts climate change physical risk assessments on all existing properties and all assets undergoing due diligence. EU: • Carbon Risk Real Estate Monitor (CRREM) pathways are assessed for all assets in Deepki (EU ESG platform) to understand the risk of stranding in each year. Asset management plans are being determined based on this risk and to reduce energy and emissions from the assets, as expectation is that depreciation of the assets will be determined by stranding risk.
Market disclosure and greenwashing	• Poor communication of climate-related risks may damage reputation of real estate investors and fund managers. • More lawsuits for greenwashing or inaction on climate change may result in more fines and legal fees. • Investors in fossil fuel industries may face public backlash and loose the social licence to operate. • The Paris Agreement scenario has more pressure from investors and increases the margin for error and risk exposure, compared to the 'middle-of-the-road' scenario.	• Cromwell maintains transparency by reporting all relevant data sources and methodologies supporting environmental claims. • Independent assurance is undertaken across Australia, CEREIT, and the CPRF portfolio. • There is training available for employees on greenwashing, and risk of greenwashing is assessed before making statements to mitigate the risk of accidental or unfounded claims.

Key opportunity driver	Description	Initiatives
Increased tenant demand for green building certifications	• Obtaining certifications such as Green Star, LEED, and BREEAM can enhance revenue by improving the marketability of properties, attracting environmentally conscious tenants and investors. • The ongoing commitment to green building standards implies a consistent and high demand for sustainability across both the Paris Agreement and 'middle-of-the-road' scenarios.	AU: • Investigating opportunities for additional certifications, such as Green Star Performance. • Maintaining and improving on current NABERS ratings. EU: • A customised asset management plan is developed for each asset, including an assessment on achieving a potential rating in green building certification. This assessment outlines the specific requirements for an asset to achieve the desired green building certification rating.
Cost reduction with green building technology and innovation	• Reduced operating costs as a result of reduced energy costs from implementing energy efficient and green building technologies, practices, and emerging innovations. • Implementing energy efficient technologies and practices can lead to cost savings and improved property values. • Under the Paris Agreement scenario, a heightened demand for net zero assets is anticipated, presenting significant opportunities for businesses that prioritise low-emission buildings. Conversely, demand for net zero assets is expected to be less pronounced in the 'middle-of-the-road' scenario.	AU: • Asset decarbonisation strategies incorporate existing technologies, including energy efficiencies and metering. • Assessment of all embodied carbon sources in comprehensive scope 3 emissions inventory. EU: • Execution of asset management plans for optimisation of assets to meet future demands. • Investigating technology partnership opportunities within the assets to incorporate smart technologies across all assets to reduce energy consumption.

The material risks and opportunities, detailed in the table above, underwent a second review process, taking into consideration Cromwell's strategy and current initiatives. Through this process, the risks and opportunities were assigned a residual risk rating, influencing the extent and priority to which climate-related impacts are managed through future strategic action. The Climate Change Risk and Opportunity Register formalised this process and received approval from the then ERC. Risks and opportunities that are deemed high priority for future strategy planning include asset impairment, depreciation and stranding, market disclosure and greenwashing, increased tenant demand for green building certifications, and cost reduction with green building technology and innovation.

In addition, there are many climate-related risks and opportunities that may still influence future business strategy, despite not meeting the materiality thresholds. The additional risks and opportunities are still monitored for future consideration in risk management and strategy planning to ensure Cromwell maintains a strong culture of proactive strategy.

The following risks are deemed a medium priority for Cromwell's future strategy and monitoring:

Category	Transition: Policy & legal	Transition: Market & technology shifts	Transition: Reputation	Physical: Chronic	Physical: Acute
Risk	• Litigation and liability • Emissions and energy efficiency requirements	• Demand for renewable energy • Demand for low or zero carbon materials and supply chains • Increased financing costs due to climate risks • Inability to attract financing	• Reduced access to capital • Declining social licence to operate (SLTO)	• No high or medium priority risks	• Increased insurance claims liability and costs for repair
Opportunitie s	• No high or medium priority opportunities	• Energy sources opportunity • Tenant attraction and retention through strong ESG performance	• No high or medium priority opportunities	• No high or medium priority opportunities	• No high or medium priority opportunities

Assets receive technical building assessments every three years to ensure climate-related impacts are managed through maintenance plans and upgrade projects. Property managers meet regularly to discuss both routine maintenance and capital expenditure requirements, providing input to manage asset budgets and Strategic Asset Management Plan for each asset. Various factors, such as stakeholder expectations, sustainability objectives, climate change scenario analysis, and associated risks or opportunities, are also considered in strategic asset plans. Regular engagement surveys provide insight into tenant and investor expectations that are used to mitigate potential risks and capture climate-related opportunities for individual assets and portfolios. For end-of-life building management, protocols are implemented by the property team including aspects such as fire safety, air conditioning, HVAC systems, and electrical systems.

In FY24, Cromwell developed plans to reduce carbon emissions for all its Australian assets under management. The plans assessed the portfolio's potential to mitigate the effects of climate-related transition risks and take advantage of emerging opportunities. To support this approach, Cromwell continues to obtain external assurance to verify the data related to electricity, water, waste, and emissions – as well as selected social metrics, such as gender pay parity, and gender pay gap.

Across Cromwell's European platform, transition risks are monitored at an asset level through the environmental data management platform, Deepki, by utilising the Carbon Risk Real Estate Monitor (CRREM) risk assessment tool. Additionally, the environmental compliance status of CEREIT assets is monitored in real-time by Nova Ambiente. Developing strategies that ensure assets remain resilient to climate change, while setting pathways to improve performance and respond to market demand, presents a significant opportunity for Cromwell to underpin the assets' long-term value.

Cromwell actively engages with retail and institutional investors and tenants. Minimum performance standards for new development and refurbishments, as well as ongoing performance targets, influence materials purchasing and engagement with suppliers to support sustainability targets. In FY24, the Australian targets used for major refurbishments were expanded to have a greater focus on sustainable procurement in line with Cromwell's ESG targets and wider strategy. The FY24 ESG report will provide further details on how the Australian procurement targets are used in practice.

Cromwell has a climate change policy incorporated within the overall ESG policy, which supports internal assessment, reporting and management of identified risks. Our policy framework includes climate-related requirements for clients and investors, but does not currently include exclusion policies. We know that climate change is a significant challenge for the property industry – it affects how we protect our tenants, maintain our property value, and deal with severe weather. Climate adaptation objectives ensure resilience to physical impacts whilst also adopting opportunities to invest in sustainable development and support a transition to low-carbon outcomes.

RISK MANAGEMENT

Cromwell is committed to effective risk management through a comprehensive enterprise risk management system that includes identifying, assessing, and managing material risks. This risk management strategy is defined and outlined in Cromwell's Enterprise Risk Management (ERM) Framework and ERM Policy. The ERM Framework details the processes for analysing and reviewing compliance with, and changes to, legislation, regulation, strategy, or policies. This process integrates climate-related discussions in Cromwell's AREC (formerly ERC). The risk owners work with the Head of Risk and Compliance (AU) or the Head of Risk (EU) to review the ERM Framework and Risk Appetite Statement regularly. ESG integration is also recognised as a strategic risk in the Group Risk Appetite Statement, where climate change and weather are sub-risks. Cromwell's overall approach to ESG is outlined in the ESG policy, which contains a number of individual policies including a climate change policy. The climate change policy recognises the importance of transition and policy risks associated with climate change and how these are addressed in the business to minimise the impact on investment portfolios and assets. Cromwell follows a consistent method to monitor the impact of climate-related risks and measure how well mitigation and control activities reduce important business risks.

Risk management at Cromwell is approached based on materiality that considers megatrends, financial impacts, and time constraints. Cromwell conducts an annual materiality review to determine which current and emerging issues are most important to the business and its stakeholders. Cromwell's ESG Report is updated and published annually to provide information about the materiality review process, recent findings, and current material topics.

Cromwell's approach to scenario analysis is influenced by the topics identified during the materiality review, as these topics affect how the business adapts to climate change, either directly or indirectly. To capture the material impacts to the business, the scenario analysis process considers risk and opportunities from two main categories – the physical changes attributed to climate change, and the indirect changes associated with the transition to a low carbon economy. In summary, the physical risks involve direct impacts, such as chronic and acute physical risks, while the transition risks are characterised by changes in reputation, market demands, technology, legal, and policy.

The first step of the transition risk assessment process is the qualitative assessment of the portfolio's risk and opportunity exposure. This qualitative and subjective assessment analyses financial drivers' risks and opportunities by evaluating how a low-carbon transition could impact asset costs and revenue drivers. The risks and opportunities identified were categorised into policy, legal, reputational, technology, and market categories, comprising the climate change risks and opportunities.

The distinction between acute and chronic risks has been made in assessing physical climate-related risks. For the Australian platform, assets underwent a desktop review to identify key areas of impact for both chronic changes and acute weather events. The likelihood and severity of climate-related impacts were analysed by region and asset location through the use of a variety of government modelling and databases. The EU platform utilised Deepki's forward-looking physical climate risk assessment tool to conduct scenario analysis, using a reference scenario of Representative Concentration Pathway (RCP) 4.5 to assess the physical climate-related risk exposure of CEREIT's and CPRF's properties by 2050. In addition, chronic physical climate risks for the CEREIT and CPRF portfolio related to temperature have been evaluated through the European Environment Agency.

Cromwell evaluates the consequence for every identified risk – through a rating scale from 'insignificant' to 'very high' – where categories 'moderate', 'high', and 'very high' indicate substantial financial or strategic impacts. Risk likelihood is determined based on frequency of occurrence, varying from 'very low probability' – where the event will only occur in exceptional circumstances during the next 12 months – to 'very high probability', where the event is expected to occur in most circumstances at least once during the next 12 months. Risks are assessed across short, medium, and long-term timeframes so that they can be prioritised accordingly and aligned with our targets.

The resulting matrix multiplies the likelihood and impact scores to give an overall inherent risk rating, and controls are then identified to determine the level of residual risk. Risks can then be managed and are recorded within a digital ERM data system where risk owners are tasked with regularly reviewing and updating the risk level and effectiveness of controls. From this process, Cromwell can prioritise the risks and opportunities, including climate-related risks, with the greatest impact on the business to efficiently monitor the changing landscape; mitigate potential negative consequences; and act on timely opportunities.

In FY25, Cromwell aims to transition from qualitative scenario analysis to quantitative scenario analysis. Through this process Cromwell will be able to evaluate and monitor the potential financial impacts of climate-related risks and identify key opportunities. This will improve the overall risk management and strategic planning processes.

The Chief Investment Officer and fund managers are responsible for preparing detailed briefing papers that include technical, financial, and legal reviews for proposed acquisitions. Acquisition due diligence includes detailed checklists and property inspections aimed at identifying current and future vulnerabilities to climate change impacts. Where applicable, the Investment Committee or the Board has oversight and provides approvals for asset acquisitions and disposals, with consideration of climate change risks. Cromwell is committed to a sustainable investment strategy. In FY23, Cromwell became a signatory to the United Nations Principles of Responsible Investment (UN PRI) – reporting for the first time in FY24.

METRICS AND TARGETS

Cromwell acknowledges that the greatest opportunities to reduce emissions are within its portfolios, assets, and value chains. As a result, targets set in Cromwell's Net Zero Strategy are not limited by operational control – this means covering scope 1 and 2 emissions, as well as all relevant categories for scope 3 emission sources. Reporting will continue to expand through active engagement with investment teams, tenants, key suppliers, and contractors – with the aim to improve the data quality and reduce the need for estimations each year.

Cromwell continues to be certified Carbon Neutral for its Australian corporate operations through Climate Active. This certification process ensures transparency, accuracy and accountability in Australian operational emissions reduction activities and emissions calculation methods.

Setting targets enables Cromwell to adopt a systematic and disciplined approach to improving efficiency and reducing emissions.

In Cromwell's Net Zero Strategy, long-term net zero and climate change-related targets have been set to achieve net zero emissions – both within and beyond Cromwell's operational control. By setting these objectives, Cromwell demonstrates its commitment to sustainability and its proactive role in mitigating the impacts of climate change. In FY23, Cromwell expanded this approach to include a new target using the draft guidance from the Science Based Targets initiative for the building sector. The target is to achieve 42% scope 1,2, and 3 emissions reduction by 2030.

Cromwell's net zero and climate change-related targets are detailed below:

- Net zero operational control scope 1 and 2 emissions by 2035
- Net zero scope 1, 2, and 3 emissions by 2045, including tenants' emissions and embodied carbon
- 80% renewable electricity by 2025 and 100% by 2030 across all portfolios
- 75% of waste diverted from landfill by 2030; 100% by 2040
- 60% recycling rate by 2040
- SBTi aligned target of 42% reduction for scope 1, 2, and 3 emissions by 2030 against a FY22 baseline
- Achieve minimum weighted average NABERS Energy rating of 5.5 stars in Australia and minimum EPC C certification across all European buildings
- Achieve minimum target of 5-star Green Star in Australia; "Very Good" BREEAM rating; and LEED Gold rating across all new construction and refurbishments
- 4.5-star weighted average NABERS Water rating across the Australian portfolio by 2030

Cromwell's targets are set on the fiscal year 2022 baseline, developed in the Net Zero Strategy. In FY23, Cromwell developed a comprehensive inventory for scope 1, 2, and 3 emissions, including a breakdown of all 15 scope 3 emissions categories outlined by the GHG protocol. This inventory is based on the methodology outlined in the GHG Protocol, using the operational control approach utilising both the location-based and market-based method for scope 2 emissions. To support this approach, asset level emissions calculations are in accordance with the emissions methodology frameworks relevant to the region where the asset is located. This is the Australian National Greenhouse Account Factors workbook for Australian assets and the EU's Environmental Impact Assessment (EIA) Directive for European assets. To ensure transparency, Cromwell discloses a comprehensive set of ESG metrics and performance against targets annually in its ESG report and data pack.

ESG targets are incorporated into the incentive structures for the Executive Committee and key management personnel, including the CEO. Long-term incentives and salary reviews are linked to the delivery of strategic objectives, which encompasses specific goals related to Cromwell's ESG framework and the response to material topics – including climate-related issues. In addition, Short-Term Incentives (STI), as detailed in the STI Scorecard, are directly tied to meeting ESG objectives within the financial year. This ensures that the management of climate-related impacts are integrated within short-term performance metrics. Embedding ESG targets into the compensation of executive management through sustainability and climate-related goals fostering a culture of accountability and commitment to ESG principles. The Nomination and People Committee is responsible for reviewing and making recommendations to the Board regarding the adoption and design of the senior executive incentive plan.

Cromwell manages investments using sustainability targets that are tailored for each asset and portfolio – these are aligned with Cromwell's net zero strategy. These objectives include NABERS energy and water targets, which have contributed to Cromwell portfolios consistently ranking among the top diversified portfolios in the Sustainable Portfolio Index. In FY24, decarbonisation plans were conducted for all applicable assets to progress asset and portfolio targets.

Portfolio level decarbonisation objectives are further incentivised through the development of the sustainable finance framework. In FY24. Cromwell has transitioned two Australian loan facilities under this framework to ensure that financial and environmental performance are closely intertwined. Most recent is the conversion of a multi-bank, $1.2 billion lending facility to a sustainability linked loan that includes ambitious targets in reducing scope 1, 2 and 3 emissions. By meeting these stringent emissions reduction targets, Cromwell has created the opportunity to improve financial performance through ESG initiatives and mitigate transition risks.

The full scope of Cromwell's ESG objectives, reduction initiatives and progress to net zero can be found in the annual ESG report.

LOOKING FORWARD

Cromwell's roadmap for deepening its alignment with the TCFD recommendations is shown below. It takes into account the varying maturity and approach to ESG across the jurisdictions that we operate in.

Thematic area	Activity	FY23	FY24	FY25	FY26
Governance	Align with internal stakeholders on level of climate ambition	•	•		
	Undertake Board and management capacity building activities		•	•	
	Clarify and document internal structure for climate-related accountabilities, information flows at all levels		•	•	
	Consider establishment of incentive mechanisms related to climate targets and metrics			•	•
Strategy	Identify scenarios, time horizons, relevant sectors and geographies and develop climate risk management framework		•	•	
	Undertake climate scenario analysis		•		
	Develop Climate Change Risk and Opportunity Register reflecting aggregated risk data and exposure to climate risks and opportunities		•		
	Develop Net Zero Strategy to identify, prioritise, and align emissions reduction activities	•	•		
	Undertake physical asset deep-dive and development of climate risk mitigation plans for all physical assets		•	•	
	Enhance investment due diligence and monitoring processes to include climate risk		•	•	
	Undertake deep-dive analysis on extreme weather events, including modelling		•	•	
	Continue use of scenario analysis in strategic decision making			•	•
	Undertake scenario modelling to link risk exposure to financial impact			•	•
Risk management	Integrate climate risk into the corporate risk register	•	•		
	Document risk owners, control owners and actions in the corporate risk register	•	•		
	Integrate climate risk management into existing enterprise risk management framework, systems, and tools		•	•	
	Treat and manage key risks		•	•	•

Thematic area	Activity	FY23	FY24	FY25	FY26
	Set internal audit procedure for climate-related information and processes	●	●		
	Set process for emerging climate risk and regulatory monitoring		●		
	Develop internal climate risk dictionary				●
Metrics and targets	Extend calculation, monitoring and disclosure of emissions to all funds under management	●	●		
	Calculate and monitor scope 3 emissions	●			
	Identify metrics for key risks		●	●	●
	Establish targets for key risks and align to ESG Strategy		●	●	●
	Establish near and long-term targets aligned to the Science Based Targets Initiative	●	●		
	Monitor performance against key risk targets and metrics		●	●	●
	Obtain third party verification over disclosures on scope 1, 2, and 3 emissions and calculation methodologies		●	●	●
Key	● **Complete** ● **Ongoing** ● **Future activity**				

Directors' Report

Directors

The Directors of Cromwell Corporation Limited and Cromwell Property Securities Limited as responsible entity of the CDPT ("responsible entity") during the year and up to the date of this report are:

Dr Gary Weiss AM – Non-executive Chair

LLB (Hons), LLM, JSD, 71

Director since:	18 September 2020
Chair since:	17 March 2021
Last elected:	16 November 2022
Board Committee membership:	Member of the Audit Committee,
	Member of the ESG and Risk Committee,
	Member of the Investment Committee, and
	Member of the Nomination and Remuneration Committee
Independent:	No
Based in:	Australia
Stapled Securities held:	150,000 stapled securities (Change of Director's Interest Notice - 17 June 2022)

Listed Company Directorships (held within the last three years):

Chair – Coast Entertainment Holdings Limited (formerly known as Ardent Leisure Group Limited) (2017 – current)

Executive Director – Ariadne Australia Limited (1989 – current)

Chair – Estia Health Limited (2016 – 2023)

Non-executive Director – Hearts and Minds Investments Limited (2018 – current)

Non-executive Director – Thorney Opportunities Ltd (2013 – current)

Non-executive Director – Myer Holdings Limited (2023 – March 2024)

Deputy Chair and Lead Independent Director – Myer Holdings Limited (March 2024 - current)

Skills and Experience

Dr Weiss has substantial board and board committee experience at both listed and non-listed entities. Dr Weiss is currently Chair of Ardent Leisure Group Limited, an Executive Director of Ariadne Australia Limited, Deputy Chair and Lead Independent Director of Myer Holdings Limited, and a Non-executive Director of Hearts and Minds Investments Limited, Thorney Opportunities Limited, the Victor Chang Cardiac Research Institute and The Centre for Independent Studies. Dr Weiss is also a Commissioner of the Australian Rugby League Commission.

Dr Weiss served as Chair of Estia Health Limited, Ridley Corporation Limited, Clearview Wealth Limited and Coats Group plc. Dr Weiss is a former Non-executive Director of The Straits Trading Company Limited, a former Executive Director of Industrial Equity Limited, Whitlam, Turnbull & Co and Guinness Peat Group plc, and has served on the boards of numerous other companies, including Westfield Group, Premier Investments Limited and Tower Australia Limited. Dr Weiss has been involved in overseeing large businesses with operations in many regions including Asia Pacific, Europe, China, India and the United States and is familiar with investments across a wide range of industries and sectors, including real estate.

In 2019, Dr Weiss was awarded the Member (AM) in the General Division of the Order of Australia for significant services to business and the community.

Dr Weiss holds an LLB (Hons) and LLM from the Victoria University of Wellington and a Doctor of the Science of Law (JSD) from Cornell University. He was admitted as a Barrister and Solicitor of the Supreme Court of New Zealand, a Barrister and Solicitor of the Supreme Court of Victoria and as a Solicitor of the Supreme Court of New South Wales.

Directors' Report

Mr Eng Peng Ooi – Non-executive Deputy Chair and Senior Independent Director

BCom, Member of the Certified Practising Accountants of Australia, Member of the Singapore Institute of Directors, 68

Director since:	8 March 2021
Deputy Chair and Senior Independent Director since:	17 March 2021
Last elected:	1 November 2023
Board Committee membership:	Chair of the Audit Committee,
	Chair of the Independent Board Committee, and
	Member of the ESG and Risk Committee
Independent:	Yes
Based in:	Australia
Stapled securities held:	195,208 stapled securities (Change of Director's Interest Notice - 10 June 2022)

Listed Company Directorships (held within the last three years):

Non-executive Director – Manager of Cromwell European REIT (2021 – current)

Deputy Chair – Manager of ESR-LOGOS REIT (formerly known as ESR-REIT) (2021 – 1 July 2022)

Chair – Manager of ESR-LOGOS REIT (formerly known as ESR-REIT) (2017 – 2021)

Non-executive Director – Manager of ESR-LOGOS REIT (formerly known as ESR-REIT) (2012 – 1 July 2022)

Skills and Experience

Mr Ooi has more than 35 years of real estate experience, including in property investment, development, project management, fund investment and management and capital partnerships in Australia and across Asia.

Mr Ooi joined Lendlease in 1981, working in various finance roles in Sydney, before taking on the role of Chief Financial Officer, Asia in the late 1990s. Later, Mr Ooi returned to Sydney with Lendlease and fulfilled the roles of Chief Financial Officer of Lendlease Development (2000 – 2002), Global Chief Financial Officer of Lendlease Investment Management (2002 – 2003) and Asia Pacific Chief Financial Officer, Lendlease Communities (2003 – 2005).

From 2006 to 2010, Mr Ooi was the Asia Chief Executive Officer, Lendlease Investment Management and Retail, based in Singapore. Mr Ooi subsequently established the development business and retail funds, and successfully developed capital partnerships, forming strong relationships across Asia. In 2010, Mr Ooi was appointed Asia Chief Executive Officer for Lendlease.

Since retiring from his executive career in late 2011, Mr Ooi has gained board and board committee experience at both listed and non-listed entities across Asia Pacific. Mr Ooi is a Non-executive Director of Cromwell EREIT Management Pte. Ltd., the manager of SGX-listed Cromwell European REIT. Since 2016, Mr Ooi has been a Non-executive Director of Savant Global Capital Pty Limited, a specialist investment management and real estate advisory platform.

Mr Ooi served as a Non-executive Director of ESR-Logos Funds Management (S) Limited (formerly known as ESR Funds Management (S) Limited), the manager of SGX-listed ESR-LOGOS REIT (formerly known as ESR-REIT), from 2012 until 1 July 2022. Mr Ooi served as Chair from 2017 to 30 June 2021 and, after almost nine years as independent Non-executive Director, was redesignated as Deputy Chair and non-independent Non-executive Director effective 1 July 2021. Mr Ooi was a Member (and the former Chair) of ESR-LOGOS REIT (formerly known as ESR-REIT)'s Nominating and Remuneration Committee, a Member of its Audit, Risk Management and Compliance Committee and the Chair of its Executive Committee.

In addition, Mr Ooi was previously a Non-executive Director of formerly-SGX-listed Perennial Real Estate Holdings Limited (2015 – 2020), Frasers Property Australia (2014 – 2018) and Perennial China Retail Trust Management Pte. Ltd. (2012 – 2014).

Mr Ooi holds a Bachelor of Commerce from the University of New South Wales and is a Member of the Certified Practising Accountants of Australia and a Member of the Singapore Institute of Directors.

Mr Robert Blain – Non-executive Director

FAPI, FRICS, 69

Director since:	8 March 2021
Last elected:	17 November 2021
Board Committee membership:	Chair of the Investment Committee,
	Member of the Independent Board Committee, and
	Member of the Nomination and Remuneration Committee
Independent:	Yes
Based in:	Australia
Stapled securities held:	Nil (Initial Director's Interest - 8 March 2021)

Skills and Experience

Mr Blain has more than 40 years of real estate experience, including in property and asset management, strategic development, cross border activity and capital markets in Australia and across Asia.

After pursuing rural infrastructure interests, Mr Blain commenced his corporate career in Sydney in the late 1970s, obtaining a real estate licence and working for several years with LJ Hooker. He joined the Colliers Jardine Group as Sales Director before being appointed as Regional Service Director, Capital Markets APAC. From 1995 to 1998, Mr Blain held the position of Regional Investment Director based in Singapore and, in 1999, was appointed Australia Director. Mr Blain's last role at the Colliers Jardine Group was as Chief Executive, New South Wales.

In 2002, Mr Blain joined CBRE as Managing Director, CBRE Hong Kong and China, based in Hong Kong. In 2003, he was appointed Chief Executive Officer, CBRE Asia and, in 2005, became Chair and Chief Executive Officer, CBRE Asia-Pacific. Mr Blain was responsible for CBRE's activities across Asia Pacific and was a member of the Global Operating Committee, based in the United States, driving CBRE's global business strategy.

In 2014, Mr Blain transitioned to the role of Executive Chair, CBRE Asia Pacific and focussed on CBRE's major clients and building strong relationships across the region. In 2019, Mr Blain retired from his Executive Chair and Global Operating Committee roles at CBRE and returned to Australia. In December 2022, Mr Blain was appointed Chair of LAWD.

Mr Blain is a Fellow of the Australian Property Institute and Fellow of the Royal Institute of Chartered Surveyors.

Mr Jonathan Callaghan – Managing Director and Chief Executive Officer

BSc (Hons), LLB (Hons), MAppFin, 53

Director since:	7 October 2021
Board Committee membership:	Not applicable
Independent:	No
Based in:	Australia
Stapled securities held:	1,090,670 stapled securities (change of Director's Interest Notice – 23 November 2023)

Listed Company Directorships (held within the last three years):

Non-executive Non-independent Director – Manager of Cromwell European REIT (June 2023 – current)

Skills and Experience

Mr Callaghan joined Cromwell as Chief Executive Officer in October 2021. Prior to this, he was at Investa Property Group where he started as General Counsel and Company Secretary in 2006 before being appointed Joint Managing Director and Finance Director in 2013 and Chief Executive Officer in 2016.

His career at Investa included overseeing management of the Investa Commercial Property Fund, which at the time of his departure was the top performing core office fund over two, three, five and seven-year time horizons. During his tenure, Investa was widely regarded as an industry leader and was recognised in the Australian Financial Review BOSS Best Places to Work list for 2021 in property. Earlier in his career, Mr Callaghan spent time at law firms Gilbert & Tobin and Corrs Chambers Westgarth.

Mr Callaghan holds a Master of Applied Finance from Macquarie University and a Bachelor of Science (Hons) and Bachelor of Laws (Hons) from the University of Sydney. Mr Callaghan is a Member of the Property Champions of Change Coalition.

Directors' Report

Ms Tanya Cox – Non-executive Director

MBA, Grad Dip Applied Corporate Governance, FAICD, FGIA, 63

Director since:	21 October 2019
Last elected:	1 November 2023
Board Committee membership:	Chair of the Nomination and Remuneration Committee,
	Member of the Audit Committee,
	Member of the Independent Board Committee, and
	Member of the ESG and Risk Committee
Independent:	Yes
Based in:	Australia
Stapled securities held:	210,000 stapled securities (Change of Director's Interest Notice - 14 June 2022)

Skills and Experience

Ms Cox has over 15 years of board experience and extensive executive experience in sustainability, property, finance and funds management. Ms Cox began her career at the Bank of New Zealand and over an 11 year period succeeded to the role of General Manager of Finance, Operations and IT. Ms Cox led similar functions at the managed fund custodian Ausmaq Limited, before joining Rothschild & Co Australia Limited as Director and Chief Operating Officer for the Australian operations. During her tenure at Rothschild & Co Australia Limited, Ms Cox was a member of several Executive Committees, including Chair of the Risk Committee and a member of the Investment Committee.

In 2003, Ms Cox joined Dexus as Chief Operating Officer and Company Secretary, with her responsibilities expanding in 2012 to include the role of Executive General Manager – Property Services. During her tenure at Dexus, Ms Cox was a member of the Executive Committee and the Investment Committee, and her responsibilities included oversight of all operational aspects of the business including corporate responsibility and sustainability, marketing and communications, information technology, operational risk management, corporate governance and company secretarial practices.

Since retiring from her executive career in 2014, Ms Cox has gained board experience at listed companies. She is a former Non-executive Director of BuildingIQ, Inc and OtherLevels Holdings Limited. Ms Cox is Chair of Cromwell Funds Management Limited, Chair of Equiem Holdings Pty Limited, Chair of the Australian Sustainable Built Environment Council, former Chair of the World Green Building Council and former Chair and Director of the Green Building Council of Australia. Ms Cox is a Director of Campus Living Villages Pty Limited, Niche Environment and Heritage Pty Limited and Fender Katsalidis (Aust) Pty Limited in which she became Chair in May 2023. Ms Cox was a member of the NSW Climate Change Council until it disbanded on 30 June 2021 and is a former Director of Low Carbon Australia.

Ms Cox holds a Master of Business Administration from the Australian Graduate School of Management at University of New South Wales and a Graduate Diploma in Applied Corporate Governance from the Governance Institute of Australia. Ms Cox is a Fellow of the Australian Institute of Company Directors and of the Governance Institute of Australia and is a Member of Chief Executive Women.

Mr Joseph Gersh AM – Non-executive Director

BCom, LLB (Hons), 68

Director since:	18 September 2020
Last elected:	16 November 2022
Board Committee membership:	Member of the Investment Committee, and
	Member of the Independent Board Committee
Independent:	Yes
Based in:	Australia
Stapled securities held:	140,000 stapled securities (Change of Director's Interest Notice - 14 June 2022)

Skills and Experience

Mr Gersh is currently Executive Chairman of Gersh Investment Partners Ltd and a Director of the Sydney Institute in an honorary capacity.

Mr Gersh is a former government appointed Non-executive Director of the Australian Broadcasting Corporation (ABC) and was Chair of the ABC's People and Sustainability Committee. Mr Gersh was formerly the inaugural Chairman of the Australian Reinsurance Pool Corporation, foundation Director of the Reserve Bank of Australia's Payments System Board and Director of the Federal Airports Corporation. Mr Gersh is a former senior partner and Chairman of the Management Committee of law firm, Arnold Bloch Leibler. One of his principal areas of expertise is major property development and, in particular, the construction of hotels, shopping centres, land subdivisions, apartments and office towers.

Mr Gersh previously served as Deputy Chairman of the Australia Council for the Arts, as Chairman of Artbank (which is part of the Australian Government Office for the Arts) and as Chairman of the National Institute of Circus Arts.

In 2006, Mr Gersh was awarded the Member (AM) in the General Division of the Order of Australia for significant services to business, government, the arts and the community.

Mr Gersh holds a Bachelor of Commerce and Bachelor of Laws (Hons) from the University of Melbourne.

Ms Lisa Scenna – Non-executive Director

B.Comm, Fellow of Chartered Accountants Australia and New Zealand, MAICD, 56

Director since:	21 October 2019
Last elected:	16 November 2022
Board Committee membership:	Chair of the ESG and Risk Committee,
	Member of the Audit Committee,
	Member of the Independent Board Committee, and
	Member of the Nomination and Remuneration Committee
Independent:	Yes
Based in:	United Kingdom
Stapled securities held:	150,000 stapled securities (Change of Director's Interest Notice - 31 October 2022)

Listed Company Directorships (held within the last three years):

Non-executive Director – Gore Street Energy Storage Fund plc (2023 – current)

Non-executive Director – Harworth Group plc (2020 – current)

Senior Independent Director – Genuit Group plc (2023 – current)

Non-executive Director – Genuit Group plc (2019 – 2023)

Non-executive Director – Ingenia Communities Group (2024 – current)

Skills and Experience

Ms Scenna has over 25 years of executive experience in property and asset management and funds/investment management in both the United Kingdom and Australia. Ms Scenna joined Westfield Group in 1994 and progressed to the role of Head of Investor Relations. Ms Scenna moved to Stockland Group as General Manager – Finance and Business Development and rose through the group to the role of UK Joint Managing Director in 2007. In this role, Ms Scenna was responsible for establishing Stockland Group in the UK, had full responsibility for the regional operations and was involved in a number of acquisitions and integrations.

In 2009, Ms Scenna left Stockland Group to stay in the UK and accepted the role of Group Head of Explore at Laing O'Rourke, the country's largest privately-owned construction solutions provider. For just under three years, Ms Scenna led the Explore Investments and Explore Living businesses across Europe, Canada, the Middle East and Australasia. In this role, Ms Scenna led the infrastructure investing activities globally and worked with clients and investors to build Laing O'Rourke's direct infrastructure portfolio held in co-ownership with a number of institutional investors across the UK, Australia and Canada.

In 2013, Ms Scenna joined UK construction and regeneration company, Morgan Sindall Group plc, as the Managing Director of their Investments business. During her tenure, Ms Scenna was a Director of the Morgan Sindall Investments Board. Through her extensive executive experience in the UK, Ms Scenna has developed strong connections with local authorities, developers and investors and has a deep understanding of the drivers for competitors.

Ms Scenna is an Independent Director of AMP Capital Funds Management Limited and Chair of its Audit, Risk and Compliance Committee. Ms Scenna is an Independent Director of AMP Investment Services Pty Limited and Chair of its Audit, Risk and Compliance Committee. In May 2024, Ms Scenna was appointed Non-executive Director of Ingenia Communities Group.

Ms Scenna is a Senior Independent Director of Genuit Group plc and Chair of its Remuneration Committee, and a Member of its Audit Committee and Nomination Committee. Ms Scenna is a Non-executive Director of Gore Street Energy Storage Fund plc. Ms Scenna is a Non-executive Director of Harworth Group plc and a Member of its Audit Committee and Remuneration Committee. Genuit Group plc, Gore Street Energy Storage Fund plc, and Harworth Group plc are listed on the London Stock Exchange.

Ms Scenna is the former Deputy Chair of the Private Infrastructure Development Group's Supervisory Board and has played a leadership role in charitable organisations.

Ms Scenna holds a Bachelor of Commerce from the University of New South Wales and is a Fellow of Chartered Accountants Australia and New Zealand and a Member of the Australian Institute of Company Directors.

Ms Jialei Tang – Non-executive Director

BFA Architectural Design, BA in Liberal Arts, 29

Director since:	9 July 2021
Last elected:	17 November 2021
Board Committee membership:	Member of the Investment Committee
	Member of the ESG and Risk Committee
Independent:	No
Based in:	Singapore and the United States
Stapled securities held:	123,346,692 stapled securities (Initial Director's Interest Notice - 9 July 2021)

Skills and Experience

Ms Tang has investment, executive and board experience in diverse industries including finance, real estate, hospitality, pharmaceuticals and technology, as well as across many geographies and jurisdictions including Asia-Pacific, Europe and North America.

Ms Tang has investment, executive and board experience in diverse industries comprising finance, real estate, hospitality, pharmaceuticals, and technology. Her work spans Asia-Pacific, European and North American markets.

In the real estate sector, Ms Tang specializes in the evaluation, acquisition, planning, and development of properties encompassing hospitality, port terminals, premium offices high density residential complexes, and REITs. She is the Director of investment offices Haiyi Holdings Pte Ltd and Asia Marvel Holdings Ltd, where her projects include the UBS Singapore headquarters, a 1468-unit residential complex, a port terminal in Southern China, and a logistics portfolio acquisition. She is also Chief Executive Officer of Silver City Properties, LLC, a residential property investment and management company in New York.

Ms Tang joined the board as an alternate director of TauRx Pharmaceuticals Ltd in 2019. She also handles the communication and strategic planning for her family office's philanthropy including support for education, sports, the Olympic movement, refugee relief and healthcare.

Ms Tang holds a Master in Urban Planning from Harvard University, and a Bachelor of Fine Arts in Architectural Design and Bachelor of Arts in Liberal Arts (Epistemology and Language) from The New School. She is a Graduate of the Australian Institute of Company Directors.

Mr Michael Foster – Company Secretary and Senior Legal Counsel

LLB (Hons) B.Bus, Grad Dip Applied Corporate Governance

Appointed since: 6 April 2023

Skills and Experience

Mr Foster has more than 15 years of corporate and financial services experience, having worked as an inhouse legal practitioner for several ASX listed Australian financial services licensees.

Mr Foster's experience includes the areas of company secretariat and corporate governance, having been appointed as Company Secretary for Cromwell Funds Management Limited in 2021.

Mr Foster has private practice experience in Australia and the United Kingdom with a focus on real estate transactions.

Mr Foster holds a Bachelor of Laws (Hons), a Bachelor of Business and a Graduate Diploma in Applied Corporate Governance.

Directors' Report

Directors' meetings

The following table sets out the number of Directors' meetings (including committees of the Board of Directors) held during the financial year and the number for meetings attended by each director (where a director or member of committee).

Directors	Notes	Board of Directors		Audit Committee		Investment Committee		ESG and Risk Committee		Nomination and Remuneration Committee	
		Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend
G Weiss	Elected 18 September 2020	11	11	4	4	1	1	4	4	3	3
EP Ooi	Appointed 8 March 2021	11	11	4	4	-	-	4	4		
R Blain	Appointed 8 March 2021	10	11	-	-	1	1	-	-	2	3
J Callaghan	Appointed 7 October 2021	10	11	-	-	-	-	-	-	-	-
T Cox	Appointed 21 October 2019	11	11	4	4	-	-	4	4	3	3
J Gersh	Elected 18 September 2020	10	11	-	-	1	1	-	-	-	-
L Scenna	Appointed 21 October 2019	11	11	4	4	-	-	4	4	2	3
J Tang	Appointed 9 July 2021	11	11	-	-	1	1	-	-	-	-

Remuneration Report

Letter from the Chair

On behalf of the Board, I am pleased to present the Remuneration Report for the financial year ended 30 June 2024.

Performance and Remuneration Outcomes

As detailed in my letter last year, Cromwell's transition to Fund Manager will span multiple financial years and 2024 saw continued progress towards that goal through the sale of non-core assets. We are pleased to have completed transactions in relation to the divestment of our European interests, including the Group's stake in the Cromwell Polish Retail Fund (CPRF), and the sale of the European Platform, including Cromwell's interest in CEREIT.

At the same time, Cromwell has made significant progress towards its gender diversity targets. Female representation on the Australian Executive Committee reached 44% during the year before settling at 37.5% on 30 June. Likewise, our 40:40:20 targets were met at all levels of the organisation during the year before settling at 4 out of 5 levels on 30 June. Board and committee composition maintains its 40:40:20 representation. Cromwell has continued to significantly reduce its gender pay gap, but there is still work to be done here, which the CEO and board are committed to continuously progressing. The Australian business is pleased to share that the gender pay gap has reduced to 19% as of 30 June 2024.

The Executive STI Plan had a financial gateway of 90% of the Operating Earnings budget and two non-financial gateways, safety and behaviour, which were met. All key performance indicators were also met, and two major strategic initiatives were achieved (the sale of the Cromwell Polish Retail Fund and the European platform, including the stake in CEREIT), providing the foundations for Cromwell's future success and avoiding covenant-breaching gearing levels. This was a critical measure of performance success in 2024 and subsequently, the CEO and CFO earned 100% of their potential short term incentive award, with 20-30% of the award withheld until successful settlement of the European platform sale, expected to occur later in 2024.

As disclosed in the FY23 Remuneration Report, there are two KMP LTI Plan hurdles; Relative Total Securityholder Return (Relative TSR) and Return on Invested Capital (ROIC). The Relative TSR hurdle remains unchanged from previous years, weighted at 50%. The ROIC hurdle was set at the 10-year bond rate, on the day of grant, plus 300 basis points. The FY21 LTI performance period concluded on 30 June 2024. Neither hurdle was met and no vesting occurred.

The Board has considered the impact of a falling security price on the volume of LTI allocations and has decided not to adjust the allocations. Similarly, the Board does not adjust LTI allocations in a rising market or exercise discretion over vesting outcomes when a falling security price impacts vesting.

Board and Executive Management Changes

Following the retirement of long-standing CFO Michael Wilde in December 2023, Cromwell was pleased to announce the appointment of Michelle Dance to the role of Chief Financial Officer effective January 2024. Michelle had previously been the Fund Manager and was considered for the position alongside external candidates.

Ms Jialei Tang, appointed as a non-executive director in 2021, joined the ESG & Risk Committee as a member this year.

FY25 Approach to Remuneration

During the year, Cromwell conducted an internal review of its Executive Remuneration Strategy to ensure best practice, as well as an independent, external remuneration benchmarking exercise. As a result, in 2025 several changes will be made to improve the consistency of remuneration structure at the Executive level and to align the broader leadership team with stakeholders. The resulting changes to KMP are minimal but will include a change to the LTI ROIC hurdle formula to incorporate security price, as well as NTA.

In June 2024, the Committee considered the base salaries of both executive and non-executive KMP and determined that the only increase to be awarded is a $2,533 increase to executive KMP packages, recognising the increase in the Superannuation Guarantee Contribution.

Non-Executive Director Remuneration

In FY24 the structure and responsibilities of the Board Committee were reviewed resulting in the disbandment of the ESG & Risk and Investment Committees and a subsequent reduction in Directors Fees of circa $100,000. The Nomination and Remuneration Committee Charter was reviewed and extended to include oversight of the Group's People strategies and the Group's Diversity, Equity and Inclusion strategy. As a result of these changes and the adoption of an expanded charter, the Nomination and Remuneration Committee has been renamed the Nomination and People Committee.

Yours sincerely,

Ms Tanya Cox

Chair, Nomination & People Committee

Remuneration Report

Table of Contents

The remuneration report is presented for the financial year ending 30 June 2024. The report forms part of the Directors' Report and has been prepared and audited in accordance with the requirements of the *Corporations Act 2001*(Cth). This report is where we explain how performance has been linked to reward outcomes that forge a clear alignment between Cromwell staff and securityholders.

Report Contents

Remuneration Report

1. Remuneration Overview

1.1 Key Management Personnel

In this report, Key Management Personnel (KMP) are those with the authority and responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly.

Name	Position / Title	Term
Current Non-executive Directors		
Gary Weiss AM	Non-executive Director	Full year
	Non-executive Chair	
Eng Peng Ooi	Non-executive Director (independent)	Full year
	Non-executive Deputy Chair (independent)	
Robert Blain	Non-executive Director (independent)	Full year
Tanya Cox	Non-executive Director (independent)	Full year
Joseph Gersh AM	Non-executive Director (independent)	Full year
Lisa Scenna	Non-executive Director (independent)	Full year
Jialei Tang	Non-executive Director	Full Year
Executive Director		
Jonathan Callaghan	Chief Executive Officer	Full Year
	Managing Director	Full Year
Other Executive KMP		
Michelle Dance	Chief Financial Officer	1 January 2024 – 30 June 2024
Former Executive KMP		
Michael Wilde	Chief Financial Officer	Ceased employment 31 December 2023

1.2 Executive appointment arrangements

On 1 January 2024, Michelle Dance was appointed CFO. Prior to 1 January 2024, Michelle Dance was the Fund Manager, and did not qualify as KMP.

1.3 Executive exit arrangements

Michael Wilde (CFO) retired on 31 December 2023. His exit arrangements were as follows:

- Payment in lieu of contractual notice period
- Provision of benefits and payments in accordance with his employment agreement and law
- 61,955 restricted securities associated with performance in financial years 2021 - 2023, to be released 30 September 2024
- 239,248 restricted securities associated with performance in financial year 2023, to be released 30 September 2024

2. Remuneration Strategy and Governance

2.1 Cromwell's Remuneration Strategy

Our Purpose	To be a trusted global Real Estate Fund Manager known for our transparency, authenticity and creativity.			
Our Strategic Objectives	Simplify the business	Grow Funds under Management	Grow Capital Relationships	Focus on People and Platform

Our Values

Accountable	**Progressive**	**Collaborative**
We do what we say we will do and deliver outstanding performance. We aim to exceed all standards and have the courage to do what is right. We act with integrity always.	We challenge ourselves to embrace new perspectives and drive change. We focus on creating value and seek out new possibilities. We provide creative solutions and continuously improve together.	We respect and support each other, valuing the work others do. We partner across teams and borders with our investors and other stakeholders. We share ideas and encourage each other to perform at our best.

Our Remuneration Principles

Encourage behaviours consistent with our values	Attract proven high performers	Motivate achievement of short and long-term strategic objectives	Create stakeholder alignment	Retain proven high performers across market cycles

KMP Remuneration Structure

Fixed Fixed Remuneration	**STI** Short-Term Incentive	**LTI** Long-Term Incentive
Benchmarked to market, Fixed Remuneration is used as a tool to attract executives with the skills and experience required to execute the strategy. Base salary, superannuation and non-financial benefits.	STI drives achievement of short-term strategic objectives. 50% paid in cash 50% paid in securities and deferred for one year.	Designed to improve retention and create securityholder alignment. At the end of three years: 100% vests in staple securities 50% is released immediately 50% is deferred in holding lock for a further 12 months.
Reviewed annually against comparable organisations		

Minimum Securityholding Requirement[1]

The CEO is required to hold a minimum of 100% of gross Fixed Remuneration in Cromwell stapled securities within 4 years of commencement. Upon the CEO obtaining the Required Securityholding, the Required Securityholding is fixed at the required value (Fixed Shares). Notwithstanding any decrease in the actual value of the Fixed Shares, no additional shares are required to be acquired.

Other executive KMP are required to hold a minimum of 50% of Fixed Remuneration (within 4 years of becoming KMP).

Securities in STI and LTI holding lock are included in KMP total holdings.

(1) The Board has approved that securities held in a family trust will count towards minimum shareholding.

2.2 Remuneration Mix

The following diagram illustrates the remuneration mix at maximum potential for Key Management Personnel.

	Fixed Remuneration	Short term	Long term
		Variable remuneration	
Current KMP			
CEO	37%	31.5%	31.5%
CFO	47.6%	28.6%	23.8%
Former KMP			
CFO	50%	25%	25%

2.3 Remuneration Time Horizon

The following diagram provides an illustration of how 2024 financial year remuneration will be delivered.

Fixed remuneration Base salary, superannuation and other non-financial benefits			
STI – cash component			
	STI – deferred component		
		LTI – vested component	
			LTI – deferred component
2024	**2025**	**2026**	**2027**

2.4 How variable remuneration is structured.

<table>
<tr><td colspan="4">Short-Term Incentive (STI)</td></tr>
<tr><td>Purpose</td><td colspan="3">To drive the achievement of short-term strategic objectives.</td></tr>
<tr><td rowspan="7">Value</td><td>% of Fixed Remuneration</td><td>Target</td><td rowspan="7"></td></tr>
<tr><td colspan="2">Current KMP</td></tr>
<tr><td>CEO</td><td>85%</td></tr>
<tr><td>CFO</td><td>60%</td></tr>
<tr><td colspan="2">Former KMP</td></tr>
<tr><td>CFO</td><td>50%</td></tr>
<tr><td colspan="2"></td></tr>
<tr><td rowspan="8">Performance Measures</td><td colspan="3">All KMP STI’s are subject to the following gateways:
1. Achieving 90% of earnings guidance or Board approved budgeted earnings where no guidance is provided; and
2. Scoring a minimum of Meeting Expectations against Cromwell’s values-based Behavioural Competencies.
3. Zero safety incidents causing death or major harm.
If any of the gateways are not met, no STI is payable.

Individual STI outcomes are determined based on group performance against a mix of financial and non-financial measures. More information can be found on the KMP STI Performance Measures in the STI Scorecard.</td></tr>
<tr><td></td><td>Financial Measures</td><td>Non-financial Measures</td></tr>
<tr><td colspan="3">Current KMP</td></tr>
<tr><td>CEO</td><td>80%</td><td>20%</td></tr>
<tr><td>CFO</td><td>80%</td><td>20%</td></tr>
<tr><td colspan="3">Former KMP</td></tr>
<tr><td>CFO</td><td>70%</td><td>30%</td></tr>
<tr><td colspan="3"></td></tr>
<tr><td>Reason for performance measures</td><td colspan="3">The Board considers that a mix of financial and non-financial measures are appropriate and that they are aligned with Cromwell’s strategy and values. Performance measures are reviewed annually, and the Board has discretion to review and amend the measures during the performance period where significant unforeseen events have occurred which are outside the control of management, or where formulaic application is likely to produce a material and perverse outcome.</td></tr>
<tr><td>Calculation of awards</td><td colspan="3">Value of awards are calculated as follows:

Fixed Remuneration x Target STI opportunity % x Achievement Score against Performance Measures</td></tr>
<tr><td>Delivery of awards</td><td colspan="3">50% of the STI awarded is delivered in cash and 50% is delivered in securities and deferred for a further 12 months. All securities are purchased on market.
In the event the recipient ceases to be employed:
• before the STI award date, the recipient is ineligible to receive an award
• after the STI award date, securities in holding lock remain in holding lock until the release date provided the employee is deemed to be a good leaver</td></tr>
<tr><td>Clawback</td><td colspan="3">Malus and Clawback clauses allow deferred securities to be clawed back where a recipient has acted fraudulently, dishonestly or where there has been a material misstatement or omission in Cromwell’s financial statements leading to receipt of an unfair benefit. This may also occur where an executive KMP fails to meet cultural related expectations including acting ethically and responsibly.</td></tr>
<tr><td>Change of Control</td><td colspan="3">In the event of a change of control, any STI award deferred in securities will be released.</td></tr>
</table>

KMP Long Term Incentive (LTI)			
Purpose	To create securityholder alignment and encourage retention.		
Value	**% of Fixed Remuneration**	**Target**	**Allocation method**
	Current KMP		
	CEO	85%	Face value
	CFO	50%	Face value
	Former KMP		
	CFO	50%	Face value
	50%	**Return on Invested Capital (ROIC)** • Tested at the end of 3-year performance period. • ROIC = (Dividend + increase in NTA)/opening NTA. • Lower bound is 300bps about the 10-year bond rate (set at 7.03% on 1 July 2023) and the upper bound is 400bps above the 10-year bond rate (set at 8.03% on 1 July 2023). • Equity Issues that significantly impact NTA will be considered, as well as significant write downs in intangible assets. • 75% vests at the lower bound with straight line vesting to 100% at the maximum threshold.	
	50%	**Relative TSR** • Tested at the end of 3-year performance period. • Measured against the performance of the constituent members of the S&P/ASX300 A-REIT Accumulation Index. • 25% vests at the lower bound with straight line vesting to 100% at the maximum. • 25% of potential LTI is payable where Cromwell performs at the median return of the members of the index, with achieved LTI capped at 100% of potential LTI at the 75th percentile upper bound.. • Below Median – 0% vesting.	
Reason for performance measures	ROIC is a measure of the performance of underlying investments of securityholder capital. Relative TSR is an effective measure of securityholder value creation compared to peers without adjusting for market driven impacts.		
Calculation of awards	The number of performance rights granted is calculated under the Face Value Methodology, based on the VWAP of Cromwell's security price for the 10 days immediately succeeding the annual results announcement.		
Delivery of awards	At the end of the 3-year performance period, 100% of the award vests, with 50% released and 50% deferred in holding lock for a further 12 months. All securities are purchased on market. In the event the recipient ceases to be employed: • before the vesting date, all rights to securities are forfeit. • after the vesting date, securities in holding lock remain in holding lock until the release date provided the employee is deemed to be a good leaver.		
Clawback	Malus and Clawback clauses allow unvested and deferred securities to be clawed back where a recipient has acted fraudulently, dishonestly or where there has been a material misstatement or omission in Cromwell's financial statements leading to receipt of an unfair benefit. This may also occur where an executive KMP fails to meet cultural related expectations including acting ethically and responsibly.		
Change of Control	In the case of a change of control, performance rights will be tested and will pro rata vest in line with achievement against performance measures.		

2.5 Employment Contract Terms & Conditions

All executive KMP are employed on Employment Contracts that detail the components of remuneration paid and frequency of review but do not describe how remuneration levels are modified from year to year. The contracts do not provide for a fixed term however they can be terminated on specified notice (with the exception of gross misconduct when they can be terminated without notice).

	Termination by Company	**Termination by Executive KMP**
CEO and other Executive KMP	**Notice Period** 6 months, with the option of payment in lieu (lump sum) **Impact on incentives** If an executive KMP is determined to be a good leaver deferred securities remain on foot. If an executive KMP is determined to be a bad leaver all deferred securities are forfeit.	**Notice Period** 6 months **Impact on incentives** If an executive KMP is determined to be a good leaver unvested performance rights and deferred securities remain on foot. If an executive KMP is determined to be a bad leaver, unvested and deferred securities are forfeit.

2.6 Remuneration Governance

The Board has appointed a Nomination and Remuneration Committee ("Committee") responsible for reviewing, monitoring and making recommendations in relation to the appointment, performance and remuneration of the KMP.

Remuneration consultants are appointed from time to time to provide independent information and advice.

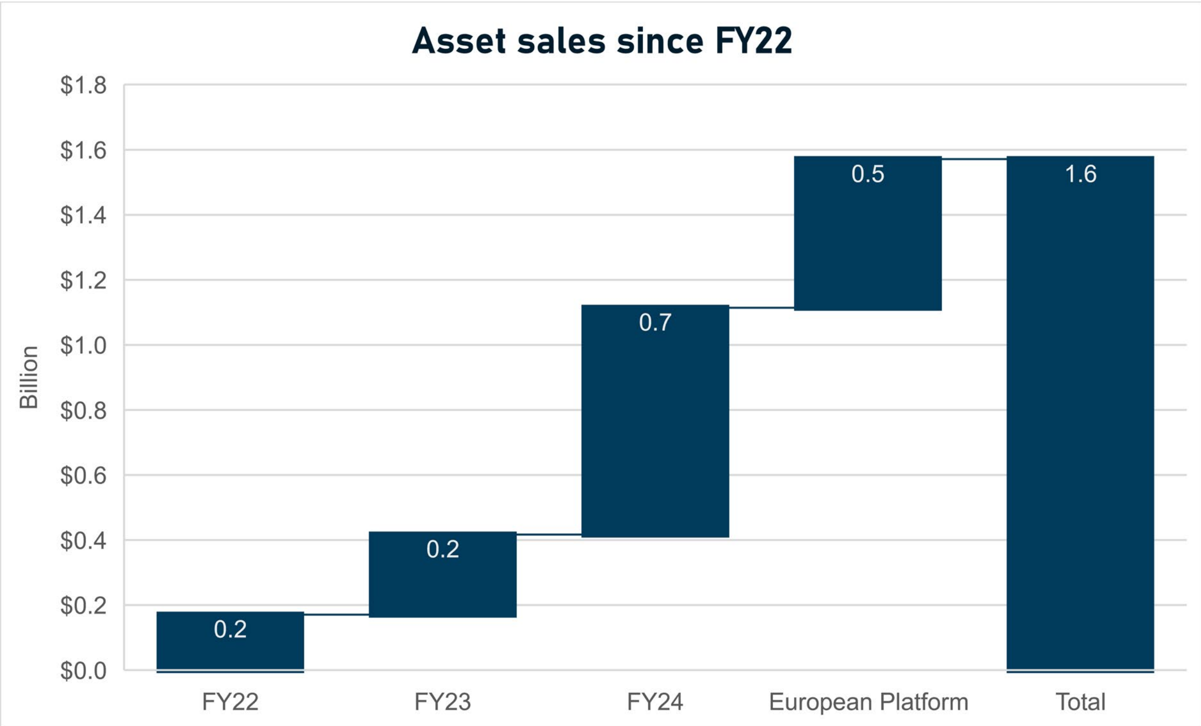
<table>
<tr><td colspan="2">Board
The Board is responsible for setting the executive remuneration strategy, monitoring KMP performance and approving the executive Key Performance Indicators</td></tr>
<tr><td colspan="2">Nomination and People Committee
The Committee is the main governing body for KMP appointment and remuneration. The Committee is responsible for implementation of the Remuneration Principles.
Full charter available at: https://www.cromwellpropertygroup.com/wp-content/uploads/sites/3/2023/10/Nomination-and-People-Committee-Charter.pdf</td></tr>
<tr><td>Management
Provides recommendations on reward strategy design and implementation to the Committee.
From time to time Management may seek remuneration advice.</td><td>External advisors
Provide expert independent information on remuneration for KMP.</td></tr>
</table>

3. Cromwell Performance and Remuneration Outcomes

3.1 STI

Multiple strategic initiatives which commenced in 2022, were completed this year, including the divestment of CPRF, the European platform and Cromwell's interest in CEREIT. These assets sales and the retirement of debt have been critical to the reduction of gearing and strengthening of the balance sheet, as asset values fall in this part of the property cycle.

Falling valuations directly results in increased gearing. In 2021, Cromwell commenced a rigorous multi-year strategy to maximise securityholder value on asset sales and subsequently, significant progress was made to repay debt. Net debt decreased from $2.02 billion at June 2021, to $1.74 billion at June 2023 and $1.07 billion at June 2024, due to the sale of the Cromwell Polish Retail Fund, the Cromwell Italy Urban Logistics Fund and 2 Station Street, Penrith. The sale of the European platform will also result in the repatriation of an additional $0.5 billion to the Australian business, bringing gearing to well within our target range. The success of these initiatives enabled Cromwell to maintain a comfortable buffer to debt covenants which would have otherwise been breached as asset values continued to fall. As a result of this success as well as above budget operating performance and over-achievement of all other STI KPI's, the Board determined that it was appropriate to award STI's for FY24 at 100%, noting that 20-30% will be withheld and only payable on the successful settlement of the European platform, expected to occur later in 2024.



3.2 STI Scorecard

Objective	Key Results	Commentary	Rating	KMP Responsible
GATEWAYS				
	Achieve a minimum of 90% of Operating Earnings budget	The board approved target operating earnings for FY24 was set at 4.75cps and the associated earnings gateway was 4.27 cps.	Achieved	All
	Achieve a minimum score of “Meets Expectations” against Cromwell behavioural and values-based expectations		Achieved	All
	Achieve zero safety incidents causing death or major harm	There were zero incidents causing death or major harm in Cromwell’s operations.	Achieved	All
FINANCIAL PERFORMANCE				
Earnings	Target Operating Earnings per Security of 4.75cps	The Group achieved an Operating Earnings per Security of 5.22cps.	Achieved	All
Successful execution of major Board endorsed activities	As determined by the board	Multiple strategic initiatives were completed in 2024 including the divestment of the European platform, CPRF and Cromwell’s interest in CEREIT.	Achieved	All
Successful sale of non-core assets	As determined by the Board	Sale of non-core assets, including Station St, Penrith; Northbourne Avenue, Lyneham.	Achieved	All
NON-FINANCIAL PERFORMANCE				
Operational	Achieve a minimum of 75% of FY24 Diversity and Inclusion Targets Operational efficiencies	40:40;20 achieved at 4 out of 5 leadership levels across the Australian business. Pay Parity was maintained and the Gender Pay Gap was further reduced to 19%. Major projects pertaining to structure and efficiency were completed.	Achieved Achieved	All CFO
ESG	Achieve a minimum of 75% of ESG Targets, including the execution of carbon reduction plans and the integration of ESG into operational processes	ESG has been integrated into material business processes, ESG training has occurred and all Australian assets have a Carbon Reduction Plan in place and being progressed.	Achieved	All
Leadership	Improve “Executive Leadership” engagement score “People Leadership” factor score for CEO direct reports at 70%	Executive leadership engagement factor score improved. People leadership score of 87%	Achieved	All CEO
Culture	Engagement score improved to 70%	The Australian engagement score surpassed the target at 74%.	Achieved	All

3.3 Executive KMP STI Outcomes

	Behavioural Gateway	Target STI (as % of FR)	STI Awarded (excluding withheld) $	STI Awarded (withheld) (1) $	Total STI Awarded (including withheld) $	STI Forfeit $
Current KMP						
CEO Jonathan Callaghan	Met	**85%**	$595,000	$255,000	$850,000	$0
CFO (2) Michelle Dance	Met	**60%**	$120,000	$30,000	$150,000	$0
Former KMP						
CFO (3) Michael Wilde	Retired	**50%**	-	-	-	$212,500

(1) 30% of Mr Callaghan's and 20% of Ms Dance's (for the period Ms Dance was CFO) at-risk cash bonus and deferred STI award in respect for the year-ending 30 June 2024 was withheld and will be payable on the successful settlement of the European platform, expected to occur later in 2024.
(2) Ms Dance was appointed CFO on 1 January 2024. The STI outcomes are in respect of the period which Ms Dance was CFO.
(3) Mr Wilde was CFO until ceasing employment on 31 December 2023. The STI outcomes are in respect of the period which Mr Wilde was CFO.

3.4 Executive KMP LTI Performance

The following Performance Rights have been granted under the LTI Plan:

	No of performance rights granted	Allocation date	Financial years tested	Expiry date
J Callaghan	1,913,983	1-Jul-23	2024 - 2026	30-Sep-26
	1,083,078	1-Jul-22	2023 - 2025	30-Sep-25
	706,563	1-Jul-21	2022 - 2024	30-Sep-24
Total	**3,703,624**			
M Dance	297,477	1-Jan-2024	2024 - 2026	30-Sep-26
Total	**297,477**			
M Wilde	956,992	1-Jul-23	2024-2026	Forfeited
	541,539	1-Jul-22	2023-2025	Forfeited
	679,601	1-Jul-21	2022-2024	Forfeited
	2,178,132			

Performance Rights granted under the above Plan will be tested, at the vesting date, against the following performance hurdles and the resulting number of Performance Rights will vest. Upon vesting, an equivalent number of Stapled Securities will be issued to the holder, 50% of which will remain in holding lock for a further 12 months.

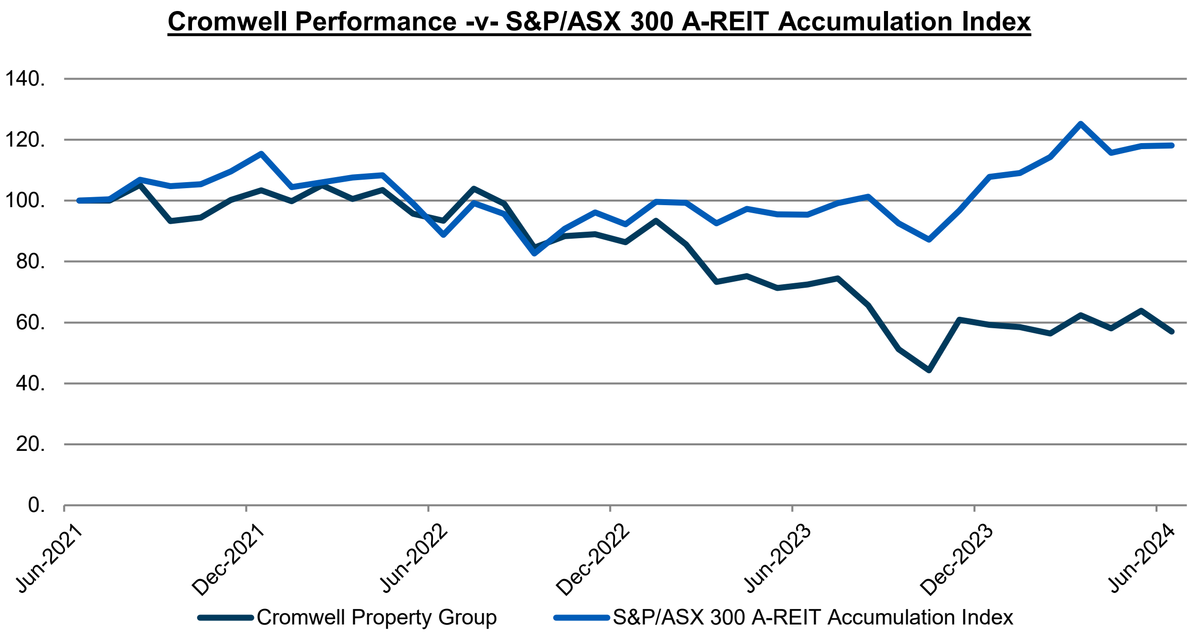
Plan	Performance period start date	Performance period end date	Vesting conditions
2024 KMP LTI Plan	1 July 2023	30 June 2026	• 50% Return on Invested Capital (ROIC) (7.03% - 8.03%) • 50% Relative TSR (50^{th} – 75^{th} percentile)
2023 KMP LTI Plan	1 July 2022	30 June 2025	• 50% Return on Invested Capital (ROIC) (6.7% - 7.7%) • 50% Relative TSR (50^{th} – 75^{th} percentile)
2022 KMP LTI Plan	1 July 2021	30 June 2024	• 33.3% Total Return (8.5% - 11.5%) • 33.3% ROCE (8.5% - 11.5%) • 33.3% Relative TSR (50^{th} – 75^{th} percentile)

The targets set for the 2022 KMP LTI Plan and performance against each target is as follows:

	2022
Total Shareholder Return	
Target range	8.5%-11.5%
Achieved	Below target
Vesting percentage	0.0%
Return on Contributed Equity (ROCE)	
Target range	8.5%-11.5%
Achieved	Below target
Vesting percentage	0.0%
Relative Total Shareholder Return	
Target range	50th percentile to 75th percentile of S&P/ASX300 A-REIT Index
Achieved	Below median
Vesting percentage	0.0%

Total return of Cromwell securities

The chart below illustrates Cromwell's performance against the S&P/ASX300 A-REIT Index since 1 July 2021.



Cromwell's underperformance of the broader A-REIT universe since the pandemic mirrors the underperformance of the office sector, relative to the other sectors represented within the index. Cromwell's security performance relative to the index has stabilised in recent months, and should be supported by both Cromwell's exit from Europe the broader office market nearing a cyclical low.

As a result of the three-year performance of Cromwell, the Relative, TSR and ROCE LTI hurdles for the period from 1 July 2021 to 30 June 2024 were not met. The final payout ratio for LTI's running from 1 July 2021 to 30 June 2024 is 0%.

The targets set for the 2023 plan and the 2024 plan are not scheduled to be tested until 30 June 2025 and 30 June 2026 respectively.

Remuneration Report

3.5 Executive Actual Remuneration

The table below outlines the remuneration received during FY24.

		Short-term			Post-employment		Security based payments		
		Salary and fees $	Non-monetary benefits $	At-risk cash bonus [(4)] $	Superannuation $	Termination benefits [(5)] $	Deferred STI award [(6)] $	LTI Scheme [(6)] $	Total $
Executive									
J Callaghan [(1)]	**2024**	972,601	2,400	127,500	27,399	-	191,948	-	1,321,848
M Dance [(2)]	**2024**	236,301	-	-	13,699	-	-	-	250,000
Former Executive									
M Wilde [(3)]	**2024**	405,961	5,340	106,250	20,549	940,591	79,235	38,171	1,596,097
Total remuneration	**2024**	1,614,863	7,740	233,750	61,647	940,591	271,183	38,171	3,167,945

3.6 Executive Statutory Remuneration

The table below outlines the cash remuneration and at-risk cash awards received as well as the value of equity-based compensation expensed during the year in accordance with applicable statutory accounting rules.

		Short-term				Post-employment		Long-term				
		Salary [(7)] $	Non-monetary benefits $	At-risk cash bonus $	At-risk cash bonus – withheld [(8)] $	Super-annuation $	Termination benefits [(5)] $	Long service leave $	Deferred STI award $	Deferred STI award withheld [(8)] $	LTI scheme [(9)] $	Total $
Executive												
J Callaghan [(1)]	**2024**	**1,007,309**	**2,400**	**297,500**	**127,500**	**27,399**	**-**	**32,768**	**297,500**	**127,500**	**105,604**	**2,025,480**
	2023	985,500	8,387	212,500	-	25,292	-	16,376	212,500	-	167,324	1,627,879
M Dance [(2)]	**2024**	**241,739**	**-**	**60,000**	**15,000**	**13,699**	**-**	**6,164**	**60,000**	**15,000**	**36,131**	**447,733**
Former Executive												
M Wilde [(3)]	**2024**	**386,932**	**5,340**	**-**	**-**	**20,549**	**593,327**	**5,605**	**-**	**-**	**(423,926)**	**587,827**
	2023	844,641	10,855	106,250	-	25,292	-	13,509	106,250		60,839	1,167,636
Total remuneration	**2024**	**1,635,980**	**7,740**	**357,500**	**142,500**	**61,647**	**593,327**	**44,537**	**357,500**	**142,500**	**(282,191)**	**3,061,040**
	2023	1,830,141	19,242	318,750	-	50,584	-	29,885	318,750	-	228,163	2,795,515

(1) Mr Callaghan commenced as CEO on 5 October 2021. In his first and second years of employment, Mr Callaghan received 40% of the value of his at-risk bonus in the form of Cromwell securities.
(2) Ms Dance was appointed CFO on 1 January 2024. The remuneration disclosed is in respect of the period from 1 January 2024 to 30 June 2024.
(3) Mr Wilde was CFO from 5 October 2021 until ceasing employment on 31 December 2023.
(4) Actual at-risk cash bonus paid in the year-ending 30 June 2024 is for the cash bonus awarded for the year-ending 30 June 2023. Mr Callaghan received 40% of his at-risk cash bonus for the year-ending 30 June 2023 as 60% cash and 40% in the form of Cromwell securities which vest in September 2023.
(5) Termination benefits for Mr Wilde on ceasing employment on 31 December 2023. Actual remuneration is higher than statutory remuneration as actual remuneration includes $347,264 for annual leave and long service leave, the majority of which was expensed for statutory accounting purposes in prior years.
(6) Actual deferred STI awards and actual LTI Scheme awards are in respect of prior financial years and vest during the year-ending 30 June 2024.
(7) Includes any change in accruals for annual leave.
(8) 30% of Mr Callaghan's and 20% of Ms Dance's (for the period Ms Dance was CFO) statutory at-risk cash bonus and statutory deferred sti award in respect for the year-ending 30 June 2024 is withheld and is payable on the successful settlement of the European platform, expected to occur later in 2024.
(9) LTI scheme statutory remuneration for Mr Wilde is a negative amount for options and rights forfeited during the year.

4. Non-executive Director Remuneration

4.1 Board remuneration structure

The Board determines remuneration of Non-executive Directors within the maximum amount approved by securityholders from time to time. This maximum currently stands at $1,500,000 per annum in total for fees to be divided among the Non-executive Directors in such a proportion and manner as they agree.

4.2 Total remuneration for Non-executive Directors

Non-executive Directors are paid a Fixed Remuneration, comprising base and committee fees or salary and superannuation (as applicable). Non-executive Directors do not receive bonus payments or participate in stapled security-based compensation plans and are not provided with retirement benefits other than statutory superannuation.

	2024 $	2023 $
Chair (1)	**292,500**	292,500
Non-executive Director	**133,000**	133,000
Audit Committee – Chair	**30,000**	30,000
Audit Committee – Member	**15,000**	15,000
ESG and Risk Committee – Chair	**30,000**	30,000
ESG and Risk Committee – Member	**15,000**	15,000
Investment Committee – Chair	**17,000**	17,000
Investment Committee – Member	**8,500**	8,500
Nomination and People Committee – Chair (2)	**30,000**	30,000
Nomination and People Committee – Member (2)	**15,000**	15,000

(1) The Board Chair fee is an all-inclusive board chair fee and includes all committee responsibilities.
(2) From 1 July 2023 the Nomination and Remuneration Committee has been converted to an Nomination and People Committee.

Fees for subsidiary boards

Mr Ooi is Non-executive Director (appointed 15 September 2021) of Cromwell EREIT Management Pte Ltd (CEM), a 100% owned subsidiary of the Company, domiciled in Singapore. Mr Ooi is also the Chair of the Sustainability Committee for CEM (appointed Chair on 1 January 2022). The annual fees for being a Non-executive Director of CEM is SGD$80,000 and the annual fee for Sustainability Committee Chair is SGD$40,000. During 2024, Mr Ooi earned AUD$135,710 (2023: AUD$130,763) from CEM.

Ms Cox is Chair of the Board of Cromwell Funds Management Ltd (CFML), a 100% owned subsidiary of the Company. The annual fee for the Chair of the Board of CFML is $55,000 (inclusive of superannuation). During 2024, Ms Cox earned $55,000 (2023: $49,774) from CFML.

4.3 Non-executive Directors' security holding requirement

Non-executive Directors are required to have a minimum holding of Cromwell Property Group stapled securities equivalent to the Non-executive Director annual fee within three years of their start date. The value of the minimum holding is determined by the value at the time of purchase. Non-executive Directors are bound by Cromwell's Securities Trading Policy, which is available on Cromwell's website. No additional remuneration is provided to Non-executive Directors to purchase these stapled securities.

4.4 Non-executive Directors' remuneration table

The table below outlines the cash remuneration and benefits received by each Non-executive Director during the year in accordance with applicable statutory accounting rules.

		Director fees	Subsidiary board fees	Non-monetary benefits	Post-employment benefits (superannuation)	Total
		$	$	$	$	$
Non-executive directors:						
G Weiss	**2024**	**285,650**	**-**	**-**	**6,850**	**292,500**
	2023	286,230	-	-	6,863	293,093
E P Ooi	**2024**	**160,360**	**135,710**	**-**	**17,640**	**313,710**
	2023	161,131	130,763	-	16,919	308,813
R Blain	**2024**	**148,649**	**-**	**-**	**16,351**	**165,000**
	2023	149,321	-	-	15,679	165,000
T Cox	**2024**	**193,000**	**55,000**	**-**	**-**	**248,000**
	2023	174,709	49,774	-	23,570	248,053
J Gersh	**2024**	**127,478**	**-**	**-**	**14,022**	**141,500**
	2023	128,054	-	-	13,446	141,500
L Scenna	**2024**	**183,437**	**-**	**-**	**9,563**	**193,000**
	2023	193,111	-	-	-	193,111
J Tang	**2024**	**141,500**	**-**	**-**	**-**	**141,500**
	2023	141,500	-	-	-	141,500
Total Remuneration	**2024**	**1,240,074**	**190,710**	**-**	**64,426**	**1,495,210**
	2023	1,234,056	180,537	-	76,477	1,491,070

5. Additional Disclosures

5.1 At risk cash awards and performance rights vesting and forfeiture in 2024

For each at risk cash award and grant of performance rights options (equity-based compensation) included in the tables above, the percentage of the available at-risk cash bonus paid, or equity-based compensation that vested, during the year and the percentage that was forfeited because the person did not meet the service and performance criteria is set out below.

The performance rights are subject to vesting conditions as outlined above. No performance rights will vest if the conditions are not satisfied, hence the minimum value of performance rights yet to vest is $nil. The maximum value of the performance rights yet to vest has been determined as the amount of the grant date fair value of the performance rights that is yet to be expensed at balance date. References to options in the table below relate to performance rights.

	At-risk cash bonus	
	Cash bonus paid	Cash bonus forfeited
	%	%
J Callaghan (1)	100	-
M Dance (1)	100	-
M Wilde	-	100

(1) 30% of Mr Callaghan's and 20% of Ms Dance (for the period Ms Dance was CFO) statutory at-risk cash bonus and statutory deferred sti award in respect for the year-ending 30 June 2024 is withheld and is payable on the successful settlement of the European platform, expected to occur later in 2024.

	Equity based compensation				
	Years options granted	Options vested in 2024	Options forfeited in 2024	Years options may vest	Maximum value of grant to vest
		%	%		$
Executive - J Callaghan	2022	-	-	2025	35
	2023	-	-	2026	145,355
	2024	-	-	2027	157,250
Executive - M Dance	2024	-	-	2027	46,919
Former Executive - M Wilde	2021	14%	86%	2024	-
	2022	-	100%	2025	-
	2023	-	100%	2026	-
	2024	-	100%	2027	-

5.2 Equity based compensation for the CEO and other KMP

Details of the PRP are set out in sections 2.4 and 3.4 of the remuneration report.

All Executive Directors and employees of Cromwell are considered for participation in the PRP subject to a minimum period of service and level of remuneration, which may be waived by the Committee. Grants to Executive Directors are subject to securityholder approval.

Consideration for granting performance rights, grant periods, vesting and exercise dates, exercise periods and exercise prices are determined by the Board or Committee in each case. Performance rights carry no voting rights. When exercised, each performance right is convertible into one stapled security.

The terms and conditions of each grant of performance rights under the PRP affecting remuneration for Key Management Personnel in the current or future reporting periods are included in the table below:

Grant date	Expiry date	Exercise price	No of performance rights granted	Assessed value per right at grant date
23-Dec-20	30-Sep-23	-	571,338	69.5¢
23-Dec-20	30-Sep-23	-	285,670	34.5¢
11-Nov-21	30-Sep-24	-	924,109	65.3¢
11-Nov-21	30-Sep-24	-	462,055	34.5¢
7-Oct-22	30-Sep-25	-	812,309	51.6¢
7-Oct-22	30-Sep-25	-	812,309	28.8¢
6-10-23	30-Sep-26	-	478,496	22.4¢
6-10-23	30-Sep-26	-	478,496	4.6¢
20-11-23	30-Sep-26	-	956,991	20.7¢
20-11-23	30-Sep-26	-	956,992	3.9¢
17-04-24	30-Sep-26	-	148,738	36.1¢
17-04-24	30-Sep-26	-	148,739	11.3¢

Details of changes during the 2024 financial year in performance rights on issue to Key Management Personnel under the PRP are set out below.

	Opening balance	Granted	Exercised	Forfeited/ Lapsed	Other	Closing balance
Executive						
J Callaghan	1,789,641	1,913,983 (1)	-	-	-	3,703,624
M Dance	526,146 (6)	297,477 (2)	-	-	(168,304) (5)	655,319
Former Executive						
M Wilde	2,078,148	956,992 (3)	(123,910) (4)	(2,911,230)	-	-
	4,393,935	3,168,452	(123,910)	(2,911,230)	(168,304)	4,358,943

(1) The fair value at grant date was $ 236,090
(2) The fair value at grant date was $ 70,442.
(3) The fair value at grant date was $ 128,907.
(4) The fair value at grant date was $ 86,117. The face value at exercise date was $45,847. Exercise price was $nil.
(5) PRP's forfeited when Ms Dance became CFO. The PRP were issued to Ms Dance prior to becoming CFO on 1 January 2024.
(6) PRP's issued prior to Ms Dance becoming CFO on 1 January 2024.

5.3 Security holdings

The number of Cromwell stapled securities held during the 2024 financial year by key management personnel of Cromwell, including their personally related parties are as follows:

	Balance at 1 July	Performance rights exercised	Received as STI	Received as deferred STI	Net purchases (sales)	Balance at 30 June	Value on acquisition	Target security holding
Non-executive directors:								
G Weiss	150,000	-	-	-	-	150,000	$117,780	$292,500
E P Ooi	195,208	-	-	-	-	195,208	$146,205	$133,000
R Blain	-	-	-	-	-	-	-	$133,000
T Cox	210,000	-	-	-	-	210,000	$168,344	$133,000
J Gersh	140,000	-	-	-	-	140,000	$99,392	$133,000
L Scenna	150,000	-	-	-	-	150,000	$115,250	$133,000
J Tang	123,346,692	-	-	-	-	123,346,692	Not available	$133,000
Executive KMP:								
J Callaghan	420,776	-	191,398	478,496	-	1,090,670	$627,725	$1,000,000
M Dance	-	-	-	-	-	-		$250,000
	124,612,676	-	191,398	478,496	-	125,282,570		

5.4 Loans to key management personnel

Cromwell has provided no loans to any key management personnel.

End of Remuneration Report

Significant changes in the state of affairs

Changes in the state of affairs of Cromwell during the financial year are set out within the financial report. There were no significant changes in the state of affairs of Cromwell during the financial year other than as disclosed in this report and the accompanying financial report.

Subsequent events

Other than as disclosed in note 27, no matter or circumstance has arisen since 30 June 2024 that has significantly affected or may significantly affect:

- Cromwell's operations in future financial years; or
- the results of those operations in future financial years; or
- Cromwell's state of affairs in future financial years.

Environmental regulation

The Directors are not aware of any particular and significant environmental regulation under a law of the Commonwealth, State or Territory relevant to Cromwell.

Trust Disclosures

Issued Units

Units issued in the Trust during the year are set out in note 15 in the accompanying financial report. There were 2,618,866,699 (2023: 2,618,866,699) issued units in the Trust at balance date.

Value of Scheme Assets

The total carrying value of the Trust's assets as at year end was $2,935.6 million (2023: $4,071.1 million). Net assets attributable to unitholders of the Trust were $1,487.3 million (2023: $2,118.8 million) equating to $0.57 per unit (2023: $0.81 per unit).

The Trust's assets are valued in accordance with policies stated in notes to the financial statements.

Indemnifying officers or auditor

Subject to the following, no indemnity or insurance premium was paid during the financial year for a person who is or has been an officer of Cromwell. The constitution of the Company provides that to the extent permitted by law, a person who is or has been an officer of the Company is indemnified against certain liabilities and costs incurred by them in their capacity as an officer of the Company.

Further, the Company has entered into a Deed of access, insurance and indemnity with each of the Directors and the Company Secretary. Under the deed, the Company agrees to, amongst other things:

- indemnify the officer to the extent permitted by law against certain liabilities and legal costs incurred by the officer as an officer of the Company and its subsidiaries;
- maintain and pay the premium on an insurance policy in respect of the officer; and
- provide the officer with access to board papers and other documents provided or available to the officer as an officer of the Company and its subsidiaries.

Cromwell has paid premiums for directors' and officers' liability insurance with respect to the Directors, Company Secretary and senior management as permitted under the *Corporations Act 2001* (Cth). The terms of the policy prohibit disclosure of the nature of the liabilities covered and the premiums payable under the policy. No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor of the Company or any of its controlled entities.

Rounding of amounts

Cromwell is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument amounts in the Directors' report have been rounded off to the nearest one hundred thousand dollars, or in certain cases to the nearest dollar, unless otherwise indicated.

Auditor

Deloitte Touche Tohmatsu continues in office in accordance with section 327B of the *Corporations Act 2001* (Cth).

The Company may decide to employ Deloitte Touche Tohmatsu on assignments additional to their statutory duties where the auditor's expertise and experience with the Company and/or the Cromwell are important.

The Directors have considered the position and, in accordance with advice received from the Audit Committee, are satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth). The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* (Cth) as none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants* and all non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor. Effective 1 July 2024, the Audit Committee and the ESG and Risk Committee were reconstituted as the Audit, Risk & ESG Committee.

Details of the amounts paid or payable to the auditor and its related parties for other assurance services and non-audit services provided to Cromwell are set out below:

	2024	2023
	$	$
Other assurance services		
ISAE 3402 services	**278,441**	51,683
Total remuneration for other assurance services	**278,441**	51,683
Non-audit services		
Due diligence services	**-**	19,650
Other reporting services	**-**	8,797
International consulting services	**12,824**	5,420
Tax compliance services – Australia	**10,100**	8,380
Total remuneration for non-audit services	**22,924**	42,247

During the year, Deloitte, as auditor, received remuneration for audit and other services relating to other entities for which Cromwell EREIT Management Pte. Ltd and Cromwell Investment Services Limited, both controlled entities, act as responsible entity. The remuneration was disclosed in the relevant entity's financial reports and totalled $1,519,000 (2023: $1,553,900).

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) accompanies this report.

The Directors' Report, including the Remuneration Report, is signed in accordance with a resolution of the Directors, pursuant to 298(2) of the *Corporations Act 2001* (Cth).

Dr Gary Weiss AM

Chair

29 August 2024

Deloitte Touche Tohmatsu
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29 August 2024

Board of Directors
Cromwell Corporation Limited and
Cromwell Property Securities Limited
as Responsible Entity for Cromwell Diversified Property Trust
Level 10, 100 Creek Street
Brisbane QLD 4000

Dear Directors

Auditor's Independence Declaration

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Board of Directors of Cromwell Corporation Limited and Cromwell Property Securities Limited as Responsible Entity for Cromwell Diversified Property Trust.

As lead audit partner for the audit of the financial report of Cromwell Property Group (the stapled entity which comprises Cromwell Corporation Limited, Cromwell Diversified Property Trust and the entities they controlled at the end of the year or from time to time during the year) and Cromwell Diversified Property Trust for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Nicholas Rozario
Partner
Chartered Accountants

Consolidated Statements of Profit or Loss

For the year ended 30 June 2024

	Notes	Cromwell 2024 $M	Cromwell 2023 $M	Trust 2024 $M	Trust 2023 $M
Revenue	5(a)	**193.5**	218.4	**176.0**	195.0
Other income					
Fair value net gains from:					
Investments at fair value through profit or loss		**24.1**	-	**-**	-
Share of profits from equity accounted investments	9(f)	**0.3**	-	**-**	-
Gain on sale of investment properties		**1.8**	2.0	**1.8**	2.0
Gain on sale of interest in joint venture held for sale		**-**	7.7	**-**	-
Other income		**-**	1.0	**-**	1.0
Total revenue and other income		**219.7**	229.1	**177.8**	198.0
Expenses					
Property expenses and outgoings		**32.7**	35.7	**37.6**	39.9
Fund management costs		**1.9**	1.6	**-**	-
Employee benefits expense	6(a)	**31.7**	32.4	**-**	-
Administrative and other expenses	6(b)	**15.5**	19.2	**19.2**	23.4
Finance costs	6(c)	**74.4**	73.0	**74.3**	73.0
Fair value net losses from:					
Investment properties	8(f)	**315.1**	272.1	**315.1**	272.1
Derivative financial instruments		**23.4**	5.9	**24.3**	5.9
Investments at fair value through profit and loss		**-**	3.3	**4.1**	3.3
Share of losses from equity accounted investments	9(f)	**-**	0.5	**-**	-
Net foreign currency losses		**0.8**	13.6	**0.6**	9.3
Other transaction costs		**3.1**	3.7	**0.1**	2.2
Total expenses		**498.6**	461.0	**475.3**	429.1
Loss before income tax from continuing operations		**(278.9)**	(231.9)	**(297.5)**	(231.1)
Income tax expense / (benefit)	7(c)	**1.4**	(10.8)	**1.2**	(10.6)
Loss after tax from continuing operations		**(280.3)**	(221.1)	**(298.7)**	(220.5)
Discontinued operations					
Loss from discontinued operations, net of tax	20(d)	**(251.3)**	(222.7)	**(242.4)**	(218.2)
Loss after tax		**(531.6)**	(443.8)	**(541.1)**	(438.7)
Loss after tax is attributable to securityholders:					
Attributable to the Company		**9.5**	(5.1)	**-**	-
Attributable to the Trust		**(541.1)**	(438.7)	**(541.1)**	(438.7)
Loss after tax		**(531.6)**	(443.8)	**(541.1)**	(438.7)
Earnings per security from continuing operations					
Basic earnings per stapled security (cents)	3(b)	**(10.70¢)**	(8.44¢)	**(11.40¢)**	(8.42¢)
Diluted earnings per stapled security (cents)	3(b)	**(10.66¢)**	(8.42¢)	**(11.36¢)**	(8.40¢)
Earnings per security					
Basic earnings per stapled security (cents)	3(b)	**(20.30¢)**	(16.95¢)	**(20.66¢)**	(16.76¢)
Diluted earnings per stapled security (cents)	3(b)	**(20.22¢)**	(16.90¢)	**(20.58¢)**	(16.71¢)

The above Consolidated Statements of Profit or Loss should be read in conjunction with the accompanying notes.

Consolidated Statements of Other Comprehensive Income

For the year ended 30 June 2024

	Notes	Cromwell		Trust	
		2024 $M	2023 $M	**2024 $M**	2023 $M
Loss after tax		**(531.6)**	(443.8)	**(541.1)**	(438.7)
Other comprehensive (loss) / income					
Items that may be reclassified to profit or loss					
Exchange differences on translation of foreign operations		**(10.3)**	89.4	**(9.9)**	86.1
Income tax relating to these items		**-**	-	**-**	-
Other comprehensive (loss) / income, net of tax		**(10.3)**	89.4	**(9.9)**	86.1
Total other comprehensive loss		**(541.9)**	(354.4)	**(551.0)**	(352.6)
Total other comprehensive loss is attributable to securityholders:					
Attributable to the Company		**9.1**	(1.8)	**-**	-
Attributable to the Trust		**(551.0)**	(352.6)	**(551.0)**	(352.6)
Total other comprehensive loss		**(541.9)**	(354.4)	**(551.0)**	(352.6)
Other comprehensive (loss) / income, net of tax arises from:					
Continuing operations		**(10.0)**	66.9	**(9.9)**	66.5
Discontinued operations		**(0.3)**	22.5	**-**	19.6
Other comprehensive (loss) / income, net of tax		**(10.3)**	89.4	**(9.9)**	86.1

The above Consolidated Statements of Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheets

As at 30 June 2024

		Cromwell		Trust	
	Notes	**2024 $M**	2023 $M	**2024 $M**	2023 $M
Current assets					
Cash and cash equivalents		**292.3**	113.9	**262.0**	58.3
Receivables	13(b)	**25.8**	41.3	**21.0**	14.7
Derivative financial instruments	12(a)	**28.1**	28.0	**28.0**	28.0
Current tax assets		**2.1**	0.6	**2.0**	0.1
Other current assets		**3.7**	7.0	**2.5**	2.3
		352.0	190.8	**315.5**	103.4
Assets held for sale	20(b)	**439.2**	138.4	**371.9**	138.4
Total current assets		**791.2**	329.2	**687.4**	241.8
Non-current assets					
Investment properties	8(e)	**2,212.0**	3,098.2	**2,212.0**	3,098.2
Equity accounted investments	9(a)	**20.1**	662.2	**-**	632.1
Investments at fair value through profit or loss	10(a)	**13.6**	20.6	**13.6**	17.7
Inventories	8(d)	**17.4**	16.5	**-**	-
Derivative financial instruments	12(a)	**18.6**	28.5	**18.3**	28.5
Receivables	13(b)	**-**	38.3	**4.2**	51.1
Property, plant and equipment		**9.7**	20.2	**-**	-
Intangible assets		**0.3**	0.3	**-**	-
Deferred tax assets	7(d)	**0.1**	1.7	**0.1**	1.7
Total non-current assets		**2,291.8**	3,886.5	**2,248.2**	3,829.3
Total assets		**3,083.0**	4,215.7	**2,935.6**	4,071.1
Current liabilities					
Trade and other payables	13(c)	**20.6**	69.8	**15.1**	42.1
Unearned income		**14.1**	17.3	**12.9**	16.1
Dividends / distributions payable	4(a)	**19.6**	36.0	**19.6**	36.0
Interest bearing liabilities	11(a)	**176.3**	142.8	**175.4**	138.0
Derivative financial instruments	12(a)	**9.6**	-	**10.4**	-
Provisions		**2.8**	5.2	**-**	-
Current tax liabilities		**-**	0.5	**-**	0.2
		243.0	271.6	**233.4**	232.4
Liabilities directly related to assets held for sale	20(b)	**31.2**	49.4	**-**	49.4
Total current liabilities		**274.2**	321.0	**233.4**	281.8
Non-current liabilities					
Interest bearing liabilities	11(a)	**1,212.3**	1,681.3	**1,209.0**	1,669.8
Derivative financial instruments	12(a)	**6.1**	-	**5.8**	-
Provisions		**0.5**	0.5	**-**	-
Deferred tax liabilities	7(d)	**0.1**	0.7	**0.1**	0.7
Total non-current liabilities		**1,219.0**	1,682.5	**1,214.9**	1,670.5
Total liabilities		**1,493.2**	2,003.5	**1,448.3**	1,952.3
Net assets		**1,589.8**	2,212.2	**1,487.3**	2,118.8
Equity attributable to securityholders					
Contributed equity	15(a)	**2,280.1**	2,280.1	**2,072.8**	2,072.8
Reserves	16(a)	**47.8**	58.1	**19.6**	29.5
Retained earnings		**(738.1)**	(126.0)	**(605.1)**	16.5
Total equity attributable to securityholders		**1,589.8**	2,212.2	**1,487.3**	2,118.8
Comprising					
Total equity attributable to the Company	19(b)	**102.5**	93.4	**-**	-
Total equity attributable to the CDPT	19(c)	**1,487.3**	2,118.8	**1,487.3**	2,118.8
Total equity attributable to securityholders		**1,589.8**	2,212.2	**1,487.3**	2,118.8

The above Consolidated Balance Sheets should be read in conjunction with the accompanying notes.

Consolidated Statements of Changes in Equity

For the year ended 30 June 2024

Cromwell		**Attributable to Equity Holders of Cromwell**			
	Notes	**Contributed equity $M**	**Reserves $M**	**Retained earnings $M**	**Total $M**
Balance at 1 July 2022		2,280.1	(31.5)	461.8	2,710.4
Loss for the year		-	-	(443.8)	(443.8)
Other comprehensive income		-	89.4	-	89.4
Total comprehensive loss		-	89.4	(443.8)	(354.4)
Transactions with equity holders in their capacity as equity holders:					
Dividends / distributions paid / payable	4(a)	-	-	(144.0)	(144.0)
Acquisition of treasury securities	16(a)	-	(1.6)	-	(1.6)
Issue of treasury securities	16(a)	-	0.9	-	0.9
Contributions of exercise price for options settled with treasury securities	16(a)	-	0.4	-	0.4
Employee performance rights	16(a)	-	0.5	-	0.5
Total transactions with equity holders		-	0.2	(144.0)	(143.8)
Balance as at 30 June 2023		**2,280.1**	**58.1**	**(126.0)**	**2,212.2**
Loss for the year		**-**	**-**	**(531.6)**	**(531.6)**
Other comprehensive loss		**-**	**(10.3)**	**-**	**(10.3)**
Total comprehensive loss		**-**	**(10.3)**	**(531.6)**	**(541.9)**
Transactions with equity holders in their capacity as equity holders:					
Dividends / distributions paid / payable	4(a)	**-**	**-**	**(80.5)**	**(80.5)**
Acquisition of treasury securities	16(a)	**-**	**(0.5)**	**-**	**(0.5)**
Issue of treasury securities	16(a)	**-**	**0.5**	**-**	**0.5**
Total transactions with equity holders		**-**	**-**	**(80.5)**	**(80.5)**
Balance as at 30 June 2024		**2,280.1**	**47.8**	**(738.1)**	**1,589.8**

The above Consolidated Statements of Changes in Equity should be read in conjunction with accompanying notes.

Consolidated Statements of Changes in Equity

For the year ended 30 June 2024

Trust		**Attributable to Equity Holders of the CDPT**			
	Notes	**Contributed equity $M**	**Reserve $M**	**Retained earnings $M**	**Total $M**
Balance at 1 July 2022		2,072.8	(56.6)	599.2	2,615.4
Loss for the year		-	-	(438.7)	(438.7)
Other comprehensive income		-	86.1	-	86.1
Total comprehensive loss		-	86.1	(438.7)	(352.6)
Transactions with equity holders in their capacity as equity holders:					
Distributions paid / payable	4(a)	-	-	(144.0)	(144.0)
Total transactions with equity holders		-	-	(144.0)	(144.0)
Balance as at 30 June 2023		**2,072.8**	**29.5**	**16.5**	**2,118.8**
Loss for the year		**-**	**-**	**(541.1)**	**(541.1)**
Other comprehensive loss		**-**	**(9.9)**	**-**	**(9.9)**
Total comprehensive loss		**-**	**(9.9)**	**(541.1)**	**(551.0)**
Transactions with equity holders in their capacity as equity holders:					
Distributions paid / payable	4(a)	**-**	**-**	**(80.5)**	**(80.5)**
Total transactions with equity holders		**-**	**-**	**(80.5)**	**(80.5)**
Balance as at 30 June 2024		**2,072.8**	**19.6**	**(605.1)**	**1,487.3**

The above Consolidated Statements of Changes in Equity should be read in conjunction with accompanying notes.

Consolidated Statements of Cash Flows

For the year ended 30 June 2024

	Notes	Cromwell 2024 $M	Cromwell 2023 $M	Trust 2024 $M	Trust 2023 $M
Cash flows from operating activities					
Receipts in the course of operations		**382.0**	387.8	**281.2**	292.8
GST / VAT received from the sale of investment properties		**109.2**	-	**109.2**	-
Payments in the course of operations [1]		**(333.0)**	(220.6)	**(227.9)**	(125.1)
Distributions received		**42.2**	46.6	**41.8**	41.6
Interest received		**7.6**	20.0	**6.4**	18.1
Finance costs paid		**(84.7)**	(81.3)	**(84.7)**	(81.3)
Income tax paid		**(10.3)**	(3.3)	**(9.8)**	(5.3)
Net cash provided by operating activities	22(b)	**113.0**	149.2	**116.2**	140.8
Cash flows from investing activities					
Proceeds from sale of investment properties		**539.4**	88.4	**539.4**	88.4
Payments for investment properties		**(45.1)**	(38.6)	**(45.1)**	(38.6)
Payments for equity accounted investments		**-**	(3.8)	**-**	(3.8)
Proceeds from sale of equity accounted investments		**37.9**	19.7	**37.9**	-
Proceeds from sale of subsidiary, net of cash disposed		**20.7**	-	**20.7**	-
Proceeds from sale of investments at fair value through profit or loss		**28.2**	-	**-**	-
Payments for investments at fair value through profit or loss		**(0.3)**	(1.8)	**-**	(0.5)
Payments for intangible assets		**(0.1)**	(0.1)	**-**	-
Payments for property, plant and equipment		**(4.8)**	(1.2)	**-**	-
Repayment of loans from related entities		**33.0**	147.9	**61.2**	178.0
Loans to related entities		**(2.6)**	(9.7)	**(13.0)**	(3.8)
Payments for other transaction costs		**(4.2)**	(3.9)	**(0.7)**	(2.2)
Net cash provided by investing activities		**602.1**	196.9	**600.4**	217.5
Cash flows from financing activities					
Proceeds from interest bearing liabilities		**294.1**	167.7	**294.1**	167.7
Repayment of interest bearing liabilities		**(709.6)**	(523.2)	**(709.6)**	(523.2)
Payments for lease liabilities		**(5.9)**	(6.4)	**(0.5)**	(0.4)
Receipts from lease termination		**0.7**	-	**-**	-
Payment of loan transaction costs		**(1.0)**	(2.7)	**(1.0)**	(2.7)
Payments for settlement of derivative financial instruments		**(0.2)**	(5.0)	**(0.2)**	(5.0)
Payments for treasury securities		**(0.5)**	(1.6)	**-**	-
Proceeds from contribution of exercise price on options		**-**	0.4	**-**	-
Payment of dividends / distributions		**(96.9)**	(150.6)	**(96.9)**	(150.6)
Net cash used in financing activities		**(519.3)**	(521.4)	**(514.1)**	(514.2)
Net increase / (decrease) in cash and cash equivalents		**195.8**	(175.3)	**202.5**	(155.9)
Cash and cash equivalents at 1 July		**113.9**	286.0	**58.3**	212.8
Cash included in assets held for sale at 1 July		**1.5**	-	**1.5**	-
Effects of exchange rate changes on cash and cash equivalents		**2.5**	4.7	**(0.3)**	2.9
Less cash included in assets held for sale at 30 June	20(b)	**(21.4)**	(1.5)	**-**	(1.5)
Cash and cash equivalents at 30 June		**292.3**	113.9	**262.0**	58.3

(1) Payments in the course of operations includes GST and VAT remitted to the relevant taxation authorities.

The above Consolidated Statements of Cash Flows should be read in conjunction with the accompanying notes.

Consolidated Entity Disclosure Statement

As at 30 June 2024

Entity Name	Entity Type	Body Corporates		Tax Residency	
		Place formed or incorporated	% of share capital held	Australian or Foreign	Foreign Jurisdiction
Cromwell Corporation Limited	Body Corporate	Australia	N/A	Australian	N/A
Cromwell BT Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Cromwell Capital Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Cromwell Development Trust	Trust	N/A	N/A	Australian	N/A
Cromwell Developments Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Cromwell Funds Management Limited (1)	Body Corporate	Australia	100	Australian	N/A
Cromwell Operations Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Cromwell Project & Technical Solutions Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Cromwell Property Securities Limited (1)	Body Corporate	Australia	100	Australian	N/A
Cromwell Property Services Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Cromwell Real Estate Partners Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Cromwell REIT Holdings Pty Limited (1)	Body Corporate	Australia	100	Australian	N/A
Cromwell Carparking Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Votraint No. 662 Pty Limited	Body Corporate	Australia	100	Australian	N/A
Cromwell Property Group Czech Republic s.r.o.	Body Corporate	Czech Republic	100	Foreign	Czech Republic
Cromwell Denmark A/S	Body Corporate	Denmark	100	Foreign	Denmark
Cromwell Finland O/Y	Body Corporate	Finland	100	Foreign	Finland
Cromwell France SAS	Body Corporate	France	100	Foreign	France
Cromwell EREIT Management Germany GmbH	Body Corporate	Germany	100	Foreign	Germany
Cromwell Germany GmbH	Body Corporate	Germany	100	Foreign	Germany
Cromwell Property Group Italy SRL	Body Corporate	Italy	100	Foreign	Italy
CPRF GP S.à r.l. (2)	Body Corporate	Luxembourg	100	Foreign	Luxembourg
Cromwell EREIT Management Luxembourg S.à r.l.	Body Corporate	Luxembourg	100	Foreign	Luxembourg
Cromwell Investment Luxembourg S.à r.l. (1)	Body Corporate	Luxembourg	100	Foreign	Luxembourg
Cromwell Luxembourg Holdings S.a.r.l.	Body Corporate	Luxembourg	100	Foreign	Luxembourg
Cromwell REIM Luxembourg S.à r.l.	Body Corporate	Luxembourg	100	Foreign	Luxembourg
Cromwell Central Europe B.V.	Body Corporate	Netherlands	100	Foreign	Netherlands
Cromwell Netherlands B.V.	Body Corporate	Netherlands	100	Foreign	Netherlands
Cromwell Property Group Poland Sp Zoo	Body Corporate	Poland	100	Foreign	Poland
Cromwell EREIT Management Pte. Ltd.	Body Corporate	Singapore	100	Foreign	Singapore
Cromwell Sweden A/B	Body Corporate	Sweden	100	Foreign	Sweden
European Commercial Real Estate Limited	Body Corporate	United Kingdom	50.9	Foreign	United Kingdom
Cromwell Asset Management UK Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Capital Ventures UK Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell CEE Development Holdings Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell CEREIT Holdings Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Coinvest CEIF LP	Partnership	N/A	N/A	Foreign	United Kingdom
Cromwell Coinvest CEVAF I LP	Partnership	N/A	N/A	Foreign	United Kingdom
Cromwell Corporate Secretarial Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Development Holdings UK Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Development Management UK Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Director Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Europe Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell European Holdings Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell European Management Services Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell GP (2)	Partnership	N/A	N/A	Foreign	United Kingdom
Cromwell Holdings Europe Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Investment Holdings UK Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Investment Management Services Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom

(1) Trustee of a Trust/s which is consolidated in the consolidated financial statements.

(2) Partner in Partnerships which are consolidated in the consolidated financial statements.

Consolidated Entity Disclosure Statement (cont.)

As at 30 June 2024

Entity Name	Entity Type	Body Corporates		Tax Residency	
		Place formed or incorporated	% of share capital held	Australian or Foreign	Foreign Jurisdiction
Cromwell Investment Services Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Management Holdings Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Poland Retail LLP	Partnership	N/A	N/A	Foreign	United Kingdom
Cromwell Poland Retail UK Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
Cromwell Promote CEIF LP	Partnership	N/A	N/A	Foreign	United Kingdom
Cromwell WBP Poland LP	Partnership	N/A	N/A	Foreign	United Kingdom
IO Management Services Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
The IO Group Limited	Body Corporate	United Kingdom	100	Foreign	United Kingdom
CDPT Finance Pty Ltd	Body Corporate	Australia	100	Australian	N/A
CDPT Finance No. 2 Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Cromwell Diversified Property Trust (2)	Trust	N/A	N/A	Australian	N/A
Cromwell George Street Trust	Trust	N/A	N/A	Australian	N/A
Cromwell HQ North Head Trust	Trust	N/A	N/A	Australian	N/A
Cromwell HQ North Trust	Trust	N/A	N/A	Australian	N/A
Cromwell Italy Partnership	Partnership	N/A	N/A	Australian	N/A
Cromwell McKell Building Trust	Trust	N/A	N/A	Australian	N/A
Cromwell Newcastle Trust (2)	Trust	N/A	N/A	Australian	N/A
Cromwell Northbourne Planned Investment	Trust	N/A	N/A	Australian	N/A
Cromwell NSW Portfolio Trust	Trust	N/A	N/A	Australian	N/A
Cromwell Poland Holdings Trust	Trust	N/A	N/A	Australian	N/A
Cromwell SPV Finance Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Cromwell Symantec House Trust	Trust	N/A	N/A	Australian	N/A
Cromwell VAC Finance Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Mascot Head Trust	Trust	N/A	N/A	Australian	N/A
Mascot Trust	Trust	N/A	N/A	Australian	N/A
Tuggeranong Head Trust	Trust	N/A	N/A	Australian	N/A
Tuggeranong Trust	Trust	N/A	N/A	Australian	N/A
CPRF S.C.A.	Partnership	N/A	N/A	Foreign	Luxembourg
Cromwell Logistics Fund	Trust	N/A	N/A	Foreign	Italy
Next Real Estate Polish Retail S.à r.l.	Body Corporate	Luxembourg	100	Foreign	Luxembourg
Next Real Estate Polish Retail Holdco S.à r.l.	Body Corporate	Luxembourg	100	Foreign	Luxembourg
CH Bydgoszcz Sp Zoo	Body Corporate	Poland	100	Foreign	Poland
CH Toruń Sp Zoo	Body Corporate	Poland	100	Foreign	Poland
CH Janki Sp Zoo	Body Corporate	Poland	100	Foreign	Poland
CH Łódź Sp Zoo	Body Corporate	Poland	100	Foreign	Poland
CH Szczecin Sp Zoo	Body Corporate	Poland	100	Foreign	Poland
CH Wrocław Sp Zoo	Body Corporate	Poland	100	Foreign	Poland
CPRF Co Sp Zoo	Body Corporate	Poland	100	Foreign	Poland
Cromwell Singapore Holdings Pte. Ltd.	Body Corporate	Singapore	100	Australian	N/A

(1) Trustee of a Trust/s which is consolidated in the consolidated financial statements.

(2) Partner in Partnerships which are consolidated in the consolidated financial statements.

Notes to the Financial Statements

For the year ended 30 June 2024

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Cromwell's annual financial report has been prepared in a format designed to provide users of the financial report with a clearer understanding of relevant balances and transactions that drive Cromwell's financial performance and financial position free of immaterial and superfluous information. Plain English is used in commentary or explanatory sections of the notes to the financial statements to also improve readability of the financial report. Additionally, amounts in the consolidated financial statements have been rounded to the nearest one hundred thousand dollars, unless otherwise indicated, in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*.

The notes have been organised into the following six sections for reduced complexity and ease of navigation:

ABOUT THIS REPORT

This section of the annual financial report provides an overview of the basis upon which the financial statements of Cromwell and the Trust have been prepared. Accounting policies relating to balances and transactions for which specific note disclosure is presented in this financial report are contained in the relevant note. Accounting policies for other balances and transactions are also contained in this section.

1. Basis of preparation

Shares of Cromwell Corporation Limited ("Company") and units of Cromwell Diversified Property Trust ("CDPT") are stapled to one another forming the Cromwell Property Group and are quoted as a single stapled security on the ASX under the code CMW. Australian Accounting Standards require an acquirer to be identified and an in-substance acquisition to be recognised. In relation to the stapling of the Company and CDPT, the Company is identified as having acquired control over the assets of CDPT.

As permitted by *ASIC Corporations (Stapled Group Reports) Instrument 2015/838* the consolidated financial statements and accompanying notes of the Cromwell Property Group ("Cromwell"), consisting of the Company and its controlled entities and CDPT and its controlled entities are presented jointly with the consolidated financial statements and accompanying notes of the CDPT and its controlled entities ("Trust"). In the consolidated financial statements of Cromwell equity attributable to the Trust is presented as a non-controlling interest.

Cromwell and the Trust are for-profit entities for the purpose of preparing the financial statements.

This financial report has been prepared on a going concern basis. Cromwell's current assets exceed current liabilities by $517.0 million at 30 June 2024 (30 June 2023: $8.2 million). The Trust's current assets exceed current liabilities by $454.0 million at 30 June 2024 (30 June 2023: current liabilities exceeded current assets by $40.0 million). In addition, at 30 June 2024, Cromwell and the Trust had no undrawn and available bank debt facilities (2023: $173.6 million) and $292.3 million and $262.0 million of cash (2023: $113.9 million and $58.3 million).

Statement of compliance

The consolidated financial statements of Cromwell and the Trust are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* (Cth).

The financial statements also comply with International Financial Reporting Standards (IFRS) and Interpretations as adopted by the International Accounting Standards Board (IASB).

Historical cost convention

The financial report is prepared on the historical cost basis except for the following:

- investment properties are measured at fair value;
- derivative financial instruments are measured at fair value; and
- investments at fair value through profit or loss are measured at fair value.

Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* amounts in these consolidated financial statements have been rounded off to the nearest one hundred thousand dollars, unless otherwise indicated.

Presentational changes and comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

a) Basis of consolidation

Stapling

The stapling of the Company and CDPT was approved at separate meetings of the respective shareholders and unitholders on 6 December 2006. Following approval of the stapling, shares in the Company and units in the Trust were stapled to one another and are quoted as a single security on the Australian Securities Exchange.

Australian Accounting Standards require an acquirer to be identified and an in-substance acquisition to be recognised. In relation to the stapling of the Company and CDPT, the Company is identified as having acquired control over the assets of CDPT.

The Trust's contributed equity and retained earnings/accumulated losses are shown as a non-controlling interest. Even though the interests of the equity holders of the identified acquiree (the Trust) are treated as non-controlling interests the equity holders of the acquiree are also equity holders in the acquirer (the Company) by virtue of the stapling arrangement.

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries at year end and the results of all subsidiaries for the year then ended. Subsidiaries are entities controlled by Cromwell. Control exists when Cromwell is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The acquisition method of accounting is used to account for the business combinations by Cromwell. Inter-entity transactions, balances and unrealised gains on transactions between Cromwell entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by Cromwell.

Any non-controlling interests in the results and equity of subsidiaries are shown separately in the Statement of Profit or Loss / Statement of Other Comprehensive Income and the Balance Sheet respectively.

Investments in subsidiaries are accounted for at cost in the individual financial statements of the Company and CDPT. A list of subsidiaries is included in the notes.

b) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of Cromwell's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Australian dollars, which is the Company's and the Trust's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Profit or Loss, except when they are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the Statement of Profit or Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit or Loss on a net basis. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Foreign operations

Subsidiaries, joint arrangements and associates that have functional currencies different from the presentation currency translate their Statement of Other Comprehensive Income items using the average exchange rate for the year. Assets and liabilities are translated using exchange rates prevailing at balance date. Exchange variations resulting from the retranslation at closing rate of the net investment in foreign operations, together with their differences between their Statement of Other Comprehensive Income items translated at average rates and closing rates, are recognised in the foreign currency translation reserve.

For the purpose of foreign currency translation, the net investment in a foreign operation is determined inclusive of foreign currency intercompany balances. The balance of the foreign currency translation reserve relating to a foreign operation that is disposed of, or partially disposed of, is recognised in the Statement of Profit or Loss at the time of disposal.

The following material spot and average rates were used:

	Spot rate		Average rate	
	2024	2023	**2024**	2023
Euro	**0.62**	0.61	**0.61**	0.64
Polish Złoty	**2.69**	2.71	**2.66**	3.01

c) Impairment of assets

At each reporting date, and whenever events or changes in circumstances occur, Cromwell assesses whether there is any indication that any relevant asset may be impaired. Where an indicator of impairment exists, Cromwell makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Assets other than goodwill that have been previously impaired are reviewed for possible reversal of the impairment at each reporting date.

d) Inventories

Inventories relate to land and property developments that are held for sale in the normal course of business. Inventories are carried at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

e) Property, plant and equipment

Property, plant and equipment relate to equipment used in the day-to-day operations of Cromwell as well as right-to-use assets for property, plant and equipment held under operating leases.

Owned property, plant and equipment is initially recognised at cost and subsequently carried at cost less accumulated depreciation and impairment losses. Owned property, plant and equipment is depreciated on a straight-line basis over the period of the useful life of the asset.

Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before commencement, less any lease incentives received and any initial direct costs. Right-of-use assets are subsequently measured as cost less accumulated depreciation and impairments losses. For further information in relation to leased assets refer to note 21.

f) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense, or
- For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or trade and other payables. Cash flows are included in the Statement of Cash Flows on a gross basis.

The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within cash flows from operating activities.

g) Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical or professional experience and other factors such as expectations about future events. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The areas that involved a higher degree of judgement or complexity and may need material adjustment if estimates and assumptions made in preparation of these financial statements are incorrect are:

Area of estimation	Note
Revenue	5
Fair value of investment property	8
Equity accounted investments	9
Other financial assets and financial liabilities	13
Fair value of financial instruments	14
Assets held for sale and liabilities directly related to assets held for sale	20

h) New accounting standards and interpretations adopted by Cromwell and the Trust

Cromwell and the Trust have adopted all applicable new Australian accounting standards and interpretations. Any new standards or interpretations adopted in the current year have not had a material impact on the financial statements.

There are currently no relevant accounting standards and interpretations that have been issued or amended but are not yet effective and have not been adopted Cromwell or the Trust.

RESULTS

This section of the annual financial report provides further information on Cromwell's and the Trust's financial performance, including the performance of each of Cromwell's three segments, the earnings per security calculation, details of distributions as well as information about Cromwell's revenue, expense and income tax items.

2. Operating segment information

a) Overview

Operating segments are distinct business activities from which Cromwell may earn revenues and incur expenses. Cromwell reports the results of its operating segments on a regular basis to its Chief Executive Officer (CEO), the group's chief operating decision maker (CODM), in order to assess the performance of each of Cromwell's operating segments and allocate resources to them.

Operating segments below are reported in a manner consistent with the internal reporting provided to the CEO. These are explained below.

Operating segments:	**Business activity:**
Investment portfolio	This involves the ownership of investment properties located in Australia. These properties are held for long term investment purposes and primarily contribute net rental income and associated cash flows to results.
Funds and asset management	Fund management represents activities in relation to the establishment and management of external funds for institutional and retail investors. Asset management includes property and facility management, leasing and project management and development related activities. These activities are carried out by Cromwell itself and by associates and contributes related fee revenues or the relevant share of profit of each investee to consolidated results.
Co-investments	This activity includes Cromwell's investments in assets it may not fully own or over which it cannot exercise unilateral control. This includes interests in investment property portfolios in Poland (CPRF) and Italy (CIULF), the Cromwell European Real Estate Investment Trust (CEREIT), and other investment vehicles. This activity contributes rental income and the relevant share of profit of each investee to the consolidated results.

b) Segment results

The table below shows the segment results as presented to the CEO in his capacity as CODM. Commentary on the segment results is included in the Directors' Report.

2024	**Investment portfolio $M**	**Funds and asset management $M**	**Co-investments $M**	**Cromwell $M**
Segment revenue				
Rental income and recoverable outgoings	**194.3**	**-**	**73.0**	**267.3**
Operating profit of equity accounted investments (1)	**-**	**1.3**	**40.9**	**42.2**
Development income (2)	**-**	**3.1**	**-**	**3.1**
Fund and asset management fees	**-**	**90.5**	**-**	**90.5**
Distributions	**-**	**-**	**13.6**	**13.6**
Total segment revenue	**194.3**	**94.9**	**127.5**	**416.7**
Segment expenses				
Property expenses	**36.2**	**-**	**37.5**	**73.7**
Fund and asset management direct costs	**-**	**66.8**	**3.9**	**70.7**
Other expenses	**1.5**	**9.6**	**2.5**	**13.6**
Total segment expenses	**37.7**	**76.4**	**43.9**	**158.0**
Segment EBIT	**156.6**	**18.5**	**83.6**	**258.7**
Unallocated items				
Net finance costs				**(76.9)**
Corporate costs (3)				**(38.5)**
Income tax expense				**(6.6)**
Segment profit				**136.7**

2023	Investment portfolio $M	Funds and asset management $M	Co-investments $M	Cromwell $M
Segment revenue				
Rental income and recoverable outgoings	202.3	-	79.3	281.6
Operating profit of equity accounted investments	-	1.5	43.1	44.6
Development income (2)	-	21.3	-	21.3
Fund and asset management fees	-	96.4	-	96.4
Distributions	-	-	2.7	2.7
Total segment revenue	202.3	119.2	125.1	446.6
Segment expenses				
Property expenses	39.5	-	40.5	80.0
Fund and asset management direct costs	-	67.9	4.4	72.3
Other expenses	1.6	10.0	3.0	14.6
Total segment expenses	41.1	77.9	47.9	166.9
Segment EBIT	161.2	41.3	77.2	279.7
Unallocated items				
Net finance costs				(73.1)
Corporate costs (3)				(42.3)
Income tax expense				(5.7)
Segment profit				158.6

(1) Operating profit of equity accounted investments for 2024 includes 12 months operating profit from the equity accounted investments CEREIT and CIULF, however for financial reporting purposes only 11 months of share of profit or loss from the equity accounted investments is included in accordance with AASB 5 which requires equity accounting to cease on 22 May 2024 when the assets were classified as held for sale. Management consider that these investments continue to form part of the group until such time as rights and obligations associated with them are passed to the purchaser and as a result include them when reporting operating profit to the Chief Operating Decision Maker. The operating profit from the investments in CEREIT and CIULF for the period from 23 May 2024 to 30 June 2024 was $2.4m. Refer to note 20(b) for further information.
(2) Includes finance income attributable to development loans and fee revenue.
(3) Includes non-segment specific corporate costs pertaining to Group level functions.

c) Reconciliation of segment profit to loss after tax

	Cromwell	
	2024 **$M**	2023 $M
Operating profit [(1)]	**136.7**	158.6
Reconciliation to loss after tax		
Gain on sale of investment properties	**1.8**	2.0
Fair value net losses - Investment properties	**(315.1)**	(272.1)
Fair value net losses - Derivative financial instruments	**(23.4)**	(5.9)
Fair value gain - Campbell Park Rights cost [(2)]	**15.5**	-
Fair value net losses - investments at fair value through profit or loss excluding Campbell Park	**(3.8)**	(3.3)
Lease cost and incentive amortisation and rent straight-lining	**(24.1)**	(18.7)
Relating to equity accounted investments [(3)]	**(0.7)**	(0.9)
Net exchange (loss) / gain on foreign currency borrowings	**3.5**	(14.0)
Non-cash or non-operating items from discontinued operations [(4)]	**(311.2)**	(290.1)
Tax benefit relating to non-operating items [(5)]	**1.8**	12.3
Other non-cash expenses or non-recurring items [(6)]	**(12.6)**	(11.7)
Loss after tax	**(531.6)**	(443.8)
Loss from discontinued operations, net of tax	**(251.3)**	(222.7)
Loss after tax from continuing operations	**(280.3)**	(221.1)

(1) Operating profit of equity accounted investments for 2024 includes 12 months operating profit from the equity accounted investments CEREIT and CIULF, however for financial reporting purposes only 11 months of share of profit or loss from the equity accounted investments is included in accordance with AASB 5 which requires equity accounting to cease on 22 May 2024 when the assets were classified as held for sale. Management consider that these investments continue to form part of the group until such time as rights and obligations associated with them are passed to the purchaser and as a result include them when reporting operating profit to the Chief Operating Decision Maker. The operating profit from the investments in CEREIT and CIULF for the period from 23 May 2024 to 30 June 2024 was $2.4m. Refer to note 20(b) for further information.

(2) The Campbell Park income assignment deed and call option deed ("Rights") financial asset was disposed during the year for proceeds of $28.2 million. Included in operating profit as distribution revenue is the part of the proceeds $12.7 million in excess of the initial acquisition cost of $15.5 million.

(3) Comprises fair value adjustments included in share of profit or loss of equity accounted entities.

(4) Non-cash or non-recurring items in relation to Poland and the European Platform being disclosed as a discontinued operation include:
- $44.8 million (2023: $219.5 million) fair value loss on investment properties
- $50.7 million (2023: $62.3 million) share of non-operating losses from equity accounted investments
- $162.5 million (2023: $1.9 million) impairment of equity accounted investments
- $29.0 million (2023: nil) of transactions costs
- $4.5 million tax expense (2023: $2.8 million tax benefit) relating to non-operating items

(5) Comprises tax benefits attributable to changes in deferred tax liabilities derecognised as a result of decreases in the carrying value of investments.

(6) These expenses include but are not limited to:
- Amortisation of loan transaction costs.
- Amortisation of intangible assets and depreciation of property, plant and equipment.
- Other transaction costs.

d) Reconciliation of total segment revenue to total revenue

Total segment revenue reconciles to total revenue as shown in the Consolidated Statement of Profit or Loss as follows:

	2024 $M	2023 $M
Total segment revenue	**416.7**	446.6
Reconciliation to total revenue:		
Inter-segmental management fee revenue	**(11.5)**	(12.5)
Straight-line lease income	**2.4**	7.4
Lease incentive amortisation	**(26.0)**	(25.5)
Operating profit from equity accounted investments	**(1.0)**	(0.3)
Revenue from discontinued operations [1]	**(181.8)**	(193.7)
Gain on sale of equity accounted investments [2]	**-**	(7.7)
Distributions received [3]	**(12.7)**	-
Finance income	**7.4**	4.1
Total revenue	**193.5**	218.4

(1) Revenue from discontinued operations for 2024 includes 12 months operating profit from the equity accounted investments CEREIT and CIULF, however for financial reporting purposes only 11 months of share of profit or loss from the equity accounted investments is included in accordance with AASB 5 which requires equity accounting to cease on 22 May 2024 when the assets were classified as held for sale. Management consider that these investments continue to form part of the group until such time as rights and obligations associated with them are passed to the purchaser and as a result include them when reporting operating profit to the Chief Operating Decision Maker. The operating profit from the investments in CEREIT and CIULF for the period from 23 May 2024 to 30 June 2024 was $2.4m. Refer to note 20(b) for further information.

(2) In 2023, the gain on sale of the LDK joint venture equity interest is presented to the Chief Operating Decision Maker as development income. This is consistent with CMW's overall view of the LDK project which has been internally shown and reported as a development project. For this financial report, the gain in all other places where it is presented has been classified and disclosed in accordance with the requirements of IFRS.

(3) The Campbell Park income assignment deed and call option deed ("Rights") financial asset was disposed during the year for proceeds of $28.2 million. Included in operating profit as distribution revenue is the part of the proceeds $12.7 million in excess of the initial acquisition cost of $15.5 million.

e) Segment assets and liabilities

2024	**Investment portfolio $M**	**Funds and asset management $M**	**Co-investments $M**	**Cromwell $M**
Segment assets	**2,497.5**	**143.4**	**442.1**	**3,083.0**
Segment liabilities	**1,355.6**	**44.8**	**92.8**	**1,493.2**
Segment net assets	**1,141.9**	**98.6**	**349.3**	**1,589.8**
Other segment information				
Equity accounted investments	**-**	**20.1**	**-**	**20.1**
Acquisition / (disposal) of non-current segment assets [1]:				
Investments in associates	**-**	**-**	**21.5**	**21.5**
Disposal of associates	**-**	**-**	**(37.1)**	**(37.1)**
Investments at fair value through profit or loss	**-**	**-**	**0.3**	**0.3**
Intangible assets	**-**	**0.1**	**-**	**0.1**
Segment assets and liabilities classified as held for sale				
Equity accounted investments	**-**	**1.5**	**397.2**	**398.7**
Other segment assets	**-**	**40.5**	**-**	**40.5**
Segment liabilities	**-**	**31.2**	**-**	**31.2**

(1) For additions to investment property, forming part of the Investment portfolio segment, refer to note 8.

Notes to the Financial Statements

For the year ended 30 June 2024

2023	Investment portfolio $M	Funds and asset management $M	Co-investments $M	Cromwell $M
Segment assets	2,719.2	153.3	1,343.2	4,215.7
Segment liabilities	1,349.0	53.1	601.4	2,003.5
Segment net assets	1,370.2	100.2	741.8	2,212.2
Other segment information				
Equity accounted investments	-	21.0	641.2	662.2
Acquisition / (disposal) of non-current segment assets [(1)]:				
Investments in associates	-	0.9	3.8	4.7
Investments at fair value through profit or loss	-	-	1.8	1.8
Intangible assets	-	0.1	-	0.1

(1) For additions to investment property, forming part of the Investment portfolio segment, refer to note 8.

f) Other segment information

Geographic information

Cromwell has operations in four distinct geographical markets. These are Australia through the Cromwell Property Group and the Australian funds it manages, United Kingdom and Europe through its European business (including the property portfolio in Poland), Asia through its investment in the Singapore-listed CEREIT and New Zealand through its Oyster Property Funds Limited joint venture.

Non-current assets for the purpose of the disclosure below include investment property, equity accounted investments and investments at fair value through profit or loss.

	Revenue from external customers		Non-current operating assets	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Geographic location				
Australia	**235.4**	252.6	**2,276.7**	2,655.5
United Kingdom and Europe	**134.3**	147.1	**-**	625.5
Asia	**46.4**	47.8	**-**	590.1
New Zealand	**0.6**	(0.9)	**15.1**	15.4
Total	**416.7**	446.6	**2,291.8**	3,886.5

Major customers

Major customers of Cromwell that account for more than 10% of Cromwell's segmental revenue are listed below. All of these customers form part of the Investment portfolio segment.

	2024 $M	2023 $M
Major customer		
Commonwealth of Australia	**44.3**	42.7
Qantas Airways Limited	**35.6**	35.4
Queensland State Government [(1)]	**20.8**	18.9
New South Wales State Government	**19.5**	22.3
Total income from major customers	**120.2**	119.3

(1) In the 2023 financial year the Queensland State Government fell below the 10% threshold for becoming a major customer, however the comparative data has been included to provide an accurate comparison of the change in major customers.

g) Accounting policy

Segment allocation

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. While most of these assets can be directly attributable to individual segments, the carrying amounts of certain assets used jointly by segments are allocated based on reasonable estimates of usage.

Property expenses and outgoings which include rates, taxes and other property outgoings and other expenses are recognised on an accruals basis.

EBIT

Earnings Before Interest, Tax, (EBIT) is a measure of financial performance and is used as an alternative to operating profit or statutory profit.

Segment profit

Segment profit, internally referred to as operating profit, is based on income and expenses excluding adjustments for unrealised fair value adjustments and write downs, gains or losses on all sale of investment properties and certain other non-cash income and expense items.

3. Earnings per security

a) Overview

Earnings per security (EPS) is a measure that makes it easier for users of Cromwell's financial report to compare Cromwell's performance between different reporting periods. Accounting standards require the disclosure of basic EPS and diluted EPS. Basic EPS information provides a measure of interests of each ordinary issued security of the parent entity in the performance of the entity over the reporting period. Diluted EPS information provides the same information but takes into account the effect of all dilutive potential ordinary securities outstanding during the period, such as Cromwell's performance rights.

b) Earnings per stapled security / trust unit

	Cromwell		Company		Trust	
	2024	2023	**2024**	2023	**2024**	2023
Basic earnings per security (cents)	**(20.30)**	(16.95)	**0.36**	(0.19)	**(20.66)**	(16.76)
From continuing operations	**(10.70)**	(8.44)	**0.70**	(0.02)	**(11.40)**	(8.42)
From discontinued operations	**(9.60)**	(8.51)	**(0.34)**	(0.17)	**(9.26)**	(8.34)
Diluted earnings per security (cents)	**(20.22)**	(16.90)	**0.36**	(0.19)	**(20.58)**	(16.71)
From continuing operations	**(10.66)**	(8.42)	**0.70**	(0.02)	**(11.36)**	(8.40)
From discontinued operations	**(9.56)**	(8.48)	**(0.34)**	(0.17)	**(9.22)**	(8.31)
Earnings used to calculate basic and diluted earnings per security:						
(Loss) / profit for the year attributable to securityholders ($M)	**(531.6)**	(443.8)	**9.5**	(5.1)	**(541.1)**	(438.7)
(Loss) / profit from continuing operations	**(280.3)**	(221.1)	**18.4**	(0.6)	**(298.7)**	(220.5)
(Loss) / profit from discontinuing operations	**(251.3)**	(222.7)	**(8.9)**	(4.5)	**(242.4)**	(218.2)
Weighted average number of securities used in calculating basic and diluted earnings per security:						
Weighted average number of securities used in calculating basic earnings per security (millions)	**2,618.9**	2,618.9	**2,618.9**	2,618.9	**2,618.9**	2,618.9
Effect of performance rights on issue (millions)	**10.2**	7.6	**10.2**	7.6	**10.2**	7.6
Weighted average number of securities used in calculating diluted earnings per security (millions)	**2,629.1**	2,626.5	**2,629.1**	2,626.5	**2,629.1**	2,626.5

c) Information in relation to the classification of securities

Performance rights

Performance rights granted under Cromwell's Performance Rights Plan are considered to be potential ordinary stapled securities and have been included in the determination of diluted earnings per stapled security to the extent to which they are dilutive. The performance rights have not been included in the determination of basic earnings per stapled security.

d) Accounting policy

Basic earnings per security

Basic earnings per security is calculated by dividing profit attributable to security holders of the Company / Trust / Cromwell, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary securities outstanding during the financial year, adjusted for bonus elements in ordinary securities issued during the year.

Diluted earnings per security

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

4. Distributions

a) Overview

Cromwell's objective is to generate sustainable returns for our securityholders, including stable annual distributions. When determining distribution rates Cromwell's board considers a number of factors, including forecast earnings, anticipated capital and lease incentive expenditure requirements over the next three to five years and expected economic conditions.

Distributions paid / payable by Cromwell and the Trust during the year were as follows:

2024	2023	**2024 cents**	2023 cents	**2024 $M**	2023 $M
17 November 2023	18 November 2022	**0.8300¢**	1.3750¢	**21.7**	36.0
16 February 2024	17 February 2023	**0.7500¢**	1.3750¢	**19.6**	36.0
17 May 2024	19 May 2023	**0.7500¢**	1.3750¢	**19.6**	36.0
16 August 2024	18 August 2023	**0.7500¢**	1.3750¢	**19.6**	36.0
Total		**3.0800¢**	5.5000¢	**80.5**	144.0

There were no dividends paid or payable by the Company in respect of the 2024 and 2023 financial years. All of Cromwell's and the Trust's distributions are unfranked.

b) Franking credits

Currently, Cromwell's distributions are paid from the Trust. Franking credits are only available for future dividends paid by the Company as well as the subsidiary companies of the Trust. The Company's franking account balance as at 30 June 2024 is $14,544,600 (2023: $14,418,100). The Trust's subsidiary companies' aggregated franking account balance as at 30 June 2024 is $862,300 (2023: $867,400).

5. Revenue

a) Overview

Cromwell derives revenue from its three main business activities / operating segments (described in note 2). These revenue sources and the revenue items relating to them are as follows:

Investment portfolio:	This involves the ownership of investment properties located in Australia. These properties are held for long term investment purposes and primarily contribute net rental income and associated cash flows to results.
Funds and asset management:	Fund management represents activities in relation to the establishment and management of external funds for institutional and retail investors. Asset management includes property and facility management, leasing and project management and development related activities. These activities are carried out by Cromwell itself and by associates and contributes related fee revenues or the relevant share of profit of each investee to consolidated results.
Co-investments:	This activity includes Cromwell's investments in assets it may not fully own or over which it cannot exercise unilateral control. This includes interests in investment property portfolios in Poland (CPRF) and Italy (CIULF), the Cromwell European Real Estate Investment Trust (CEREIT), and other investment vehicles. This activity contributes rental income and the relevant share of profit of each investee to the consolidated results.

The table below presents information about revenue items recognised from contracts with customers and other sources:

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Rental income – lease components	**149.2**	158.1	**149.2**	157.8
Recoverable outgoings – non-lease components	**22.7**	27.3	**22.0**	25.7
Rental income and recoverable outgoings	**171.9**	185.4	**171.2**	183.5
Other revenue from contracts with customers:				
Fund and asset management fees	**15.8**	16.8	**-**	-
Total revenue	**187.7**	202.2	**171.2**	183.5
Other revenue items recognised:				
Interest	**4.6**	13.6	**3.9**	10.3
Distributions	**0.9**	2.4	**0.9**	1.0
Other revenue	**0.3**	0.2	**-**	0.2
Total other revenue	**5.8**	16.2	**4.8**	11.5
Total revenue	**193.5**	218.4	**176.0**	195.0

Notes to the Financial Statements

For the year ended 30 June 2024

b) Disaggregation of revenue from contracts with customers

The table below presents information about the disaggregation of revenue items from Cromwell's contracts with relevant customers:

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Recoverable outgoings – non-lease components:				
Recoverable outgoings [(1)]	**14.1**	15.9	**14.0**	15.9
Cost recoveries [(2)]	**8.6**	11.4	**8.0**	9.8
Total rental income and recoverable outgoings – non-lease components	**22.7**	27.3	**22.0**	25.7
Fund and asset management fees:				
Fund and asset management fees [(1)]	**8.7**	10.5	**-**	-
Performance fees [(2)]	**1.3**	-	**-**	-
Asset acquisition and sale fees [(2)]	**-**	-	**-**	-
Project management fees [(1)]	**1.1**	1.4	**-**	-
Leasing fees [(2)]	**1.9**	2.0	**-**	-
Property management fees [(1)]	**2.8**	2.9	**-**	-
Total fund and asset management fees	**15.8**	16.8	**-**	-
Total revenue from contracts with customers	**38.5**	44.1	**22.0**	25.7
Timing of recognition of revenue items				
Recognised over time	**26.7**	30.7	**14.0**	15.9
Recognised at point in time	**11.8**	13.4	**8.0**	9.8
Total revenue from contracts with customers	**38.5**	44.1	**22.0**	25.7

(1) Revenue recognised over time.
(2) Revenue recognised at point in time.

c) Accounting policies

Rental income and recoverable outgoings

Rental income and recoverable outgoings comprises rental income from tenants under operating leases of investment properties and amounts charged to tenants for property outgoings such rates, levies, utilities, cleaning etc.

Rental income is recognised on a straight-line basis over the lease term. Lease incentives granted are considered an integral part of the total rental income and are recognised as a reduction in rental income over the term of the lease, on a straight-line basis. Amounts charged for outgoings to tenants are expense recoveries and is recognised upon incurring the expense.

Fund and asset management fees

Revenue from management services is measured based on the consideration specified in the contract with the customer and recognised when control over the service is transferred to the customer. Fee income derived from investment management and property services is recognised progressively as the services are provided.

Asset acquisition and disposal, project management and leasing fees are recognised upon completion of the service when the customer derives the benefit from the service.

Performance fee income is recognised progressively as the services are provided but only when the revenue can be reliably measured, and it becomes highly probably that there will be no significant reversal of revenue in future. Performance fees are generally dependent on certain performance obligation specified in the contract with the customer in respect of the management of the customer's assets or the outcome of transactions on behalf of customers.

Development sales and fees

Development sales comprises income from the disposal of property inventories. Revenue is recognised at the point in time that control of the asset has been transferred to the customer, generally upon legal settlement date.

Development management fees are derived from the provision of development management services. Revenue is recognised over time as the service is performed.

Unearned income

Payments from tenants and customers in relation to future periods, which are not due and payable are recognised as unearned income in the Balance Sheet.

Interest revenue

Interest revenue is recognised as it accrues using the effective interest method. Interest revenue is predominately earned from financial assets including cash and loan receivables.

Distributions

Revenue from distributions is earned from investments and is recognised when the right to receipt is established.

d) Critical accounting estimates and judgements

Performance fees

Cromwell exercises judgement in estimating the amount of variable consideration it will be entitled to under the relevant contract and constrains the amount of revenue recognised to the amount that is considered highly probable will not result in a significant reversal. Variable consideration is assessed at each reporting period to account for any changes in circumstances.

Expected credit losses

Poland – Cromwell and the Trust have chosen to recognise an expected credit loss provision at 30 June 2024 of €1.4 million ($2.3 million) at balance date (June 2023: €1.1 million ($1.8 million)).

6. Employee benefits, administrative, finance and other expenses

This note provides further details about Cromwell's other operating business expenses, including Cromwell's employee benefits expenses and its components as well as items included in administrative and other expenses and finance costs.

a) Employee benefits expense

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Salaries and wages, including bonuses and on-costs	**26.7**	26.7	**-**	-
Directors fees	**1.4**	1.5	**-**	-
Contributions to defined contribution superannuation plans	**2.3**	2.2	**-**	-
Security-based payments	**-**	0.5	**-**	-
Restructure costs	**0.8**	0.9	**-**	-
Other employee benefits expense	**0.5**	0.6	**-**	-
Total employee benefits expense	**31.7**	32.4	**-**	-

b) Administrative and other expenses

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Audit, taxation and other professional fees	**2.3**	3.2	**2.8**	3.1
Administrative and overhead costs	**10.8**	13.1	**0.2**	-
Fund administration costs	**-**	-	**16.2**	20.3
Amortisation and depreciation	**2.4**	2.8	**-**	-
Other	**-**	0.1	**-**	-
Total administrative and other expenses	**15.5**	19.2	**19.2**	23.4

c) Finance costs

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Interest on borrowings (1)	**72.3**	67.4	**72.3**	67.4
Interest on lease liabilities	**0.1**	0.1	**-**	-
Amortisation of loan transaction costs	**2.0**	5.5	**2.0**	5.6
Total finance costs	**74.4**	73.0	**74.3**	73.0

(1) Interest on borrowings includes interest expense on borrowings of $98.3 million offset by interest received on interest rate derivatives of $27.2 million (2023: interest expense on borrowings of $80.9 million offset by interest received on interest rate derivatives of $14.8 million).

d) Accounting policies

Salaries, wages and other short-term employee benefits obligations

Salaries, wages, including non-monetary benefits, and annual leave where there is no unconditional right to defer settlement in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Bonuses

A liability is recognised for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Superannuation

Contributions are made to defined contribution superannuation funds and expensed as they become payable.

Other long-term employee benefits obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using relevant discount rates at the end of the reporting period that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Security-based payments

Security-based compensation benefits are provided to employees via Cromwell's Performance Rights Plan (PRP). Further information about the PRP is set out in note 23.

The fair value of options and performance rights granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options or performance rights. The fair value at grant date is determined using a pricing model that takes into account the exercise price, the term, the security price at grant date and expected price volatility of the underlying security, the expected distribution yield and the risk-free interest rate for the term.

The fair value of the options or performance rights granted is adjusted to reflect the probability of market vesting conditions being met, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options or performance rights that are expected to become exercisable. At each balance date, Cromwell revises its estimate of the number of options or performance rights that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in profit or loss with a corresponding adjustment to equity.

Finance costs

Information about Cromwell's exposure to interest rate changes is provided in note 14(e).

7. Income tax

a) Overview

Income tax expense comprises current and deferred tax expense. Current tax expense is the income tax payable on expected taxable income for the financial year and adjustments to tax payable in respect of previous financial years. Deferred tax expense is the result of different income and expense recognition principles between accounting standards and tax laws and represents the future tax consequences of recovering or settling the carrying amount of an asset or liability. Deferred tax liabilities are recognised for all taxable temporary differences whereas deferred tax assets are recognised for all deductible temporary differences and unused tax losses.

Taxation of the Trust

Cromwell made an election for the Trust and its sub-Trusts to be Attribution Managed Investment Trusts (AMITs) for the year ended 30 June 2017 and future years. Under current Australian income tax legislation, the Trust and its sub-Trusts are not liable for income tax on their taxable income (including assessable realised capital gains) provided the trusts meet the legislative requirements of the AMIT regime, which were met in the current financial year. However, the Trust also controls a number of corporate entities that are subject to income tax. Income tax shown for the Trust represents taxation of those corporate entities.

b) Income tax expense

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Current tax expense	**1.3**	0.9	**1.1**	0.9
Deferred tax expense / (benefit)	**0.1**	(9.6)	**0.1**	(9.3)
Adjustment in relation to prior periods – current tax	**-**	(0.1)	**-**	-
Adjustment in relation to prior periods – deferred tax	**-**	(2.0)	**-**	(2.2)
Income tax expense / (benefit)	**1.4**	(10.8)	**1.2**	(10.6)
Deferred tax expense / (benefit)				
Decrease / (increase) in deferred tax assets	**-**	(0.1)	**-**	-
Increase / (decrease) in deferred tax liabilities	**0.1**	(11.5)	**0.1**	(11.5)
Total deferred tax expense / (benefit)	**0.1**	(11.6)	**0.1**	(11.5)

c) Reconciliation between income tax expense / (benefit) and loss before income tax

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Loss before income tax	**(278.9)**	(231.9)	**(297.5)**	(231.1)
Tax at Australian tax rate of 30% (2023: 30%)	**(83.7)**	(69.5)	**(89.3)**	(69.3)
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:				
Trust income	**84.6**	62.3	**84.6**	62.3
Fair value movements (not assessable) / not deductible	**(3.0)**	(0.4)	**1.6**	(0.4)
Net non-deductible expenses	**3.9**	2.8	**2.2**	1.2
Movement in tax losses and capital losses recognised	**(0.6)**	(2.2)	**-**	-
Movement in deferred tax assets derecognised / (recognised)	**0.2**	(1.7)	**2.1**	(2.2)
Adjustment in relation to prior periods	**-**	(2.1)	**-**	(2.2)
Income tax expense / (benefit)	**1.4**	(10.8)	**1.2**	(10.6)

d) Deferred tax

(i) Deferred tax assets	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Deferred tax assets are attributable to:				
Investment properties	**-**	1.6	**-**	1.6
Transaction costs and sundry items	**0.1**	0.4	**0.1**	0.4
Unrealised foreign currency (gains) / losses	**-**	(0.5)	**-**	(0.5)
Tax losses recognised	**-**	0.2	**-**	0.2
Total deferred tax assets	**0.1**	1.7	**0.1**	1.7
Movements:				
Balance at 1 July	**1.7**	0.8	**1.7**	0.8
(Charged) / credited to profit or loss – continuing operations	**-**	0.3	**-**	-
(Charged) / credited to profit or loss – discontinued operations	**(1.6)**	0.6	**(1.6)**	0.8
Adjustment in relation to prior periods	**-**	(0.2)	**-**	-
Other movements	**-**	0.2	**-**	0.1
Balance at 30 June	**0.1**	1.7	**0.1**	1.7

(ii) Unrecognised deferred tax assets	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Deferred tax assets have not been recognised in respect of the following items:				
Employee benefits	**2.6**	2.5	**-**	-
Impairment of investments in subsidiaries	**15.5**	69.3	**15.5**	68.8
Unrealised foreign exchange losses	**3.0**	3.4	**1.3**	-
Derivatives	**(0.3)**	-	**-**	-
Borrowing costs	**0.1**	-	**0.1**	-
Tax losses	**221.7**	82.6	**159.7**	34.3
Other items	**4.2**	2.1	**3.1**	0.2
Total deferred tax assets not recognised	**246.8**	159.9	**179.7**	103.3

(iii) Tax losses by year of expiration	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
The gross amount of tax losses carried forward that have not been recognised by their expiration date is as follows:				
Not later than one year	**19.1**	0.2	**19.1**	0.2
Later than one year and not later than three years	**17.1**	27.8	**17.1**	27.8
Later than three years and not later than six years	**127.1**	25.9	**127.1**	25.9
Later than six years and not later than seventeen years	**35.1**	30.8	**35.1**	30.8
Unlimited	**631.2**	237.4	**410.6**	65.8
Gross amount of tax losses not recognised	**829.6**	322.1	**609.0**	150.5
Tax effect of total losses not recognised	**221.7**	82.6	**159.7**	34.3

(iv) Deferred tax liabilities	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Deferred tax liabilities are attributable to:				
Interests in managed investment schemes	**-**	0.5	**-**	0.1
Accrued income	**-**	0.8	**-**	0.8
Tax losses recognised	**-**	(0.1)	**-**	-
Transactions costs and other items	**0.1**	(0.5)	**0.1**	(0.2)
Total deferred tax liabilities	**0.1**	0.7	**0.1**	0.7
Movements:				
Balance at 1 July	**0.7**	12.2	**0.7**	12.1
(Charged) / credited to profit or loss – continuing operations	**0.1**	(9.3)	**0.1**	(9.3)
(Charged) / credited to profit or loss – discontinued operations	**(0.7)**	(1.2)	**(0.7)**	(1.0)
Adjustment in relation to prior periods	**-**	(2.2)	**-**	(2.2)
Other movements	**-**	1.2	**-**	1.1
Balance at 30 June	**0.1**	0.7	**0.1**	0.7

e) Accounting policy

Income tax

Cromwell's income tax expense for the period is the tax payable on the current period's taxable income adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

Deferred tax is not recognised for the recognition of goodwill on business combinations and for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax balances attributable to amounts recognised in other comprehensive income or directly in equity are also recognised in other comprehensive income or directly in equity.

Tax consolidation

The Company and its wholly-owned entities (this excludes the Trust and its controlled entities and foreign entities controlled by the Company) have formed a tax-consolidated group and are taxed as a single entity. The head entity within the tax-consolidated group is Cromwell Corporation Limited. The head entity, in conjunction with other members of the tax-consolidated group, has entered into a tax funding arrangement, which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. The head entity, in conjunction with other members of the tax-consolidated group, has also entered into a tax sharing agreement.

OPERATING ASSETS

This section of the annual financial report provides further information on Cromwell's and the Trust's operating assets. These are assets that individually contribute to Cromwell's revenue and include investment properties, equity accounted investments and investments at fair value through profit or loss.

8. Investment properties

a) Overview

Investment properties are land, buildings or both held solely for the purpose of earning rental income and / or for capital appreciation. This note provides a detailed overview of Cromwell's investment property portfolio, including details of movements during the financial year.

b) Movements in investment properties

A reconciliation of the carrying amounts of investment properties at the beginning and the end of the financial year is set out below.

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Balance at 1 July	**3,098.2**	3,740.0	**3,098.2**	3,740.0
Capital works:				
Property improvements	**4.6**	10.9	**4.6**	10.9
Lifecycle	**7.9**	12.1	**7.9**	12.1
Disposals	**-**	(32.8)	**-**	(32.8)
Reclassified to held for sale	**(511.8)**	(189.8)	**(511.8)**	(189.8)
Unpaid lease incentives (1)	**(25.8)**	-	**(25.8)**	-
Straight-line lease income	**2.4**	7.4	**2.4**	7.4
Lease costs and incentive costs	**31.8**	14.1	**31.8**	14.1
Amortisation (2)	**(29.0)**	(27.9)	**(29.0)**	(27.9)
Net loss from fair value adjustments (3)	**(359.9)**	(491.6)	**(359.9)**	(491.6)
Foreign exchange differences	**(6.4)**	55.8	**(6.4)**	55.8
Balance at 30 June	**2,212.0**	3,098.2	**2,212.0**	3,098.2

(1) Lease incentives payable were previously categorised as a liability and have been reclassified to assets to form a net investment property balance as at 30 June 2024.
(2) Pertains to the amortisation of lease costs, lease incentive costs and right-of-use assets.
(3) Refer to note 8(f) for further details.

c) Investment properties sold / reclassified as held for sale

During the current year the Trust sold 2-6 Station Street, Penrith NSW for $47.1 million. At 30 June 2023 it was classified as held for sale for $45.3 million.

In April 2024, the Trust completed the sale of Tuggeranong Office Park, Tuggeranong ACT for $17.5 million after having been transferred to held for sale during the year.

The Polish Retail Portfolio of six investment properties with a carrying value of $467.1 million (€ 285.0 million), including the associated right of use asset, was transferred to held for sale during the year. The sale of the properties completed in May 2024 with final completion adjustments and lease related retentions to be finalised in the 2025 financial year.

As a result of actively marketing 243 Northbourne Avenue, Lyneham ACT, the investment property was classified as held for sale for $27.2 million during the year. The sale completed in June 2024 for the contracted price of $27.2 million.

During the 2023 financial year the Trust disposed of the following properties: 84 Crown Street, Wollongong, NSW for $53.0 million; and 117 Bull Street, Newcastle, NSW for $33.4 million. In addition, the Italian portfolio of 7 investment properties was transferred to held for sale on 30 June 2023 for $91.5 million (€55.8 million) as part of Cromwell divesting 50% of the Cromwell Italy Urban Logistics Fund (CIULF) and entering into a partnership with Value Partners.

d) Investment properties reclassified as inventory

During the 2022 financial year Cromwell reclassified the investment property at 19 National Circuit, Barton, ACT as an inventory asset. This is due to its intended redevelopment for future sale. To facilitate this ownership, the asset was transferred from the Trust to the Cromwell Development Trust (a subsidiary of Cromwell Corporation Limited) for a contract price of $10.0 million. Costs totalling $7.4 million (2023: $6.5 million) were incurred from the date the asset was classified as Inventory to 30 June 2024, with the Inventory carrying amount totalling $17.4 million at 30 June 2024 (30 June 2023: $16.5 million).

e) Details of Cromwell's investment property portfolio

				Independent valuation		Carrying amount	
	Ownership	Title	Asset class	Date	Amount $M	**2024 $M**	2023 $M
Australia							
400 George Street, Brisbane QLD [1]	100%	Freehold	Office	Jun-24	394.5	**394.5**	480.0
HQ North, Fortitude Valley QLD	100%	Freehold	Office	Jun-24	217.0	**217.0**	217.5
203 Coward Street, Mascot NSW	100%	Freehold	Office	Jun-24	470.0	**470.0**	520.0
2-24 Rawson Place, Sydney NSW	100%	Freehold	Office	Jun-24	260.0	**260.0**	292.0
207 Kent Street, Sydney NSW	100%	Freehold	Office	Jun-24	250.0	**250.0**	289.0
475 Victoria Avenue, Chatswood NSW	50%	Freehold	Office	Jun-24	107.0	**107.0**	134.0
243 Northbourne Avenue, Lyneham ACT	100%	Leasehold	Office	N/A	-	**-**	33.8
Soward Way, Greenway ACT	100%	Leasehold	Office	Jun-24	260.0	**260.0**	300.2
Tuggeranong Office Park, Tuggeranong ACT	100%	Leasehold	Land	N/A	-	**-**	17.5
700 Collins Street, Melbourne VIC	100%	Freehold	Office	Jun-24	253.5	**253.5**	300.1
Total Australian Portfolio					2,212.0	**2,212.0**	2,584.1
***Poland Portfolio* [2]**				N/A	-	**-**	508.1
Total – investment property portfolio					2,212.0	**2,212.0**	3,092.2
Add: Right-of-use assets – Polish leasehold properties					-	**-**	6.0
Total – investment properties					2,212.0	**2,212.0**	3,098.2

(1) In the 2024 financial year, 400 George Street, Brisbane QLD was shown as a net valuation (inclusive of lease incentive liabilities) compared to 30 June 2023 where the investment property was shown as a gross valuation excluding lease incentive liabilities of $20.0m which were recorded as a liability.

(2) Refer to note 8(c) above for details on the Poland Portfolio.

f) Critical accounting estimates - Revaluation of investment property portfolio

Cromwell's investment properties, with an aggregate carrying amount of $2,212.0 million (2023: $3,098.2 million) represent a significant balance on Cromwell's and the Trust's Balance Sheets. Investment properties are measured at fair value (for accounting purposes) using valuation methods that utilise inputs based upon estimates.

All property valuations utilise valuation models based on discounted cash flow ("DCF") models or income capitalisation models (or a combination of both) supported by recent market sales evidence. Refer to note 8(g) below for further information in relation to the valuation of investment properties which utilise valuation models to derive fair value.

Australian portfolio

At balance date the adopted valuations for all 8 of Cromwell's Australian investment properties are based on independent external valuations representing 100.0**%** of the value of the portfolio. Cromwell's valuation policy requires all properties (other than land only) to be valued by an independent professionally qualified valuer with a recognised relevant professional qualification at least once every two years.

Global economic impacts on property valuations

For the year ended 30 June 2024 Cromwell's approach to property valuations was substantially consistent with prior years, being in accordance with the established Valuations policy, but with an added emphasis in relation global economic impacts (such as global geopolitical instability and tightened monetary policy) upon inputs relevant to the valuation model for each property.

The table below shows the revaluation losses for each portfolio.

	Cromwell	
	2024 $M	2023 $M
Australia	**(315.1)**	(272.1)
Total revaluation loss from continuing operations	**(315.1)**	(272.1)
Poland	**(44.8)**	(212.6)
Italy	**-**	(6.9)
Total revaluation loss from discontinued operations	**(44.8)**	(219.5)
Total revaluation loss	**(359.9)**	(491.6)

g) Fair value measurement

As noted below in Cromwell's accounting policy, investment properties are measured at fair value. The fair value of Cromwell's investment properties is determined using property valuation models that rely on the use of inputs that are not based on readily observable market data. Such valuation methods for determining fair value are called level 3 fair value measurements. These valuation methods and inputs are described in more detail below.

Valuation methodologies

Income capitalisation method	This method involves assessing the total net market income receivable from the property and capitalising this perpetually, using an appropriate, market derived capitalisation rate, to derive a capital value, with allowances for capital expenditure reversions such as lease incentives and required capital works payable in the near future and overs / unders when comparing market rent with passing rent.
DCF method	Under the DCF method, a property's fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit terminal value. The DCF method involves the projection of expected cash flows from a real property asset over a period of time (generally five years) discounted to present value using an appropriate discount rate. An exit terminal value is added to the present value of the property cash flows using an appropriate terminal yield, to derive the value of the property.

Both methods require the determination of net market rent for a particular property, being the income capitalised or used to determine the present value of cash flows from the properties.

Unobservable inputs

Annual net property income	Annual net property income is the contracted amount for which the property space is leased. In the net property income, the property owner recovers outgoings from the tenant.
Capitalisation rate	The rate at which net market income is capitalised to determine the value of the property. The rate is determined with regard to market evidence (and the prior external valuation for internal valuations).
Discount rate	The rate of return used to convert a monetary sum, payable or receivable in the future, into present value. It reflects the opportunity cost of capital, that is, the rate of return the capital can earn if put to other uses having similar risk. The rate is determined with regard to market evidence (and the prior external valuation for internal valuations).
Terminal yield	The capitalisation rate used to estimate the residual value of the cash flows associated with the investment property at the end of the expected holding period.

Changes in these unobservable inputs have the following impact on the valuation of the properties:

Inputs	Impact of increase in input on fair value	Impact of decrease in input on fair value
Annual net property income	Increase	Decrease
Capitalisation rate	Decrease	Increase
Discount rate	Decrease	Increase
Terminal yield	Decrease	Increase

Notes to the Financial Statements

For the year ended 30 June 2024

Range and weighted average of unobservable inputs used in the valuation methods to determine the fair value of Cromwell's investment properties in the current and prior year are as follows:

	Annual net property income ($M)		Capitalisation rate (%)		Discount rate (%)		Terminal yield (%)	
	Range	Weighted average	Range	Weighted average	Range	Weighted average	Range	Weighted average
2024								
Australia [1]	**9.1 – 33.5**	**23.3**	**6.0 - 7.4**	**6.6**	**7.0 – 8.0**	**7.4**	**6.3 – 7.6**	**6.9**
Portfolio	**9.1 – 33.5**	**23.3**	**6.0 - 7.4**	**6.6**	**7.0 – 8.0**	**7.4**	**6.3 – 7.6**	**6.9**
2023								
Australia [1]	3.0 – 29.8	21.5	5.1 - 7.5	5.7	6.0 – 7.8	6.3	5.6 – 7.8	6.1
Poland [2]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio	3.0 – 29.8	21.5	5.1 – 7.5	5.7	6.0 – 7.8	6.3	5.6 – 7.8	6.1

(1) DCF models / income capitalisation models (and unobservable inputs therein) are not applied in certain cases (e.g. held for sale assets, vacant assets, etc) where this is not considered an appropriate method of valuation for the particular asset.
(2) The Polish portfolio of investment properties were valued using a non-binding offer price instead of independent external valuations for the year ended 30 June 2023.

Sensitivity analysis

Significant judgement is required when assessing the fair value of investment property, especially in the current global economic environment. Owing to this significant judgement, a sensitivity analysis is included below. The sensitivity analysis shows the impact on the carrying values of directly held investment properties of an increase or decrease of 0.50% on the capitalisation rate, discount rate and terminal yields as at 30 June 2024.

	Cromwell	
	2024 $M	**2024 $M**
	0.50%	**(0.50%)**
Australian portfolio	**(197.1)**	**206.0**
Total	**(197.1)**	**206.0**

h) Non-cancellable operating lease receivable from investment property tenants

The table below reflects the gross property income, excluding recoverable outgoings and lease incentives, based on existing lease agreements. It assumes that leases will not be extended by tenants beyond the current lease period, even if the lease contains options for lease extensions by tenants.

Australian Portfolio (Continuing operations)	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Within one year	**169.9**	167.7	**169.9**	167.7
Later than one year but not later than five years	**471.6**	507.1	**471.6**	507.1
Later than five years	**271.8**	317.2	**271.8**	317.2
Total non-cancellable operating lease receivable from investment property tenants related to the Australian Portfolio	**913.3**	992.0	**913.3**	992.0

Poland Portfolio (Discontinued operations)	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Within one year	**-**	48.5	**-**	48.5
Later than one year but not later than five years	**-**	113.3	**-**	113.3
Later than five years	**-**	40.9	**-**	40.9
Total non-cancellable operating lease receivable from investment property tenants related to the Poland Portfolio	**-**	202.7	**-**	202.7

i) Accounting policy

Investment properties

Investment properties are initially measured at cost including transaction costs and subsequently measured at fair value, with any change therein recognised in profit or loss.

Fair value is based upon active market prices, given the assets' highest and best use, adjusted if necessary, for any difference in the nature, location or condition of the relevant asset. If this information is not available, Cromwell uses alternative valuation methods such as discounted cash flow projections and / or the capitalised earnings approach. The highest and best use of an investment property refers to the use of the investment property by market participants that would maximise the value of that investment property.

The carrying value of the investment property includes components relating to lease incentives and other items relating to the maintenance of, or increases in, lease rentals in future periods.

Investment properties under construction are classified as investment property and carried at fair value. Finance costs incurred on investment properties under construction are included in the construction costs.

Lease incentives

Lessees may be offered incentives as an inducement to enter into non-cancellable operating leases. These incentives may take various forms including up-front cash payments, rent free periods, rental abatements over the period or a contribution to certain lessee costs such as fit out costs or relocation costs. They are recognised as an asset in the Balance Sheet as a component of the carrying amount of investment property and amortised over the lease period as a reduction of rental income.

Initial direct leasing costs

Initial direct leasing costs incurred by Cromwell in negotiating and arranging operating leases are recognised as an asset in the Balance Sheet as a component of the carrying amount of investment property and are amortised as an expense on a straight-line basis over the lease term.

9. Equity accounted investments

a) Overview

This note provides an overview and detailed financial information of Cromwell's and the Trust's investments that are accounted for using the equity method of accounting. These include joint arrangements where Cromwell or the Trust have joint control over an investee together with one or more joint venture partners (these can take the form of either joint arrangements or joint ventures depending upon the contractual rights and obligations of each party) and investments in associates, which are entities over which Cromwell is presumed to have significant influence but not control or joint control by virtue of holding 20% or more of the associates' issued capital and voting rights, but less than 50%.

Cromwell's and the Trust's equity accounted investments are as follows:

	Cromwell				Trust			
	2024		2023		**2024**		2023	
	%	**$M**	%	$M	**%**	**$M**	%	$M
Equity accounted investments								
CEREIT	**-**	**-**	27.8	589.7	**-**	**-**	27.4	580.6
Ursynów	**-**	**-**	50.0	51.5	**-**	**-**	50.0	51.5
Others	**-**	**20.1**	-	21.0	**-**	**-**	-	-
Equity accounted investments	**-**	**20.1**	-	662.2	**-**	**-**	-	632.1

b) Details of associate

Cromwell European Real Estate Investment Trust

CEREIT is a real estate investment trust (REIT) listed on the mainboard of the Singapore Exchange (SGX) managed by Cromwell through its 100% owned subsidiary Cromwell EREIT Management Pte. Ltd. (the "Manager"). CEREIT invests in commercial property, mainly office and urban logistics, in western and central Europe with a current portfolio of 107 properties located in 10 European countries with an aggregate portfolio value of €2.2 billion ($3.6 billion). The Manager of CEREIT has its own majority independent board of directors acting solely in the interest of all CEREIT unitholders. As such, Cromwell and the Trust does not control CEREIT, however has significant influence by virtue of their unitholdings.

Cromwell entered into an agreement on 22 May 2024, to sell its investment in CEREIT as part of the European Fund Management Platform sale. On 22 May 2024, the investment was reclassified as held for sale at its sale price of €237.7 million (22 May 2024: $387.9 million). Prior to being reclassified as held for sale the investment was impaired by $146.7 million. Refer to note 20 for further details.

c) Details of joint ventures

Ursynów

Ursynów formed part of the Cromwell Polish Retail Fund (CPRF). Ursynów is a Polish company limited by shares that owns a single retail asset in Warsaw, Poland. During the period, Cromwell updated its Joint Venture implementation agreement with Unibail (URW) in regard to selling its interest in the Ursynów Joint Venture to its partner Unibail. The updated agreement provided for the calculation of the sale price for the shares held in the Joint Venture along with the repayment of the financing loan made by Cromwell during the 2022 financial year. The sale settled on 1 March 2024 with Cromwell receiving €23.8 million for its shares and a further €20.1 million for the repayment of the financing loan and outstanding interest.

Cromwell and the Trust reclassified the investment in the joint venture to held for sale at 31 December 2023. Prior to being reclassified as held for sale the investment was impaired by $13.9 million to the contract value of $36.9 million.

CIULF

Cromwell and the Trust sold 50% of the units in the Cromwell Italy Urban Logistics Fund (CIULF) in July 2023 to Value Partners, a Hong Kong based asset manager to create a joint venture. CIULF owns seven logistics properties which are fully leased to DHL and are used as security for their debt facilities. Both investors have equal participation rights in the supervisory board and all major decisions governing CIULF's relevant activities require unanimous consent, indicating joint control.

The initial investment, as shown in note 9(f) below, of $21.5 million was a result of 50% of the assets held for sale at 30 June 2023 of $93.1m less the liabilities associated with them of $49.4 million, adjusted for net profit for the month of July 2023.

Cromwell entered into an agreement on 22 May 2024, to sell its investment in CIULF as part of the European Fund Management Platform sale. On 22 May 2024, the investment was reclassified as held for sale at its sale price of €9.6 million (22 May 2024: $15.7 million). Prior to being reclassified as held for sale the investment was impaired by $8.0 million. Refer to note 20 for further details.

Other joint ventures and associates

Other equity accounted investments include Cromwell's investment in Oyster Property Funds Limited (Oyster) (50% interest, 2023: 50%), a New Zealand based fund and property manager which is jointly owned with six other shareholders, and Phoenix portfolio's (45% interest, 2023: 45%), an Australian based equity fund manager, and an investment in VAC Car Park Co. Pty Ltd (CARVAC) (50% interest, 2023: 50%), an Australian based company which operates the car park in Cromwell's Victoria Avenue Chatswood investment property.

In Europe, Cromwell has investments in Stirling Development Agency Limited (SDA) (50% interest, 2023: 50%) a UK based property developer and Redhouse Holdings Limited (Redhouse) (50% interest, 2023: 50%) a UK based property developer. These two European joint ventures were also classified as held for sale on 22 May 2024 at their carrying amount of $1.5 million as they form part of the European Fund Management Platform.

d) Accounting policy

Interests in associates and joint venture entities are accounted for in Cromwell's financial statements using the equity method. Cromwell's share of its associates and joint ventures' post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends or distributions receivable from associates and joint ventures are recognised in Cromwell's financial statements as a reduction of the carrying amount of the investment.

When Cromwell's share of losses in an associate or joint venture equals or exceeds its investment in the joint venture, including any other relevant unsecured receivables, Cromwell does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture. Unrealised gains on transactions between Cromwell its associates and joint ventures are eliminated to the extent of Cromwell's investment in the associate or joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

e) Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The judgements and assumptions regarding the investments in Cromwell European Real Estate Investment Trust (CEREIT) and CIULF are detailed below.

Cromwell European Real Estate Investment Trust

Cromwell and the Trust are considered to be able to exert significant influence, but not control, over the entity. This determination is pursuant to the assessment of control/significant influence and the consideration of key factors regarding the management of CEREIT as governed by Cromwell's Capital Markets Service Licence (as issued by the Monetary Authority of Singapore (MAS)) and the composition of the Board.

At 30 June 2024, Cromwell's investment in CEREIT has been valued to its contracted sale price. Refer to note 20 for further details.

CIULF

Cromwell and the Trust can only exercise joint control over the relevant decisions but not control over CIULF. This determination is pursuant to the assessment of control and the consideration of key factors regarding the management of CIULF, the composition of the Board and other relevant agreements and joint control over relevant decisions.

At 30 June 2024, Cromwell's investment in CIULF has been valued to its contracted sale price. Refer to note 20 for further details.

Notes to the Financial Statements

For the year ended 30 June 2024

f) Summarised financial information for joint ventures and equity accounted investments owned by Cromwell

	As at 30 June 2024 $M					As at 30 June 2023 $M			
	CEREIT (1)	**Ursynów (2)**	**CIULF (3)**	**Other**	**Total**	CEREIT	Ursynów	Other	Total
Summarised Balance Sheets:									
Cash and cash equivalents	**-**	**-**	**-**	**13.8**	**13.8**	230.3	10.3	6.3	246.9
Other current assets	**-**	**-**	**-**	**2.0**	**2.0**	187.2	0.4	13.2	200.8
Total current assets	**-**	**-**	**-**	**15.8**	**15.8**	417.5	10.7	19.5	447.7
Investment properties	**-**	**-**	**-**	**-**	**-**	3,769.9	163.6	-	3,933.5
Other non-current assets	**-**	**-**	**-**	**26.2**	**26.2**	47.1	0.5	26.0	73.6
Total non-current assets	**-**	**-**	**-**	**26.2**	**26.2**	3,817.0	164.1	26.0	4,007.1
Total assets	**-**	**-**	**-**	**42.0**	**42.0**	4,234.5	174.8	45.5	4,454.8
Financial liabilities	**-**	**-**	**-**	**8.1**	**8.1**	77.8	-	12.8	90.6
Other current liabilities	**-**	**-**	**-**	**0.3**	**0.3**	66.9	3.7	0.4	71.0
Total current liabilities	**-**	**-**	**-**	**8.4**	**8.4**	144.7	3.7	13.2	161.6
Financial liabilities	**-**	**-**	**-**	**1.8**	**1.8**	1,865.6	62.0	-	1,927.6
Other non-current liabilities	**-**	**-**	**-**	**0.6**	**0.6**	102.4	6.1	2.6	111.1
Total non-current liabilities	**-**	**-**	**-**	**2.4**	**2.4**	1,968.0	68.1	2.6	2,038.7
Total liabilities	**-**	**-**	**-**	**10.8**	**10.8**	2,112.7	71.8	15.8	2,200.3
Net assets	**-**	**-**	**-**	**31.2**	**31.2**	2,121.8	103.0	29.7	2,254.5
Carrying amount of investment:									
Cromwell's share of equity (%)	**0.0**	**0.0**	**0.0**	**-**	**-**	27.8	50.0	-	-
Cromwell's share of net assets	**-**	**-**	**-**	**13.5**	**13.5**	589.7	51.5	14.4	655.6
Goodwill	**-**	**-**	**-**	**6.6**	**6.6**	-	-	6.6	6.6
Carrying amount	**-**	**-**	**-**	**20.1**	**20.1**	589.7	51.5	21.0	662.2
Movement in carrying amounts:									
Opening balance at 1 July	**589.7**	**51.5**	**-**	**21.0**	**662.2**	600.0	50.8	19.9	670.7
Investment – net of loans from investees	**-**	**-**	**21.5**	**2.0**	**23.5**	-	3.8	1.1	4.9
Disposals	**(0.2)**	**-**	**-**	**-**	**(0.2)**	-	-	(0.2)	(0.2)
Share of profit / (loss) from continuing operations	**-**	**-**	**-**	**0.3**	**0.3**	-	-	(0.5)	(0.5)
Share of (loss) / profit from discontinued operations	**(12.1)**	**(0.4)**	**3.0**	**0.4**	**(9.1)**	(14.1)	(5.2)	1.3	(18.0)
Less: dividends / distributions received	**(40.7)**	**-**	**(0.7)**	**(2.0)**	**(43.4)**	(41.1)	-	(2.7)	(43.8)
Impairment	**(146.7)**	**(13.9)**	**(8.0)**	**-**	**(168.6)**	-	(1.9)	-	(1.9)
Reclassified as held for sale	**(387.9)**	**(36.9)**	**(15.7)**	**(1.5)**	**(442.0)**	-	-	-	-
Foreign exchange difference	**(2.1)**	**(0.3)**	**(0.1)**	**(0.1)**	**(2.6)**	44.9	4.0	2.1	51.0
Carrying amount at 30 June	**-**	**-**	**-**	**20.1**	**20.1**	589.7	51.5	21.0	662.2
Summarised statements of comprehensive income:									
Revenue	**328.1**	**7.8**	**8.2**	**28.4**	**375.3**	352.1	13.1	19.3	384.5
Expenses	**(369.7)**	**(8.6)**	**(2.2)**	**(16.2)**	**(399.5)**	(393.7)	(22.9)	(18.3)	(434.9)
Total comprehensive (loss) / profit	**(41.6)**	**(0.8)**	**6.0**	**12.2**	**(24.2)**	(41.6)	(9.8)	1.0	(50.4)
Share of (loss) / profit from continuing operations	**-**	**-**	**-**	**0.3**	**0.3**	-	-	(0.5)	(0.5)
Share of (loss) / profit from discontinued operations	**(12.1)**	**(0.4)**	**3.0**	**0.4**	**(9.1)**	(14.1)	(5.2)	1.3	(18.0)

(1) At year end Cromwell owned 27.8% of CEREIT, the Trust owned 27.4% (2023: 27.8% and 27.4% respectively), however the investment had been transferred to held for sale refer to note 20 for further details.
(2) At year end Cromwell and the Trust owned 0.0% of Ursynów (2023: 50.0%).
(3) At year end Cromwell and the Trust owned 50.0% of CIULF (2023: 0.0%), however the investment had been transferred to held for sale refer to note 20 for further details.

10. Investments at fair value through profit or loss

a) Overview

This note provides an overview and detailed financial information of Cromwell's investments that are classified as financial assets at fair value through profit or loss. Below is information about Cromwell's investments in unlisted property and share related trusts whereby Cromwell holds less than 20% of the issued capital in the investee. Such investments are classified as investments at fair value through profit or loss which are carried at fair value in the Balance Sheet with adjustments to the fair value recorded in profit or loss and include co-investments in European wholesale funds managed by Cromwell and any other relevant financial assets.

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Investment in Cromwell unlisted fund	**13.6**	17.7	**13.6**	17.7
Investment in wholesale funds [(1)]	**-**	2.9	**-**	-
Total investments at fair value through profit or loss	**13.6**	20.6	**13.6**	17.7

(1) Investment in wholesale funds represent co-investments made by the European business, forming part of the European Fund Management Platform and at 22 May 2024 were reclassified to held for sale at their carrying amount. Refer to note 20 for further details.

b) Accounting policy

Investments at fair value through profit or loss are financial assets held for trading which are acquired principally for the purpose of selling in the short term with the intention of making a profit. Financial assets at fair value through profit or loss also include financial assets which upon initial recognition are designated as such. These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange traded equity instruments and unlisted trusts.

At initial recognition, Cromwell measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit or Loss.

Subsequent to initial recognition, Cromwell continues to measure all equity investments at fair value. The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (e.g. for unlisted securities), Cromwell establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis and pricing models to reflect the issuer's specific circumstances.

Changes in the fair value of equity investments at fair value through profit or loss are recognised in the Statement of Profit or Loss as applicable.

For methods used to measure the fair value measurement of Cromwell's and the Trust's investments at fair value through profit or loss refer to note 14.

FINANCE AND CAPITAL STRUCTURE

This section of the annual financial report provides further information on Cromwell's and the Trust's capital that comprises debt and stapled securityholders' equity and reserves. The Board of Directors is responsible for Cromwell's capital management strategy. Capital management is an integral part of Cromwell’s risk management framework and seeks to safeguard Cromwell’s ability to continue as a going concern while maximising securityholder value through optimising the level and use of capital resources and the mix of debt and equity funding.

This section outlines the financial risks that Cromwell and the Trust are exposed to and how these risks are managed as part of Cromwell's capital management.

11. Interest bearing liabilities

a) Overview

Cromwell and the Trust borrow funds from financial institutions to partly fund the acquisition of income producing assets. The interest rate risk on a significant proportion of these borrowings is protected by the use of interest rate derivatives. This note provides information about Cromwell’s debt facilities, including maturity dates, security provided and facility limits.

	Cromwell				Trust			
	2024		2023		**2024**		2023	
	Limit $M	**Drawn $M**	Limit $M	Drawn $M	**Limit $M**	**Drawn $M**	Limit $M	Drawn $M
Current								
Unsecured								
Lease liabilities	**-**	**0.9**	-	5.2	**-**	**-**	-	0.4
Secured								
Polish Euro facilities	**-**	**-**	137.6	137.6	**-**	**-**	137.6	137.6
JV Syndicated facility – AUD	**87.0**	**87.0**	-	-	**87.0**	**87.0**	-	-
Euro facility (1)	**88.4**	**88.4**	-	-	**88.4**	**88.4**	-	-
Total current	**175.4**	**176.3**	137.6	142.8	**175.4**	**175.4**	137.6	138.0
Non-current								
Unsecured								
Euro facility	**-**	**-**	286.8	286.8	**-**	**-**	286.8	286.8
Lease liabilities	**-**	**3.3**	-	17.1	**-**	**-**	-	5.6
Secured								
Bilateral loan facilities (2)	**1,385.0**	**1,212.5**	1,560.0	1,188.5	**1,385.0**	**1,212.5**	1,560.0	1,188.5
JV Syndicated facility – AUD	**-**	**-**	95.9	87.0	**-**		95.9	87.0
Polish Euro facilities	**-**	**-**	108.1	108.1	**-**	**-**	108.1	108.1
Unamortised transaction costs	**-**	**(3.5)**	-	(6.2)	**-**	**(3.5)**	-	(6.2)
Total non-current	**1,385.0**	**1,212.3**	2,050.8	1,681.3	**1,385.0**	**1,209.0**	2,050.8	1,669.8
Total interest bearing liabilities	**1,560.4**	**1,388.6**	2,188.4	1,824.1	**1,560.4**	**1,384.4**	2,188.4	1,807.8

(1) Subsequent to year end in July 2024 Cromwell and Trust repaid and cancelled the remaining facility of $88.4 million (€55.0 million).

(2) Under the financial undertakings of the Bilateral loan facilities there is currently no facility available to be drawn upon.

b) Maturity profile

At balance date, the notional principal amounts and period of expiry of all of Cromwell’s and the Trust’s interest bearing liabilities (as well Italian Euro facilities classified as held for sale in 2023 comparatives), excluding lease liabilities, is as follows:

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
1 Year	**175.4**	137.6	**175.4**	137.6
2 Years	**80.0**	702.8	**80.0**	702.8
3 Years	**977.5**	128.8	**977.5**	128.8
4 Years	**155.0**	837.7	**155.0**	837.7
5 Years	**-**	50.0	**-**	50.0

c) Details of facilities

i) Euro facility

During the year Cromwell and the Trust repaid and cancelled facility limit equivalent to €120.0 million. Subsequent to year end in July 2024 Cromwell and Trust repaid and cancelled the remaining facility of €55.0 million.

ii) Secured bilateral loan facilities

Secured Bilateral Loan Facilities (SBLF) are held with multiple providers, which are regulated by a Common Terms Deed. All SBLFs are secured pari passu by first registered mortgages over a pool of investment properties. Interest is payable periodically in arrears calculated as BBSY rate plus a loan margin. Each SBLF provider individually contracts its commitment amount, expiry date and fee structure and can be repaid individually

Details of SBLFs for Cromwell and the Trust by their expiry date are as follows:

	2024		2023	
	Limit $M	**Drawn $M**	Limit $M	Drawn $M
Facilities expiring Jun-25	**75.0**	**-**	575.0	329.0
Facilities expiring Feb-26	**20.0**	**20.0**	20.0	20.0
Facilities expiring Jun-26	**60.0**	**60.0**	60.0	60.0
Facilities expiring Nov-26	**250.0**	**152.5**	-	-
Facilities expiring Jun-27	**825.0**	**825.0**	825.0	729.5
Facilities expiring Feb-28	**80.0**	**80.0**	80.0	50.0
Facilities expiring Jun-28	**75.0**	**75.0**	-	-
Total SBLF's (1)	**1,385.0**	**1,212.5**	1,560.0	1,188.5

(1) Under the financial undertakings of the Bilateral loan facilities there is currently no facility available to be drawn upon.

iii) JV Syndicated facility - AUD

This is a two tranche facility in relation to the property at 475 Victoria Avenue, NSW. Interest is payable on both tranches periodically in arrears is calculated as BBSY rate plus a loan margin. The facility expires in April 2025 and is classified as current at 30 June 2024.

iv) Polish Euro facilities

These facilities were repaid in full and cancelled upon the completion of the sale of the six investment properties provided as security by CPRF.

v) Lease liabilities

Cromwell recognises lease liabilities and related right-of-use assets in respect of various premises, property, plant and equipment and motor vehicle leases. The leases in respect of assets in Australia, Europe and Singapore have varying terms and are subject to varying rates of interest. Refer to note 21 for further information.

Below is a maturity table of minimum lease payments in relation to leases in existence at the reporting date.

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Within one year	**1.1**	1.2	**-**	-
Later than one year but not later than five years	**2.7**	5.4	**-**	-
Greater than five years	**1.2**	3.3	**-**	-
Total lease commitments – continuing operations	**5.0**	9.9	**-**	-
Within one year	**3.2**	4.0	**-**	0.4
Later than one year but not later than five years	**7.7**	11.8	**-**	1.7
Greater than five years	**0.4**	15.2	**-**	14.1
Total lease commitments – discontinued operations	**11.3**	31.0	**-**	16.2

d) Accounting policies

Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method. Under this method fees, costs, discounts and premiums directly related to the financial liability are spread over its expected life.

The fair value of the interest bearing liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as an interest bearing liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the derivative conversion feature. This is recognised as a financial liability if the convertible bond does not meet the “fixed-for-fixed” rule, otherwise it is included in shareholders’ equity.

Borrowing costs incurred on funds borrowed for the construction of a property are capitalised, forming part of the construction cost of the asset. Capitalisation ceases upon practical completion of the property. Other borrowing costs are expensed.

For information in respect of accounting policies in relation to lease liabilities refer to note 21.

12. Derivative financial instruments

a) Overview

Cromwell’s and the Trust’s derivative financial instruments consist of a forward foreign exchange contract, interest rate swaps, interest rate caps and interest rate collar contracts. Derivative financial instruments are accounted for at fair value. The table below is a summary of Cromwell’s and the Trust’s fair values of derivative financial instruments disclosed in the Consolidated Balance Sheet.

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Current assets				
Interest rate derivatives	**21.7**	28.0	**21.6**	28.0
Forward exchange contract	**6.4**	-	**6.4**	-
Total current assets	**28.1**	28.0	**28.0**	28.0
Non-current assets				
Interest rate derivatives	**18.6**	28.5	**18.3**	28.5
Total derivative financial instruments (assets)	**46.7**	56.5	**46.3**	56.5

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Current liabilities				
Interest rate derivatives	**9.6**	-	**9.5**	-
Forward exchange contract	**-**	-	**0.9**	-
Total current liabilities	**9.6**	-	**10.4**	-
Non-current liabilities				
Interest rate derivatives	**6.1**	-	**5.8**	-
Total derivative financial instruments (liabilities)	**15.7**	-	**16.2**	-

b) Interest rate derivatives

Cromwell and the Trust use 3 different types of interest rate derivatives to mitigate the risk of interest rates:

- interest rate swap contracts are used to fix interest on floating rate borrowings;
- interest rate cap contracts are used to cap interest on floating rate borrowings; and
- interest rate collar contracts are used to set a cap on rising interest rates on floating rate borrowings whilst also setting a floor on declining interest rates on floating rate borrowings.

Maturity profile

The notional principal amounts and period of expiry of all of Cromwell's and the Trust's interest rate derivatives are as follows:

	Cromwell and Trust	
	2024 $M	2023 $M
Less than 1 year	**415.0**	181.5
1 – 2 years	**306.0**	415.0
2 – 3 years	**-**	606.0
3 – 5 years	**616.4**	-

Hedging profile

The table below is overview of the hedging of Cromwell's and the Trust's borrowings through interest rate derivatives and fixed rate loans at balance date:

	2024				2023			
	Hedge contract notional $M	**Average strike price %**	**Interest bearing liability $M**	**Percent hedged %**	Hedge contract notional $M	Average strike price %	Interest bearing liability $M	Percent hedged %
Secured bilateral loan facility								
Interest rate cap contracts	**709.0**	**1.60%**			503.0	0.87%		
Interest rate swap contracts	**180.0**	**1.37%**			180.0	1.37%		
Interest rate collar contracts	**60.0**	**2.75%**			60.0	2.75%		
Fixed rate loan	**60.0**	**3.20%**	**60.0**		60.0	3.20%	60.0	
Total – Secured bilateral loan facility	**1,009.0**		**1,212.5**	**83.22%**	803.0		1,188.5	67.56%
Secured loan facilities								
Interest rate cap contracts	**72.0**	**1.00%**	**87.0**	**82.76%**	72.0	1.00%	87.0	82.76%
Secured Polish Euro facility 1								
Interest rate cap contracts	**-**	**-**	**-**	**-**	65.5	2.00%	108.1	60.59%
Secured Polish Euro facility 2								
Interest rate swap contracts	**-**	**-**	**-**	**-**	116.0	2.00%	137.6	84.30%
Secured Italian Euro facilities 1 & 2 (1)	**-**	**-**	**-**	**-**	-	-	48.9	-
Euro facility	**-**	**-**	**88.4**	**-**	-	-	286.8	-
Total	**1,081.0**		**1,387.9**	**77.89%**	1,056.5		1,856.9	56.90%

(1) Italian facilities have been included in 2023 even though they are shown as held for sale as at 30 June 2023, in order to provide a clear presentation of all of Cromwell's debt facilities and the related interest rate derivatives.

c) Forward exchange contract

Cromwell and the Trust have entered into a deal contingent forward exchange contract with an investment bank to mitigate the foreign exchange exposure on the proceeds from the sale of the European Fund Management Platform of €280.0 million. The contract provides a range of dates and corresponding foreign exchange rates for possible settlement as the conditions precedent require approval by the Monetary Authority of Singapore and the Commission de Surveillance du Secteur Financier in Luxembourg as well as debt change of control consents or waivers which are outside the control of both parties. The contract was valued at 30 June 2024 with reference to these dates and rate ranges as well as the Euro exchange rate at 30 June 2024. The ranges within the contract do not extend past 30 June 2025 and as a result the contract has been classified as current.

d) Accounting policy

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value at balance date. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

13. Other financial assets and financial liabilities

a) Overview

This note provides further information about material financial assets and liabilities that are incidental to Cromwell's and the Trust's trading activities, being receivables and trade and other payables.

b) Receivables

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Current				
Trade and other receivables at amortised cost	**23.3**	40.6	**21.0**	14.7
Loans at amortised cost – related party (1)	**2.5**	-	**-**	-
Loans at amortised cost – other	**-**	0.7	**-**	-
Receivables – current	**25.8**	41.3	**21.0**	14.7
Non-current				
Loans at amortised cost – joint venture partners	**-**	30.5	**-**	30.5
Loans at amortised cost – inter-group	**-**	-	**4.2**	20.6
Loans at amortised cost – other	**-**	7.8	**-**	-
Total receivables – non-current	**-**	38.3	**4.2**	51.1

(1) All related party loans are entered into at market rates.

Loans – related parties

During the period Cromwell advanced a loan facility of $2.6 million to a related fund, the Cromwell Healthcare Property Fund. At 30 June 2024 the loan was drawn down to $2.5 million. The loan was interest bearing with accrued interest included in the loan receivable at year end.

Loans – joint venture partners

The loan that Cromwell and the Trust provided to the Ursynów joint venture, was repaid in full on the completion of the sale of the joint venture on 1 March 2024 including all outstanding interest. There was no balance receivable at year end (2023: $30.5 million).

Loans – inter-group

The Trust has provided a loan facility to the Company of €100.0 million. The loan balance was €nil ($nil) (2023: €12.6 million ($20.6 million)) at balance date. The facility is unsecured and expires in February 2029.

The Trust has also provided a loan facility to the Company of $30.0 million in relation to the transfer of the development property at 19 National Circuit, ACT. The loan balance at year end was $4.2 million (June 2023: $nil). The facility is unsecured and expires in September 2026.

c) Trade and other payables

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Trade and other payables	**20.5**	45.4	**15.0**	17.7
Lease incentives payables (1)	**-**	22.5	**-**	22.5
Tenant security deposits	**0.1**	1.9	**0.1**	1.9
Trade and other payables	**20.6**	69.8	**15.1**	42.1

(1) Lease incentives payable were previously categorised as a liability and have been reclassified to assets to form a net investment property balance as at 30 June 2024.

d) Accounting policy

Trade receivables and loans at amortised cost

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less any expected credit losses. Operating lease receivables of investment properties are due on the first day of each month, payable in advance.

Note: as a result of current global economic impacts Cromwell has undertaken a comprehensive review of tenant receivables. All tenant receivables not considered to be recoverable have been fully provided for.

Trade payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost. These amounts represent liabilities for goods and services provided to Cromwell prior to the end of the year and which are unpaid. The amounts are usually unsecured and paid within 30-60 days of recognition.

14. Financial risk management

a) Overview

Cromwell's activities expose it to a variety of financial risks which include credit risk, liquidity risk and market risk. Cromwell's overall risk management program focuses on managing these risks and seeks to minimise potential adverse effects on the financial performance of Cromwell.

Cromwell's management of treasury activities is centralised and governed by policies approved by the Directors who monitor the operating compliance and performance as required. Cromwell has policies for overall risk management as well as policies covering specific areas such as identifying risk exposure, analysing and deciding upon strategies, performance measurement, the segregation of duties and other controls around the treasury and cash management functions.

Cromwell's risk exposures and techniques used to manage these are summarised below:

Risk	Definition of risk	Cromwell's exposure	Cromwell's management of risk
Credit risk (Section 14(b))	The risk a counterparty will default on its contractual obligations under a financial instrument resulting in a financial loss to Cromwell.	• Cash and cash equivalents; • Receivables; • Derivative financial instruments; • Assets held for sale.	Cromwell manages this risk by: • establishing credit limits for counterparties and managing exposure to individual entities; • monitoring the credit quality of all financial assets in order to identify any potential adverse changes in credit quality; • derivative counterparties and cash transactions, when utilised, are transacted with high credit quality financial institutions; • regularly monitoring loans and receivables on an ongoing basis; and • regularly monitoring the performance of associates on an ongoing basis.

Risk	Definition of risk	Cromwell's exposure	Cromwell's management of risk
Liquidity risk (Section 14(c))	The risk Cromwell will default on its contractual obligations under a financial instrument.	• Payables; • Interest bearing liabilities; • Derivative financial instruments.	Cromwell manages this by: • maintaining sufficient cash reserves and undrawn finance facilities to meet ongoing liquidity requirements; • preparation of rolling forecasts of short-term and long-term liquidity requirements; and • monitoring maturity profile of interest bearing liabilities and putting in place strategies to ensure all maturing interest bearing liabilities are refinanced significantly ahead of maturity.
Market risk – price risk (Section 14(d))	The risk that the fair value of financial assets at fair value through profit or loss will fluctuate.	• Investments at fair value through profit or loss.	Cromwell has minimal exposure to this risk and therefore does not actively manage this risk.
Market risk – interest rate risk (Section 14(e))	The risk that the fair value or cash flows of financial instruments will fluctuate due to changes in market interest rates.	• Borrowings at variable or fixed rates; • Derivative financial instruments.	Cromwell manages this risk through interest rate hedging arrangements (swap or cap contracts) on not less than 50% of Cromwell's borrowings.
Market risk – foreign exchange risk (Section 14(f))	The risk that the fair value of a foreign currency asset or liability will fluctuate due to changes in foreign currency rates.	• Cash and cash equivalents; • Receivables; • Derivative financial instruments; • Investments in foreign subsidiaries; • Investments in foreign equity accounted investments; • Payables; • Foreign currency borrowings.	Cromwell manages this risk by: • financing Cromwell's foreign currency investments through foreign currency borrowings providing a natural hedge; and • utilising forward exchange contracts to reduce foreign currency risk on future cashflows related to significant one-off transactions such as the sale of the European Fund Management Platform.

b) Credit risk

The maximum exposure to credit risk at balance date is the carrying amount of financial assets recognised in the Consolidated Balance Sheet of Cromwell.

Cash is held with Australian, New Zealand, United Kingdom, Singapore and European financial institutions. Interest rate derivative counterparties are all Australian and European financial institutions.

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c) Liquidity risk

The contractual maturity of Cromwell's and the Trust's financial liabilities at balance date are shown in the table below. It shows undiscounted contractual cash flows required to discharge Cromwell's financial liabilities, including interest at current market rates.

	Cromwell					Trust				
	1 year or less $M	**Greater than 1 year - 2 years $M**	**Greater than 2 years - 5 years $M**	**Over 5 years $M**	**Total $M**	**1 year or less $M**	**Greater than 1 year - 2 years $M**	**Greater than 2 years - 5 years $M**	**Over 5 years $M**	**Total $M**
2024										
Trade and other payables	**20.6**	**-**	**-**	**-**	**20.6**	**15.1**	**-**	**-**	**-**	**15.1**
Dividends / distribution payable	**19.6**	**-**	**-**	**-**	**19.6**	**19.6**	**-**	**-**	**-**	**19.6**
Interest bearing liabilities	**255.3**	**152.6**	**1,204.7**	**-**	**1,612.6**	**255.3**	**152.6**	**1,204.7**	**-**	**1,612.6**
Liabilities directly related to assets held for sale	**31.2**	**-**	**-**	**-**	**31.2**	**-**	**-**	**-**	**-**	**-**
Lease liabilities	**1.1**	**1.3**	**1.4**	**1.2**	**5.0**	**-**	**-**	**-**	**-**	**-**
Derivative financial instruments	**11.6**	**4.1**	**-**	**-**	**15.7**	**12.5**	**4.1**	**-**	**-**	**16.6**
Total financial liabilities	**339.4**	**158.0**	**1,206.1**	**1.2**	**1,704.7**	**302.5**	**156.7**	**1,204.7**	**-**	**1,663.9**
2023										
Trade and other payables	69.8	-	-	-	69.8	42.1	-	-	-	42.1
Dividends / distribution payable	36.0	-	-	-	36.0	36.0	-	-	-	36.0
Interest bearing liabilities	245.1	790.9	1,074.7	-	2,110.7	245.1	790.9	1,074.7	-	2,110.7
Liabilities directly related to assets held for sale	3.2	2.7	49.8	-	55.7	3.2	2.7	49.8	-	55.7
Lease liabilities	5.2	8.6	8.6	18.5	40.9	0.4	0.9	0.9	14.1	16.3
Total financial liabilities	359.3	802.2	1,133.1	18.5	2,313.1	326.8	794.5	1,125.4	14.1	2,260.8

d) Market risk – price risk

Cromwell and the Trust are exposed to price risk in relation to its unlisted equity securities (refer note 10). The impact to Cromwell and the Trust of a 10% decrease in the value of the investment in the unlisted equity securities is a decrease to Profit and Equity of $1.6 million (2023: $2.1 million) for Cromwell and $1.4 million (2023: $1.8 million) for the Trust. The impact to Cromwell and the Trust of a 10% increase in the value of the investment in the unlisted equity securities is an increase to Profit and Equity of $1.6 million (2023: $2.1 million) for Cromwell and $1.4 million (2023: $1.8 million) for the Trust.

e) Market risk – interest rate risk

Cromwell's interest rate risk primarily arises from interest bearing liabilities. Interest bearing liabilities issued at variable rates expose Cromwell to variability in the cost of servicing its debt. On the other hand, interest bearing liabilities issued at fixed rates, or derivatives used to protect Cromwell from this variability, expose Cromwell to fair value movements in the value of these fixed rate instruments. Cromwell manages its interest rate risk under the guidance of the Board and subject to board approved policies and protocols. At balance date, 77.9% (2023: 56.9%) of Cromwell's total borrowings is hedged through fixed rate interest rate swap and interest rate option contracts which effectively fix or limit the amount of variable interest paid. For details about notional amounts and expiries of Cromwell's and the Trust's interest rate derivative contracts refer to note 12.

For the year ended 30 June 2024

The below table shows the impact on profit after tax and equity if interest rates changed by 100 basis points based on net interest bearing liabilities and interest rate derivatives held at year-end with all other variables held constant. The impact on profit after tax and equity includes impact on finance costs (cash flow risk) and the fair value of derivative financial instruments (fair value risk).

Interest rate increase / (decrease) of:	+1%		-1%	
	Profit $M	Equity $M	Profit $M	Equity $M
2024				
Cromwell	**16.3**	**16.3**	**(15.5)**	**(15.5)**
Trust	**15.7**	**15.7**	**(15.0)**	**(15.0)**
2023				
Cromwell	9.5	9.5	(8.6)	(8.6)
Trust	8.9	8.9	(8.1)	(8.1)

f) Market risk – foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant currency of the relevant group entity.

Cromwell's foreign exchange risk primarily arises from its investments in foreign subsidiaries and the investment in CEREIT. The functional currency of these entities is Euro or Polish Zloty. No hedge accounting was applied in relation to the net investment in the foreign subsidiaries.

Cromwell's and the Trust's exposure to Euro foreign currency risk due to the ownership, funding and operation of the investment property portfolios in Poland and Italy and the investment in CEREIT as well as overseas subsidiaries, expressed in Australian dollars, was as follows:

Euro foreign currency risk	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Cash and cash equivalents	**125.4**	6.7	**125.4**	6.7
Receivables	**-**	-	**-**	20.6
Interest bearing liabilities – financial institutions	**(88.4)**	(286.8)	**(88.4)**	(286.8)
Other	**-**	-	**-**	0.2
Total exposure	**37.0**	(280.1)	**37.0**	(259.3)

A change in the exchange rate of the Euro would have resulted in the following impact on Cromwell's profit after tax and equity:

	2024		2023	
	Profit $M	**Equity $M**	Profit $M	Equity $M
Euro – Australian Dollar gains 1 cent in exchange	**(0.6)**	**(0.6)**	4.5	4.5
Euro – Australian Dollar loses 1 cent in exchange	**0.6**	**0.6**	(4.7)	(4.7)

Cromwell and the Trust also have exposure to Polish Złoty foreign currency risk due to the ownership and operation of the investment property portfolio in Poland. Expressed in Australian dollars, this was as follows:

Polish Złoty foreign currency risk	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Cash and cash equivalents	**3.8**	15.3	**3.1**	14.4
Receivables	**-**	30.5	**-**	30.5
Other	**-**	0.2	**-**	0.2
Total exposure	**3.8**	46.0	**3.1**	45.1

A change in the exchange rate of the Polish Złoty of 1 cent would not result in a material impact on Cromwell's profit after tax and equity.

g) Fair value measurement of financial instruments

Cromwell uses a number of methods to determine the fair value of its financial assets and financial liabilities. The methods comprise the following:

Level 1:	quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2:	inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3:	inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below presents Cromwell's and the Trust's financial assets and liabilities measured and carried at fair value at 30 June 2024 and 30 June 2023 and the type of fair value measurement applied:

Cromwell	Notes	**2024**			2023		
		Level 2 $M	**Level 3 $M**	**Total $M**	Level 2 $M	Level 3 $M	Total $M
Financial assets at fair value							
Investments at fair value through profit or loss							
Unlisted equity securities	10(a)	**13.6**	**-**	**13.6**	17.7	2.9	20.6
Derivative financial instruments							
Interest rate derivatives	12(a)	**40.3**	**-**	**40.3**	56.5	-	56.5
Forward exchange contracts	12(a)	**6.4**	**-**	**6.4**	-	-	-
Total financial assets at fair value		**60.3**	**-**	**60.3**	74.2	2.9	77.1
Financial liabilities at fair value							
Derivative financial instruments							
Interest rate derivatives	12(a)	**15.7**	**-**	**15.7**	-	-	-
Total financial liabilities at fair value		**15.7**	**-**	**15.7**	-	-	-

Trust		**2024**			2023		
		Level 2 $M	**Level 3 $M**	**Total $M**	Level 2 $M	Level 3 $M	Total $M
Financial assets at fair value							
Investments at fair value through profit or loss							
Unlisted equity securities	10(a)	**13.6**	**-**	**13.6**	17.7	-	17.7
Derivative financial instruments							
Interest rate derivatives	12(a)	**39.9**	**-**	**39.9**	56.5	-	56.5
Forward exchange contracts	12(a)	**6.4**	**-**	**6.4**	-	-	-
Total financial assets at fair value		**59.9**	**-**	**59.9**	74.2	-	74.2
Financial liabilities at fair value							
Derivative financial instruments							
Interest rate derivatives	12(a)	**15.3**	**-**	**15.3**	-	-	-
Forward exchange contracts	12(a)	**0.9**	**-**	**0.9**	-	-	-
Total financial liabilities at fair value		**16.2**	**-**	**16.2**	-	-	-

There were no transfers between the levels of fair value measurement during the current and prior financial years.

h) Disclosed fair values

i) Valuation techniques used to derive Level 1 fair values

At balance date, Cromwell held no Level 1 assets. The fair value of financial assets traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

ii) Valuation techniques used to derive Level 2 fair values

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data, assessed for the impact of current global economic impacts where they are applicable and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Fair value of investments at fair value through profit or loss

Level 2 assets held by Cromwell include unlisted equity securities in Cromwell managed investment schemes. The fair value of these financial instruments is based upon the net tangible assets as publicly reported by the underlying unlisted entity, adjusted for inherent risk where appropriate.

Fair value of interest rate derivatives

Level 2 financial assets and financial liabilities held by Cromwell include interest rate swap and interest rate option derivatives (over-the-counter derivatives). The fair value of these derivatives has been determined using pricing models based on discounted cash flow analysis which incorporates assumptions supported by observable market data at balance date including market expectations of future interest rates and discount rates adjusted for any specific features of the derivatives and counterparty or own credit risk.

iii) Valuation techniques used to derive Level 3 fair values

If the fair value of financial instruments is determined using valuation techniques and if one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Reconciliation from the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy:

	Cromwell	
Investments at fair value through profit or loss	**2024 $M**	2023 $M
Opening balance as at 1 July	**2.9**	2.9
Additions	**0.3**	1.3
Fair value gains / (losses)	**26.8**	(1.4)
Transferred to held for sale	**(30.0)**	-
Foreign exchange difference	**-**	0.1
Balance at 30 June	**-**	2.9

Fair value of investments at fair value through profit or loss

Level 3 assets held by Cromwell include co-investments in Cromwell Europe managed wholesale property funds. The fair value of these investments is determined based on the value of the underlying assets held by the fund. The assets of the fund are subject to regular external valuations which are based on discounted net cash inflows from expected future income and/or comparable sales of similar assets. Appropriate discount rates determined by the independent valuer are used to determine the present value of the net cash inflows based on a market interest rate adjusted for the risk premium specific to each asset.

i) Accounting policy

Initial recognition and measurement

Financial assets and financial liabilities are recognised in Cromwell's Balance Sheet when it becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. On initial recognition, financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are recognised net of transaction costs directly attributable to the acquisition of these financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit or Loss.

Financial assets

Classification and subsequent recognition and measurement

Subsequent to initial recognition Cromwell classifies its financial assets in the following measurement categories:

- Those to be measured at fair value (either through other comprehensive income, or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends upon the whether the objective of Cromwell's relevant business model is to hold financial assets in order to collect contractual cash flows (business model test) and whether the contractual terms of the cash flows give rise on specified dates to cash flows that are solely payments of principal and interest (cash flow test).

Financial assets recognised at amortised cost

Trade and other receivables are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest and are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit or Loss.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

Financial assets recognised at fair value through profit or loss

Assets that do not meet the criteria for amortised cost or recognition at fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the Statement of Profit or Loss and presented net within other gains / (losses) in the period in which it arises.

Impairment

Cromwell recognises a loss allowance for expected credit losses on trade receivables that are measured at amortised cost and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

For trade receivables, Cromwell applies the simplified approach permitted by AASB 9 *Financial Instruments*, which requires expected lifetime credit losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on Cromwell's historical credit loss experience adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Cromwell impairs a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Response to current global economic impacts

As a result of current global economic impacts Cromwell has undertaken a comprehensive review of the tenant receivables schedule. Any and all tenant receivables not considered to be recoverable have been fully provided for and are not included in the tenant receivables balance at year end.

Cromwell has also undertaken a review of its loan asset portfolio (including loans carried at fair value and loans carried at amortised cost). This process involved a thorough examination of all loan receivable balances with counterparties to assess the extent of expected credit losses that should be recognised. This resulted in no expected credit losses to be recognised.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by Cromwell are recognised at the value of the proceeds received, net of direct issue costs. Repurchase of the Cromwell's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit or Loss on the purchase, sale, issue or cancellation of Cromwell's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not contingent consideration of an acquirer in a business combination, held-for-trading, or designated as at fair value through profit or loss, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

Cromwell derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

When Cromwell exchanges one debt instrument for another with substantially different terms with an existing lender, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, Cromwell accounts for the substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new financial liability.

Derivative financial instruments

For information in relation to the accounting policies for derivative financial instruments, refer note 12(d).

15. Contributed equity

a) Overview

Issued capital of Cromwell includes ordinary shares in Cromwell Corporation Limited and ordinary units of Cromwell Diversified Property Trust which are stapled to create Cromwell's stapled securities. The shares of the Company and units of the CDPT cannot be traded separately and can only be traded as stapled securities.

Stapled securities entitle the holder to participate in dividends and distributions as declared from time to time and the proceeds on winding up. On a show of hands every holder of stapled securities present at a meeting in person, or by proxy, is entitled to one vote, and upon a poll each stapled security is entitled to one vote.

Cromwell's and the Trust's issued capital at year-end were as follows:

	Cromwell stapled securities		Company shares		CDPT units	
	2024 M	2023 M	**2024 $M**	2023 $M	**2024 $M**	2023 $M
Issued capital	**2,618.9**	2,618.9	**207.3**	207.3	**2,072.8**	2,072.8

b) Movements in contributed equity

There have been no movements in contributed equity in the current financial year or the prior comparative financial year.

c) Accounting policy

The ordinary shares of the Company are stapled with the units of the Trust and are together referred to as stapled securities. Stapled securities are classified as equity. Incremental costs directly attributable to the issue of new shares, units or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases Cromwell’s equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the securityholders as treasury securities until the securities are cancelled or reissued. Where such ordinary securities are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to securityholders.

Notes to the Financial Statements

For the year ended 30 June 2024

16. Reserves

a) Overview

Reserves are balances that form part of equity that record other comprehensive income amounts that are retained in the business and not distributed until such time the underlying Balance Sheet item is realised. This note provides information about movements in the other reserves disclosed in the Consolidated Balance Sheet and a description of the nature and purpose of each reserve.

Security based payments reserve (SBP)	This reserve is used to recognise the fair value of equity settled security based payments in respect employee services. Refer to note 23 for details of Cromwell's security based payments.
Treasury securities reserve	The treasury securities reserve represents the cost of the securities Cromwell purchased in the market and are held to satisfy options under the Group's Performance Rights Plans. The number of ordinary securities held at year end was 441 (2023: 435,617) which were purchased for $185 (2023: $0.2 million).
Foreign currency translation reserve (FCTR)	This reserve records exchange differences arising on the translation of the foreign subsidiaries. In addition, any foreign currency differences arising from inter-group loans are also transferred to the foreign currency translation reserve upon consolidation as such loans form part of the net investment in the foreign subsidiary.

	Security based payments reserve		Treasury securities reserve		Foreign currency translation reserve		Total other reserves	
	Cromwell $M	Trust $M	Cromwell $M	Trust $M	Cromwell $M	Trust $M	Cromwell $M	Trust $M
Balance at 1 July 2022	13.8	-	(0.5)	-	(44.8)	(56.6)	(31.5)	(56.6)
Employee performance rights	0.5	-	-	-	-	-	0.5	-
Foreign exchange differences recognised in other comprehensive income	-	-	-	-	89.4	86.1	89.4	86.1
Acquisition of treasury securities	-	-	(1.6)	-	-	-	(1.6)	-
Transfer of treasury securities to option holders	(1.0)	-	1.0	-	-	-	-	-
Issue of treasury securities to employees	-	-	0.9	-	-	-	0.9	-
Contribution of exercise price for options settled with treasury securities	0.4	-	-	-	-	-	0.4	-
Balance at 30 June 2023	**13.7**	**-**	**(0.2)**	**-**	**44.6**	**29.5**	**58.1**	**29.5**
Foreign exchange differences recognised in other comprehensive income	**-**	**-**	**-**	**-**	**(10.3)**	**(9.9)**	**(10.3)**	**(9.9)**
Acquisition of treasury securities	**-**	**-**	**(0.5)**	**-**	**-**	**-**	**(0.5)**	**-**
Transfer of treasury securities to option holders	**(0.2)**	**-**	**0.2**	**-**	**-**	**-**	**-**	**-**
Issue of treasury securities to employees	**-**	**-**	**0.5**	**-**	**-**	**-**	**0.5**	**-**
Balance at 30 June 2024	**13.5**	**-**	**-**	**-**	**34.3**	**19.6**	**47.8**	**19.6**

GROUP STRUCTURE

This section of the annual financial report provides information about the Cromwell Property Group structure including parent entity information and information about controlled entities (subsidiaries).

17. Parent entity disclosures

a) Overview

The *Corporations Act 2001* (Cth) requires the disclosure of summarised financial information for the parent entity of a consolidated group. Further, Australian Accounting Standards require stapled groups to identify the parent entity of the group and identify equity attributable to the parent entity separately from other entities stapled to the parent entity.

The parent entity of the Cromwell stapled group is Cromwell Corporation Limited (the "Company"). The parent entity of the Trust group is Cromwell Diversified Property Trust ("CDPT").

b) Summarised financial information of the Company and CDPT

	Company		CDPT	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Results				
(Loss) / profit after tax	**2.0**	(29.2)	**(213.9)**	27.9
Total comprehensive (loss) / income	**2.0**	(29.2)	**(213.9)**	27.9
Financial position				
Current assets	**36.9**	3.5	**253.8**	55.9
Total assets	**69.6**	74.8	**2,751.7**	3,211.1
Current liabilities	**16.4**	7.6	**43.5**	41.1
Total liabilities	**20.9**	28.1	**1,433.8**	1,598.6
Net assets	**48.7**	46.7	**1,317.9**	1,612.5
Equity				
Contributed equity	**207.3**	207.3	**2,072.8**	2,072.8
Reserves	**13.5**	13.5	**-**	-
Accumulated losses	**(172.1)**	(174.1)	**(754.9)**	(460.3)
Total equity	**48.7**	46.7	**1,317.9**	1,612.5

c) Commitments

At balance date the Company had no commitments (2023: none) in relation to capital expenditure contracted for but not recognised as liabilities.

At balance date CDPT had $1.6 million in commitments (2023: $0.1 million) in relation to capital expenditure contracted for but not recognised as liabilities.

d) Guarantees provided

The Company and CDPT have no guarantees in place (2023: none).

e) Contingent liabilities

At balance date the Company and CDPT had no contingent liabilities (2023: none).

f) Accounting policy

The financial information for the Company and CDPT is prepared on the same basis as the consolidated financial statements, except for:

- Investments in subsidiaries and equity accounted investments – these are accounted for at cost less accumulated impairment charges in the financial report of the parent entity. Distributions and dividends received from subsidiaries and equity accounted investments are not eliminated and recognised in profit or loss.
- Tax consolidation legislation – the Company is the head entity of a tax consolidated group as outlined in note 7. As the head entity, the Company recognises the current tax balances and the deferred tax assets for unused tax losses and credits assumed from other members as well as its own current and deferred tax amounts. Amounts receivable from or payable to the other members are recognised by the Company as intercompany receivables or payables.

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For the year ended 30 June 2024

18. Controlled entities

a) Company and its controlled entities

Name	Country of registration	Equity Holding 2024 %	Equity Holding 2023 %
Cromwell Aged Care Holdings Pty Ltd	Australia	**-**	100
Cromwell BT Pty Ltd	Australia	**100**	100
Cromwell Capital Pty Ltd	Australia	**100**	100
Cromwell Development Trust	Australia	**100**	100
Cromwell Developments Pty Ltd	Australia	**100**	-
Cromwell Funds Management Limited	Australia	**100**	100
Cromwell CMW Holdings Pty Ltd	Australia	**-**	100
Cromwell Operations Pty Ltd	Australia	**100**	100
Cromwell Project & Technical Solutions Pty Ltd	Australia	**100**	100
Cromwell Property Securities Limited	Australia	**100**	100
Cromwell Property Services Pty Ltd	Australia	**100**	100
Cromwell Real Estate Partners Pty Ltd	Australia	**100**	100
Cromwell REIT Holdings Pty Limited	Australia	**100**	100
Cromwell Carparking Pty Ltd	Australia	**100**	100
Votraint No. 662 Pty Limited	Australia	**100**	100
Cromwell Property Group Czech Republic s.r.o.	Czech Republic	**100**	100
Cromwell Denmark A/S	Denmark	**100**	100
Cromwell Finland O/Y	Finland	**100**	100
Cromwell France SAS	France	**100**	100
Cromwell EREIT Management Germany GmbH	Germany	**100**	100
Cromwell Germany GmbH	Germany	**100**	100
Cromwell Property Group Italy SRL	Italy	**100**	100
CPRF GP S.à r.l.	Luxembourg	**100**	100
Cromwell EREIT Management Luxembourg S.à r.l.	Luxembourg	**100**	100
Cromwell Investment Luxembourg S.à r.l.	Luxembourg	**100**	100
Cromwell Luxembourg Holdings S.à r.l.	Luxembourg	**100**	-
Cromwell REIM Luxembourg S.à r.l.	Luxembourg	**100**	100
Cromwell Central Europe B.V.	Netherlands	**100**	100
Cromwell Netherlands B.V.	Netherlands	**100**	100
Cromwell Property Group Poland Sp Zoo	Poland	**100**	100
Cromwell EREIT Management Pte. Ltd.	Singapore	**100**	100

Name	Country of Registration	Equity Holding 2024 %	Equity Holding 2023 %
Cromwell Sweden A/B	Sweden	**100**	100
European Commercial Real Estate Limited	United Kingdom	**51**	51
Cromwell Asset Management UK Limited	United Kingdom	**100**	100
Cromwell Capital Ventures UK Limited	United Kingdom	**100**	100
Cromwell CEE Development Holdings Limited	United Kingdom	**100**	100
Cromwell CEREIT Holdings Limited	United Kingdom	**100**	100
Cromwell Coinvest CEIF LP	United Kingdom	**90**	90
Cromwell Coinvest CEVAF I LP	United Kingdom	**100**	100
Cromwell Corporate Secretarial Limited	United Kingdom	**100**	100
Cromwell Development Holdings UK Limited	United Kingdom	**100**	100
Cromwell Development Management UK Limited	United Kingdom	**100**	100
Cromwell Director Limited	United Kingdom	**100**	100
Cromwell Europe Limited	United Kingdom	**100**	100
Cromwell European Holdings Limited	United Kingdom	**100**	100
Cromwell European Management Services Limited	United Kingdom	**100**	100
Cromwell GP	United Kingdom	**100**	100
Cromwell Holdings Europe Limited	United Kingdom	**100**	100
Cromwell Investment Holdings UK Limited	United Kingdom	**100**	100
Cromwell Investment Management Services Limited	United Kingdom	**100**	100
Cromwell Investment Services Limited	United Kingdom	**100**	100
Cromwell Management Holdings Limited	United Kingdom	**100**	100
Cromwell Poland Retail LLP	United Kingdom	**100**	100
Cromwell Poland Retail UK Limited	United Kingdom	**100**	100
Cromwell Promote CEIF LP	United Kingdom	**100**	100
Cromwell WBP Poland LP	United Kingdom	**100**	100
Cromwell YCM Coinvest LP	United Kingdom	**-**	100
Cromwell YCM Promote LP	United Kingdom	**-**	100
IO Management Services Limited	United Kingdom	**100**	100
The IO Group Limited	United Kingdom	**100**	100

Notes to the Financial Statements

For the year ended 30 June 2024

b) Trust and its controlled entities

Name	Country of registration	Equity Holding 2024 %	Equity Holding 2023 %	Name	Country of Registration	Equity Holding 2024 %	Equity Holding 2023 %
CDPT Finance Pty Ltd	Australia	**100**	100	Mascot Trust	Australia	**100**	100
CDPT Finance No. 2 Pty Ltd	Australia	**100**	100	Tuggeranong Head Trust	Australia	**100**	100
Cromwell George Street Trust	Australia	**100**	100	Tuggeranong Trust	Australia	**100**	100
Cromwell HQ North Head Trust	Australia	**100**	100	Cromwell Italy Urban Logistics Fund	Italy	**-**	100
Cromwell HQ North Trust	Australia	**100**	100	CPRF S.C.A.	Luxembourg	**100**	100
Cromwell Italy Partnership	Australia	**100**	100	Cromwell Logistics Fund	Luxembourg	**100**	100
Cromwell McKell Building Trust	Australia	**100**	100	Next Real Estate Polish Retail S.à r.l.	Luxembourg	**100**	100
Cromwell Newcastle Trust	Australia	**100**	100	Next Real Estate Polish Retail Holdco S.à r.l.	Luxembourg	**100**	100
Cromwell Northbourne Planned Investment	Australia	**100**	100	CH Bydgoszcz Sp Zoo	Poland	**100**	100
				CH Toruń Sp Zoo	Poland	**100**	100
Cromwell NSW Portfolio Trust	Australia	**100**	100	CH Janki Sp Zoo	Poland	**100**	100
Cromwell Penrith Trust	Australia	**-**	100	CH Łódź Sp Zoo	Poland	**100**	100
Cromwell Poland Holdings Trust	Australia	**100**	100	CH Szczecin Sp Zoo	Poland	**100**	100
Cromwell SPV Finance Pty Ltd	Australia	**100**	100	CH Wrocław Sp Zoo	Poland	**100**	100
Cromwell Symantec House Trust	Australia	**100**	100	CPRF Co Sp Zoo	Poland	**100**	100
Cromwell VAC Finance Pty Ltd	Australia	**100**	100	HEL Poland Sp Zoo	Poland	**-**	100
Cromwell Wollongong Trust	Australia	**-**	100	Cromwell Singapore Holdings Pte. Ltd.	Singapore	**100**	100
Mascot Head Trust	Australia	**100**	100				

All new entities have been incorporated or acquired during the year. There were no business combinations during the year. Entities, which Cromwell or the Trust controlled in the prior year with no equity holding in the current year have either been deregistered or disposed of in the current year with the exception of the Cromwell Italy Urban Logistics Fund as the Trust sold 50% of the units held to create a joint venture.

19. Equity attributable to the Company and CDPT

a) Overview

Stapled entities are required to separately identify equity attributable to the parent entity from equity attributable to other entities stapled to the parent.

b) Equity attributable to the Company

The table below summarises equity, profit for the year and total comprehensive income for the year attributable to the Company.

	Attributable to Equity Holders of the Company					
	Contributed equity $M	**SBP reserve $M**	**Treasury securities reserve $M**	**FCT reserve $M**	**Accumulated losses $M**	**Total $M**
Balance at 1 July 2022	207.3	13.8	(0.5)	11.8	(137.4)	95.0
Loss for the year	-	-	-	-	(5.1)	(5.1)
Other comprehensive income	-	-	-	3.3	-	3.3
Total comprehensive loss	-	-	-	3.3	(5.1)	(1.8)
Transactions with equity holders in their capacity as equity holders:						
Acquisition of treasury securities	-	-	(1.6)	-	-	(1.6)
Issue of treasury securities to employees	-	-	0.9	-	-	0.9
Transfer of treasury securities to option holders	-	(1.0)	1.0	-	-	-
Contribution of exercise price for options settled with treasury securities	-	0.4	-	-	-	0.4
Employee performance rights	-	0.5	-	-	-	0.5
Total transactions with equity holders	-	(0.1)	0.3	-	-	0.2
Balance as at 30 June 2023	**207.3**	**13.7**	**(0.2)**	**15.1**	**(142.5)**	**93.4**
Profit for the year	**-**	**-**	**-**	**-**	**9.5**	**9.5**
Other comprehensive loss	**-**	**-**	**-**	**(0.4)**	**-**	**(0.4)**
Total comprehensive income	**-**	**-**	**-**	**(0.4)**	**9.5**	**9.1**
Transactions with equity holders in their capacity as equity holders:						
Acquisition of treasury securities	**-**	**-**	**(0.5)**	**-**	**-**	**(0.5)**
Issue of treasury securities to employees	**-**	**-**	**0.5**	**-**	**-**	**0.5**
Transfer of treasury securities to option holders	**-**	**(0.2)**	**0.2**	**-**	**-**	**-**
Total transactions with equity holders	**-**	**(0.2)**	**0.2**	**-**	**-**	**-**
Balance as at 30 June 2024	**207.3**	**13.5**	**-**	**14.7**	**(133.0)**	**102.5**

c) Equity attributable to CDPT

The table below summarises equity, profit for the year and total comprehensive income for the year attributable to CDPT, the entity stapled to the Company.

	Attributable to Equity Holders of the CDPT			
	Contributed equity $M	**Reserve $M**	**Accumulated losses $M**	**Total $M**
Balance at 1 July 2022	2,072.8	(56.6)	599.2	2,615.4
Loss after tax	-	-	(438.7)	(438.7)
Other comprehensive income	-	86.1	-	86.1
Total comprehensive loss	-	86.1	(438.7)	(352.6)
Transactions with equity holders in their capacity as equity holders:				
Distributions paid / payable	-	-	(144.0)	(144.0)
Total transactions with equity holders	-	-	(144.0)	(144.0)
Balance as at 30 June 2023	**2,072.8**	**29.5**	**16.5**	**2,118.8**
Loss after tax	**-**	**-**	**(541.1)**	**(541.1)**
Other comprehensive loss	**-**	**(9.9)**	**-**	**(9.9)**
Total comprehensive loss	**-**	**(9.9)**	**(541.1)**	**(551.0)**
Transactions with equity holders in their capacity as equity holders:				
Distributions paid / payable	**-**	**-**	**(80.5)**	**(80.5)**
Total transactions with equity holders	**-**	**-**	**(80.5)**	**(80.5)**
Balance as at 30 June 2024	**2,072.8**	**19.6**	**(605.1)**	**1,487.3**

OTHER ITEMS

This section of the annual financial report provides information about individually significant items to the Balance Sheets, Statements of Profit or Loss and Statement of Cash Flows and items that are required to be disclosed by Australian Accounting Standards.

20. Assets held for sale and discontinued operations

a) Overview

Non-current assets and liabilities directly related to them are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as such within one year from the date of classification.

When non-current assets and liabilities directly related to them are classified as held for sale and they represent a significant component of the group or a significant geographical area of operations, their contribution to the group results is presented as discontinued operations. All revenue, expenses and the related tax expense/benefit associated with the assets and liabilities are reclassified to discontinued operations, with the comparative period restated to align with the current period presentation.

b) Assets held for sale and liabilities directly related to assets held for sale

At reporting date the following assets and liabilities have been classified as held for sale:

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Investment property				
2-6 Station Street, Penrith NSW	**-**	45.3	**-**	45.3
Total – investment property	**-**	45.3	**-**	45.3
Disposal assets – European Fund Management Platform				
Cash and cash equivalents	**21.4**	-	**-**	-
Receivables and other current assets	**24.0**	-	**-**	-
Current tax assets	**0.2**	-	**-**	-
Equity accounted investments	**398.7**	-	**391.6**	-
Investments at fair value through profit or loss	**2.5**	-	**-**	-
Receivables non-current	**1.3**	-	**-**	-
Property, plant & equipment	**12.8**	-	**-**	-
Less: impairment due to disposal costs	**(21.7)**	-	**(19.7)**	-
Total – disposal assets – European Fund Management Platform	**439.2**	-	**371.9**	-
Disposal assets – CIULF				
Cash and cash equivalents	**-**	1.5	**-**	1.5
Receivables and other current assets	**-**	0.1	**-**	0.1
Investment properties	**-**	91.5	**-**	91.5
Total – disposal assets – CIULF	**-**	93.1	**-**	93.1
Total – assets held for sale	**439.2**	138.4	**371.9**	138.4

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For the year ended 30 June 2024

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Liabilities directly related to assets held for sale – European Fund Management Platform				
Trade and other payables	**18.0**	-	**-**	-
Provisions	**2.2**	-	**-**	-
Interest bearing liabilities	**10.8**	-	**-**	-
Current tax liability	**0.2**	-	**-**	-
Total – liabilities directly related to assets held for sale – European Fund Management Platform	**31.2**	-	**-**	-
Liabilities directly related to assets held for sale – CIULF				
Trade and other payables	**-**	0.5	**-**	0.5
Interest bearing liabilities	**-**	48.9	**-**	48.9
Total – liabilities directly related to assets held for sale – CIULF	**-**	49.4	**-**	49.4
Total – liabilities directly related to assets held for sale	**31.2**	49.4	**-**	49.4

Investment Property
As at 30 June 2023, 2-6 Station Street, Penrith NSW was classified as held for sale for proceeds of $45.3 million (net of estimated sale costs). The sale of the property completed in during the 2024 financial year for proceeds of $47.1 million.

Disposal group – European Fund Management Platform
On 22 May 2024, Cromwell entered into an agreement to sell its European fund management platform and equity interests predominately consisting of the 50% interest in CIULF and the 27.8% interest in CEREIT, to Stoneweg for €280.0 million (subject to settlement adjustments). The proceeds on sale will be reduced by the amount of distributions which Cromwell receive from CEREIT and CIULF to completion including the distribution declared by CEREIT on 7 August 2024, with Cromwell's share at €11.0 million. This distribution is scheduled to be received in September 2024. Cromwell have entered into a deal contingent derivative to hedge foreign currency risk on translation of the proceeds.

The two significant equity interests, CIULF and CEREIT, were impaired to their sale contract price at 22 May 2024 and transferred to held for sale. Any subsequent movements in their value solely reflect their translation from Euro to AUD at the prevailing month end rates.

The assets and liabilities of the European Funds Management business and the CEREIT Fund Manager were transferred to held for sale also at their carrying value. The contracted sale price for these assets and liabilities is greater than the carrying value.

Disposal group - CIULF
On 30 June 2023, Cromwell entered into a binding agreement with Value Partners, a Hong Kong based asset manager to create a joint venture by selling 50% of the units in the Cromwell Italy Urban Logistics Fund. All of the assets and liabilities within the fund, most notably the 7 investment properties 100% leased to DHL and the Italian Euro facilities (secured by the investment properties) were classified as held for sale at 30 June 2023. Cromwell has retained a 50% share of the Fund which is equity accounted post settlement in July 2023.

In late July 2023, Cromwell received a payment of €13.2 million ($21.5 million) upon successful completion of the conditions precedent in the unit sale agreement. In the Statement of Cash Flows the net inflow of cash from the disposal of 50% of CIULF is $20.7 million, representing the cash received of $21.5 million less $0.8 million of cash held in CIULF. Since settlement Cromwell has accounted for the remaining 50% investment as an Equity accounted investment.

Cromwell's 50% interest in CIULF was transferred back to held for sale as it forms part of the European Fund Management Platform sale which is also described in this note.

No impairment losses have been recognised in the current and prior periods in respect of assets held for sale, since their classification as held for sale.

c) Critical accounting estimates and judgements

All assets held for sale and liabilities directly related to assets held for sale have been recognised in accordance with the measurement criteria specified in AASB 5 Non-current Assets Held for Sale and Discontinued Operations. The specific criteria for the measurement of the of the most significant assets are below:

Investment Properties
Investment Properties are recorded at their fair value which is based on the property's most recent valuation or contracted sale price.

Equity accounted investments

Equity accounted investments are recorded at the lower of fair value less costs to sell or the carrying amount. At the time the investment is classified as held for sale, the equity method of accounting ceases to be applied.

Property, plant and equipment

Property, plant and equipment is recorded at the lower of fair value less costs to sell or the carrying amount. At the time the property, plant and equipment is classified as held for sale, the assets are no longer depreciated.

d) Discontinued operations

In the current financial year Cromwell and the Trust have recognised two transactions that significantly impact the results of the business going forward. The completed sale of the six investment properties and the Ursynów Joint Venture, represent Cromwell ceasing to hold direct property interest in the Polish Retail sector. The signing of the sale contract to sell Cromwell and the Trust's interest in the European Fund Management Platform represent Cromwell ceasing to own any European property assets and operating European funds management activities. The impact of these assets and operations on Cromwell and the Trusts' Statement of Profit & Loss is summarised below with greater detail provided in 20(e) and 20(f).

	Notes	Cromwell		Trust	
		2024 $M	2023 $M	**2024 $M**	2023 $M
Loss after tax from discontinued operations – Polish Portfolio	20(e)	**(55.1)**	(193.1)	**(61.0)**	(199.6)
Loss after tax from discontinued operations – European Fund Management Platform	20(f)	**(196.2)**	(29.6)	**(181.4)**	(18.6)
Total losses after tax from discontinued operations		**(251.3)**	(222.7)	**(242.4)**	(218.2)

e) Discontinued operations – Polish Portfolio

Following the sale of the Polish investment properties and the interest in the Ursynów Joint Venture, Cromwell ceased to hold any direct property interest in Poland. The results of the discontinued operations, which have been included in the loss for the year, were as follows:

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Revenue	**73.3**	74.7	**73.3**	74.7
Other income				
Fair value net gains from:				
Derivative financial instruments	**-**	1.2	**-**	1.2
Net foreign currency gains	**0.5**	0.5	**0.5**	0.5
Other income	**-**	0.2	**-**	0.2
Total revenue and other income	**73.8**	76.6	**73.8**	76.6
Expenses				
Property expenses and outgoings	**34.4**	35.9	**38.1**	39.9
Administrative and other expenses	**1.7**	1.6	**4.0**	4.1
Finance costs	**14.8**	10.9	**14.8**	10.9
Fair value net losses from:				
Investment properties	**44.8**	212.6	**44.8**	212.6
Derivative financial instruments	**2.2**	-	**2.2**	-
Loss on sale of investment properties	**5.8**	-	**5.8**	-
Share of loss from equity accounted investments	**0.4**	5.2	**0.4**	5.2
Impairment of equity accounted investments	**13.9**	1.9	**13.9**	1.9
Other transaction costs	**3.3**	-	**3.3**	-
Total expenses	**121.3**	268.1	**127.3**	274.6
Loss before income tax from discontinued operations	**(47.5)**	(191.5)	**(53.5)**	(198.0)
Income tax expense	**7.6**	1.6	**7.5**	1.6
Loss after tax from discontinued operations	**(55.1)**	(193.1)	**(61.0)**	(199.6)

The cashflows of the discontinued operations, which have been included in the statement of cashflows, were as follows:

	Cromwell	
	2024 $M	2023 $M
Net cash (used in) / provided by operating activities	**(0.2)**	0.3
Net cash provided by / (used by) investing activities	**261.2**	(10.9)
Net cash used in financing activities	**(270.1)**	(11.8)
Net cash used by disposal group	**(9.1)**	(22.4)

f) Discontinued operations – European Fund Management Platform

The sale of the European Fund Management Platform represents Cromwell ceasing to hold any material asset or business operation in Asia, Europe, and the United Kingdom. The sale significantly advances the plan to help achieve Cromwell's strategic objectives of becoming a capital light fund manager and to repatriate capital to Australia to reduce gearing. The results of the discontinued operations, which have been included in the loss for the year, were as follows:

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Revenue	**67.3**	74.7	**0.4**	4.9
Other income				
Other income	**0.7**	-	**-**	-
Total revenue and other income	**68.0**	74.7	**0.4**	4.9
Expenses				
Property expenses and outgoings	**0.1**	0.7	**0.2**	0.9
Fund management costs	**6.2**	6.6	**-**	-
Employee benefits expenses	**49.7**	50.2	**-**	-
Administrative and other expenses	**20.1**	23.3	**-**	0.3
Finance costs	**0.5**	2.0	**0.1**	1.6
Fair value net losses from:				
Investment properties	**-**	6.9	**-**	6.9
Investments at fair value through profit and loss	**0.8**	1.6	**-**	-
Share of loss of equity accounted investments	**8.7**	12.9	**8.8**	13.8
Net foreign currency losses	**-**	0.2	**-**	-
Impairment of equity accounted investments	**152.8**	-	**152.4**	-
Other transaction costs	**24.9**	-	**20.3**	-
Total expenses	**263.8**	104.4	**181.8**	23.5
Loss before income tax from discontinued operations	**(195.8)**	(29.7)	**(181.4)**	(18.6)
Income tax expense / (benefit)	**0.4**	(0.1)	**-**	-
Loss after tax from discontinued operations	**(196.2)**	(29.6)	**(181.4)**	(18.6)

The cashflows of the discontinued operations, which have been included in the statement of cashflows, were as follows:

	Cromwell	
	2024 $M	2023 $M
Net cash provided by operating activities	**43.9**	47.6
Net cash used by investing activities	**(0.5)**	(6.9)
Net cash used in financing activities	**(3.1)**	(9.1)
Net cash provided by disposal group	**40.3**	31.6

21. Leased assets and related leases

a) Overview

Cromwell and the Trust are lessees in a number of leasing arrangements. Leases grant Cromwell and the Trust the "right-of-use" for the leased asset for the contractual period of the lease in return for fixed lease payments. The right-of-use is recognised as an asset within the Balance Sheet category the relating leased asset would ordinarily be classified in and depreciated over the shorter of the contractual lease period or the useful life of the leased asset. The present value of remaining lease payments is recognised as a liability within borrowings.

Cromwell and the Trust are lessees in the following leasing arrangements:

- Leasehold land – leases of land upon which some of Cromwell's and the Trust investment properties are situated (leasehold properties). The right-of-use assets relating to such lease leases are recognised within investment properties. Refer to note 8 for more information in relation to Cromwell's and the Trust's investment properties situated on leasehold land.
- Office leases – leases of office space in Australia, Singapore and Europe. The relating right-of-use assets are recognised within property, plant and equipment.
- Equipment leases – leases of office equipment. The right-of-use assets are recognised within property, plant & equipment.

b) Amounts recognised in the financial statements

The below table shows the information in relation to Cromwell and Trust's leased assets and relevant lease liabilities for the year ending and as at 30 June 2024 (refer to note 11(c) also for further information):

	Investment property (1) (2) $M	Office premises (3) $M	Property, plant and equipment (3) $M	Total $M
Right-of-use assets				
Reconciliation of movements in right-of-use assets:				
Right-of-use assets recognised on 1 July 2022	5.9	17.1	3.2	26.2
Additions	-	1.2	0.1	1.3
Disposals, terminations and modifications	-	-	(1.5)	(1.5)
Amortisation – continuing operations (4)	-	(1.5)	(0.6)	(2.1)
Amortisation – discontinued operations (4)	(0.2)	(2.8)	(0.4)	(3.4)
Foreign exchange movements	0.3	0.9	0.2	1.4
Balance as at 30 June 2023	**6.0**	**14.9**	**1.0**	**21.9**
Additions	**-**	**4.3**	**0.3**	**4.6**
Disposals, terminations and modifications	**-**	**(0.3)**	**-**	**(0.3)**
Amortisation – continuing operations (4)	**-**	**(1.4)**	**(0.1)**	**(1.5)**
Amortisation – discontinued operations (4)	**(0.2)**	**(2.8)**	**(0.4)**	**(3.4)**
Reclassified to assets held for sale	**(5.8)**	**(10.5)**	**(0.6)**	**(16.9)**
Foreign exchange movements	**-**	**(0.4)**	**-**	**(0.4)**
Right-of-use assets at 30 June 2024	**-**	**3.8**	**0.2**	**4.0**

	Investment property (1) (2) $M	Office premises (3) $M	Property, plant and equipment (3) $M	Total $M
Lease liabilities				
Reconciliation of movements in lease liabilities:				
Lease liabilities recognised on 1 July 2022	5.3	17.9	3.0	26.2
Additions	-	1.2	0.2	1.4
Principle payments	(0.4)	(4.9)	(1.1)	(6.4)
Finance costs – continuing operations (5)	-	0.1	-	0.1
Finance costs – discontinued operations (5)	0.3	0.3	-	0.6
Disposals, terminations and modifications	-	0.1	(1.5)	(1.4)
Foreign exchange movements	0.7	1.0	0.1	1.8
Balance as at 30 June 2023	**5.9**	**15.7**	**0.7**	**22.3**
Additions	**-**	**4.3**	**0.3**	**4.6**
Principle payments	**(0.5)**	**(4.8)**	**(0.6)**	**(5.9)**
Finance costs – continuing operations (5)	**-**	**0.1**	**-**	**0.1**
Finance costs – discontinued operations (5)	**0.2**	**0.3**	**-**	**0.5**
Disposals, terminations and modifications	**-**	**(0.6)**	**(0.1)**	**(0.7)**
Reclassified to liabilities held for sale	**(5.7)**	**(10.7)**	**(0.1)**	**(16.5)**
Foreign exchange movements	**0.1**	**(0.3)**	**-**	**(0.2)**
Lease liabilities at 30 June 2024	**-**	**4.0**	**0.2**	**4.2**
Payments in relation to lease liabilities recognised above (6):				
2023	(0.4)	(4.9)	(1.1)	(6.4)
2024	**(0.5)**	**(4.8)**	**(0.6)**	**(5.9)**

(1) Represents relevant information in respect of the Trust.
(2) Right-of-use assets included as a component of Investment property in the Consolidated Balance Sheet. Refer to note 8 for further information.
(3) Right-of-use assets included as a component of Property, plant and equipment in the Consolidated Balance Sheet.
(4) Included as a component of Administration and other expenses in the Consolidated Statement of Profit or Loss.
(5) Included as a component of Finance costs in the Consolidated Statement of Profit or Loss.
(6) Represents total cash flows in respect of leases.

c) Accounting policy

Accounting as lessee

Cromwell recognises a lease liability and a corresponding right-of-use asset at the commencement of a lease.

The lease liability is initially measured as the present value of the lease payments that are unpaid at the commencement date, discounted using the rate implicit in the lease or relevant incremental borrowing rate. Subsequently the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications. The lease liability is presented as a component of borrowings.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before commencement, less any lease incentives received and any initial direct costs. The right-of use asset is subsequently measured as cost less accumulated depreciation and impairments. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset.

22. Cash flow information

a) Overview

This note provides further information on the consolidated Statement of Cash Flows of Cromwell and the Trust. It reconciles loss for the year to cash flows from operating activities and information about non-cash transactions.

Notes to the Financial Statements

For the year ended 30 June 2024

b) Reconciliation of loss after tax to net cash provided by operating activities

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Loss after tax	**(531.6)**	(443.8)	**(541.1)**	(438.7)
Amortisation and depreciation	**6.8**	7.5	**0.2**	0.3
Amortisation of lease costs and incentives	**28.6**	27.6	**28.6**	27.6
Operating lease costs	**1.0**	0.7	**0.2**	0.3
Straight-line rentals	**(2.4)**	(7.4)	**(2.4)**	(7.4)
Expected credit losses	**0.4**	1.9	**0.4**	(0.2)
Security based payments	**-**	0.5	**-**	-
Share of losses – equity accounted investments (net of distributions)	**50.2**	62.2	**50.3**	59.4
Treasury securities issued to employees	**0.5**	0.9	**-**	-
Net foreign exchange losses	**0.3**	13.3	**0.1**	8.9
Amortisation of loan transaction costs	**3.7**	6.9	**3.7**	6.9
Gain on sale of interest in joint venture held for sale	**-**	(7.7)	**-**	-
Loss / (gain) on sale of investment properties	**4.1**	(2.0)	**4.1**	(2.0)
Gain on disposal of other assets	**-**	-	**-**	(1.0)
Gain on lease termination	**(0.7)**	-	**-**	-
Units in equity accounted investment provided to employees	**0.2**	-	**-**	-
Impact of dilution of equity holding / impairment	**-**	1.9	**-**	1.9
Finance costs attributable to discounted lease incentives	**1.0**	1.0	**1.0**	1.0
Impairment:				
Equity accounted investments	**165.4**	-	**165.0**	-
Loans and other	**0.8**	-	**-**	-
Fair value net losses / (gains) from:				
Investment properties	**359.9**	491.6	**359.9**	491.6
Derivative financial instruments	**25.7**	4.7	**26.6**	4.7
Investments at fair value through profit or loss	**(23.4)**	4.9	**4.1**	3.3
Payment for other transaction costs	**32.0**	3.9	**24.5**	2.2
Changes in operating assets and liabilities:				
(Increase) / decrease in Receivables	**4.2**	(1.1)	**0.1**	6.9
(Increase) / decrease in Tax assets / liabilities	**(0.9)**	(12.7)	**(0.9)**	(14.3)
(Increase) / decrease in Other current assets	**0.8**	(0.1)	**(0.1)**	(0.1)
Increase / (decrease) in Trade and other payables	**(10.3)**	(6.8)	**(4.9)**	(11.5)
Increase / (decrease) in Provisions	**(0.1)**	0.3	**-**	-
Increase / (decrease) in Unearned income	**(3.2)**	1.0	**(3.2)**	1.0
Net cash provided by operating activities	**113.0**	149.2	**116.2**	140.8

Non-cash financing and investing transactions

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
CEREIT units transferred to employees as remuneration	**(0.2)**	-	**-**	-
Treasury securities issued to employees	**0.5**	0.9	**-**	-
Non-cash financing and investing transactions	**0.3**	0.9	**-**	-

Notes to the Financial Statements

For the year ended 30 June 2024

c) Reconciliation of liabilities arising from financing activities

Cromwell	Interest bearing liabilities $M	Dividends / distributions payable $M	Derivative financial instruments $M	Total $M
Opening balance at 1 July 2022	2,191.7	42.6	-	2,234.3
Changes from financing cash flows:				
Proceeds from borrowings	167.7	-	-	167.7
Repayments of borrowings	(523.2)	-	-	(523.2)
Payments for lease liabilities	(6.4)	-	-	(6.4)
Payment of loan transaction costs	(2.7)	-	-	(2.7)
Payments for derivative financial instruments	-	-	(5.0)	(5.0)
Payment of dividends / distributions	-	(150.6)	-	(150.6)
Total changes from financing cash flows	(364.6)	(150.6)	(5.0)	(520.2)
Other movements:				
Exchange rate gains / losses	38.2	-	-	38.2
Reclassified to held for sale	(48.9)	-	-	(48.9)
Fair value net losses	-	-	5.0	5.0
Other lease liability movements	0.8	-	-	0.8
Amortisation of loan transaction costs	6.9	-	-	6.9
Distributions for the year	-	144.0	-	144.0
Balance at 30 June 2023	**1,824.1**	**36.0**	**-**	**1,860.1**
Changes from financing cash flows:				
Proceeds from borrowings	**294.1**	**-**	**-**	**294.1**
Repayments of borrowings	**(709.6)**	**-**	**-**	**(709.6)**
Payments for lease liabilities	**(5.9)**	**-**	**-**	**(5.9)**
Payment of loan transaction costs	**(1.0)**	**-**	**-**	**(1.0)**
Payments for derivative financial instruments	**-**	**-**	**(0.2)**	**(0.2)**
Payment of dividends / distributions	**-**	**(96.9)**	**-**	**(96.9)**
Total changes from financing cash flows	**(422.4)**	**(96.9)**	**(0.2)**	**(519.5)**
Other movements:				
Exchange rate gains / losses	**(4.8)**	**-**	**-**	**(4.8)**
Reclassified to held for sale	**(16.5)**	**-**	**-**	**(16.5)**
Fair value net losses	**-**	**-**	**15.9**	**15.9**
Other lease liability movements	**4.5**	**-**	**-**	**4.5**
Amortisation of loan transaction costs	**3.7**		**-**	**3.7**
Distributions for the year	**-**	**80.5**	**-**	**80.5**
Balance at 30 June 2024	**1,388.6**	**19.6**	**15.7**	**1,423.9**

Trust	Interest bearing liabilities $M	Dividends / distributions payable $M	Derivative financial instruments $M	Total $M
Opening balance at 1 July 2022	2,170.9	42.6	-	2,213.5
Changes from financing cash flows:				
Proceeds from borrowings	167.7	-	-	167.7
Repayments of borrowings	(523.2)	-	-	(523.2)
Payments for lease liabilities	(0.4)	-	-	(0.4)
Payment of loan transaction costs	(2.7)	-	-	(2.7)
Payments for derivative financial instruments	-	-	(5.0)	(5.0)
Payment of dividends / distributions	-	(150.6)	-	(150.6)
Total changes from financing cash flows	(358.6)	(150.6)	(5.0)	(514.2)
Other movements:				
Exchange rate gains / losses	37.2	-	-	37.2
Reclassified to held for sale	(48.9)			(48.9)
Fair value net losses	-	-	5.0	5.0
Other lease liability movements	0.3	-	-	0.3
Amortisation of loan transaction costs	6.9	-	-	6.9
Distributions for the year	-	144.0	-	144.0
Balance at 30 June 2023	**1,807.8**	**36.0**	**-**	**1,843.8**
Changes from financing cash flows:				
Proceeds from borrowings	**294.1**	**-**	**-**	**294.1**
Repayments of borrowings	**(709.6)**	**-**	**-**	**(709.6)**
Payments for lease liabilities	**(0.5)**	**-**	**-**	**(0.5)**
Payment of loan transaction costs	**(1.0)**	**-**	**-**	**(1.0)**
Payments for derivative financial instruments	**-**	**-**	**(0.2)**	**(0.2)**
Payment of dividends / distributions	**-**	**(96.9)**	**-**	**(96.9)**
Total changes from financing cash flows	**(417.0)**	**(96.9)**	**(0.2)**	**(514.1)**
Other movements:				
Exchange rate gains / losses	**(4.4)**	**-**	**-**	**(4.4)**
Reclassified to held for sale	**(5.7)**	**-**	**-**	**(5.7)**
Fair value net losses	**-**	**-**	**16.4**	**16.4**
Amortisation of loan transaction costs	**3.7**	**-**	**-**	**3.7**
Distributions for the year	**-**	**80.5**	**-**	**80.5**
Balance at 30 June 2024	**1,384.4**	**19.6**	**16.2**	**1,420.2**

d) Accounting policy

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

23. Security based payments

a) Overview

Cromwell operates a security based compensation scheme, the Performance Rights Plan (PRP). Under the PRP, eligible employees, including executive directors, have the right to acquire Cromwell securities at a consideration of $0.00 subject to certain vesting conditions. Eligibility is by invitation of the Board of Directors and participation in the PRP by executive directors is subject to securityholder approval. The PRP is designed to provide long-term incentives for employees to continue employment and deliver long-term securityholder returns.

b) PRP

All full-time and part-time employees who meet minimum service, remuneration and performance requirements, including executive directors, are eligible to participate in the PRP at the discretion of the Board. Under the PRP, eligible employees are allocated performance rights. Each performance right enables the participant to acquire a stapled security in Cromwell, at a future date and exercise price, subject to conditions. The number of performance rights allocated to each participant is set by the Board or the Nomination & Remuneration Committee and based on individual circumstances and performance.

The amount of performance rights that will vest under the PRP depends on a combination of factors which may include Cromwell's total securityholder returns (including price growth, dividends/distributions and capital returns), internal performance measures and the participant's continued employment. Performance rights allocated under the PRP generally vest in three years. Until performance rights have vested, the participant cannot sell or otherwise deal with the performance rights except in certain limited circumstances. It is a condition of the PRP that a participant must remain employed by Cromwell in order for performance rights to vest. Any performance rights which have not yet vested on a participant leaving employment must be forfeited.

Set out below is a summary of movements in the number of performance rights outstanding at the end of the financial year:

	2024		2023	
	Weighted average exercise price	**Number of performance rights**	Weighted average exercise price	Number of performance rights
As at 1 July	**$0.00**	**7,513,850**	$0.26	8,047,940
Granted during the year	**$0.00**	**6,907,375**	-	4,076,483
Exercised during the year	**$0.00**	**(428,099)**	$0.31	(1,207,622)
Forfeited / lapsed during the year	**$0.00**	**(3,799,942)**	$0.03	(3,402,951)
As at 30 June	**$0.00**	**10,193,184**	$0.00	7,513,850
Vested and exercisable	**-**	**-**	-	-

The weighted average price per security at the date of exercise of options exercised during the year ended 30 June 2024 was $0.37 (2023: $0.68). No options expired during the years covered in the table above.

The weighted average remaining contractual life of the 10,193,184 performance rights outstanding at the end of the financial year (2023: 7,513,850) was 1.43 years (2023: 1.29 years).

Fair value of performance rights granted

The fair value of performance rights granted during the year was between $0.04 and $0.36 per option for PRP with an exercise price of $nil (2023: fair value between $0.64 and $0.81 and an exercise price of $nil).

Performance rights have market-based vesting conditions such as the Relative TSR hurdle. The fair values at grant date are determined using a Monte Carlo simulation option pricing model that takes into account the exercise price, the term of the option, the security price at grant date and expected price volatility of the underlying security, the expected dividend/distribution yield and the risk-free interest rate for the term of the option. The model inputs for performance rights granted during the year included:

	2024	2023
Exercise price:	$0.00	$0.00
Grant date(s):	6-Oct-23, 20-Nov-23, 17-Apr-24	7-Oct-22
Share price at grant date(s):	$0.345 to $0.425	$0.685 to $0.79
Expected price volatility:	26% - 29%	25% - 32.12%
Expected dividend yield(s):	6.98% to 15.25%	6.96% to 9.49%
Risk free interest rate(s):	3.68% to 4.42%	3.24% to 3.41%
Expiry date(s):	30-Sept-26	30-Sept-25

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

c) Expense arising from security based payments

Expenses arising from share-based payments recognised during the year as part of employee benefits expense were as follows:

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Performance rights issued under the PRP	**-**	0.5	**-**	-

Refer to note 6(d) for information in relation the accounting policy in relation to security based payments.

24. Related parties

a) Overview

Related parties include directors and other key management personnel and their close family members and any entities they control as well as subsidiaries, associates and joint ventures of Cromwell. They also include entities which are considered to have significant influence over Cromwell, that is securityholders that hold more than 20% of Cromwell's issued securities.

This note provides information about transactions with related parties during the year. All of Cromwell's transactions with related parties are on normal commercial terms and conditions and at market rates.

b) Key management personnel disclosures

Key management personnel compensation	Cromwell	
	2024 **$**	2023 $
Short-term employee benefits	**4,167,831**	3,582,726
Post-employment benefits	**126,073**	127,061
Other long-term benefits	**44,537**	29,885
Security-based payments	**217,809**	546,913
Total key management personnel compensation	**4,556,250**	4,286,585

Loans to key management personnel

No loans have been provided to key management personnel during the current financial year (2023: nil).

c) Other related party transactions

i) Parent entity and subsidiaries

Cromwell Corporation Limited is the ultimate parent entity in Cromwell. Cromwell Diversified Property Trust is the ultimate parent entity in the Trust. Details of subsidiaries for both parent entities are set out in note 17.

ii) Transactions with joint ventures and associates

Cromwell European Real Estate Investment Trust

Cromwell and the Trust hold 27.8% and 27.4% interests in CEREIT (2023: 27.8% and 27.4% - refer to note 9(b) for further details). Cromwell and the Trust received $40.7 million and $40.3 million in distributions from CEREIT during the year (2023: $41.1 million and $40.4 million).

Cromwell EREIT Management Pte. Ltd. ("CEM"), a wholly owned subsidiary of Cromwell, is the Manager for CEREIT. A number of other wholly owned, Europe-domiciled, subsidiaries of Cromwell provide property related services to CEREIT at normal commercial terms.

The following income was earned by Cromwell from CEREIT:

	Cromwell	
	2024 **$M**	2023 $M
Paid / payable by CEREIT to Cromwell and its subsidiaries:		
Asset management fees	**29.2**	29.0
Fund management fees	**10.2**	11.1
Leasing fees	**5.2**	3.2
Project management and development fees	**5.1**	3.0
Distributions	**40.7**	41.1
Balances outstanding with CEREIT at year end:		
Aggregate amounts receivable	**11.0**	15.2

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For the year ended 30 June 2024

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During the financial year Cromwell was repaid in full the loan and all outstanding interest provided to the joint venture in 2022 to repay an external debt facility that fell due. The loan repayment was completed as part of the sale of Cromwell's shares in the joint venture. As at 30 June 2024 Cromwell holds no interest in the joint venture and all loans have been settled in full.

iii) Transactions between the Trust and the Company and its subsidiaries (including the responsible entity of the Trust)

Cromwell Property Securities Limited ("CPS"), a wholly owned subsidiary of Cromwell Corporation Limited ("CCL") acts as responsible entity for the Trust. For accounting purposes the Trust is considered to be controlled by CCL. CCL and its subsidiaries provide a range of services to the Trust. A subsidiary of CCL rents commercial property space in a property owned by the Trust. All transactions are performed on normal commercial terms.

The Trust made the following payments to and received income from CCL and its subsidiaries:

	Trust	
	2024 $M	2023 $M
Paid / payable by the Trust to the Company and its subsidiaries:		
Fund management fees	**16.6**	20.8
Property management fees	**5.4**	5.8
Leasing fees	**1.4**	1.2
Project management fees	**0.5**	0.7
Accounting fees	**1.0**	1.0
Received / receivable by the Trust from the Company and its subsidiaries:		
Interest	**0.7**	1.5
Rent and recoverable outgoings	**1.0**	1.0
Balances outstanding at year-end with the Company and its subsidiaries:		
Aggregate amounts payable	**1.6**	1.1
Aggregate amounts receivable	**4.2**	20.6

The amount receivable from the Company and its subsidiaries includes loans of $4.2 million (2023: $20.6 million). For further details regarding these loans refer to note 13(b).

iv) Transactions with managed investment schemes

Cromwell Funds Management Limited ("CFM") acts as responsible entity for a number of managed investment schemes. Cromwell derives a range of benefits from schemes managed by CFM including management and acquisition fees. Transactions between the Cromwell and the schemes managed by CFM also included:

Cromwell Direct Property Fund

During the current financial year, the Trust acquired an additional 34,050 units at an average price of $1.12 per unit. At 30 June 2024 the Trust held a total of 14,814,923 units (30 June 2023: 14,780,873 units).

On 1 March 2024, the Company entered into a lease agreement with the Cromwell Direct Property Fund. The lease relates to the 10th and 11th Floors of the 100 Creek Street, Brisbane, QLD investment property owned by the managed investment scheme. The lease, which was entered into at arm's length commercial terms has a term of 7 years, requires annual lease payments of $1,001,422 with fixed annual rent increases of 3.5%p.a. before deducting the rental incentive ($4,021,880 taken as an abatement over the life of the lease). For the year ending 30 June 2024, the Company made lease payments of $161,479. At 30 June 2024, the Company had recognised a right of use asset for lease premises of $3,235,531 and a corresponding lease liability of $3,302,531.

Cromwell Phoenix Global Opportunities Fund

During the current financial year, the Trust acquired an additional 400,224 units at price of $1.25 per unit. At 30 June 2024 the Trust held a total of 927,948 units (30 June 2023: 527,724 units).

Cromwell Phoenix Property Securities Fund

During the current financial year, the Trust acquired 521 units in the new wholesale class established by the Fund at price of $0.96 per unit. At 30 June 2024 the Trust held a total of 521 units (30 June 2023: nil).

Cromwell Healthcare Property Fund

Cromwell has provided a loan facility of $2,600,000 to Cromwell Healthcare Property Fund ARSN 676 931 838 ("CHPF"). During the year the facility was drawn to $2,534,296 which was outstanding at 30 June 2024.

The amount owing is expected to be recovered in full other than an amount of up to $100,000.

25. Auditors' remuneration

a) Overview

The independent auditors of Cromwell in Australia (Deloitte Touche Tohmatsu) and component auditors of overseas subsidiaries and their affiliated firms have provided a number of audit and other assurance related services as well as other non-assurance related services to Cromwell and the Trust during the year.

Below is a summary of fees paid for various services to Deloitte Touche Tohmatsu and component audit firms during the year:

	Cromwell		Trust	
	2024 $	2023 $	**2024 $**	2023 $
Deloitte Touche Tohmatsu				
Audit and other assurance services				
Auditing or reviewing of financial reports	**626,094**	647,867	**474,656**	478,381
Auditing of controlled entities' AFS licences	**7,875**	7,500	**-**	-
Auditing of component financial reports	**1,013,650**	895,441	**536,300**	437,850
Other assurance services	**278,440**	51,683	**-**	-
	1,926,059	1,602,491	**1,010,956**	916,231
Other services				
Due diligence services	**-**	19,650	**-**	19,650
Other reporting services	**-**	8,797	**-**	8,797
International consulting services	**12,824**	5,420	**-**	-
Australian taxation advice	**10,100**	8,380	**-**	-
Total remuneration of Deloitte Touche Tohmatsu	**1,948,983**	1,644,738	**1,010,956**	944,678

The independent auditors of the Trust's compliance plan in Australia (Pitcher Partners) have provided a number of audit and other assurance related services as well as other non-assurance related services to Cromwell and the Trust during the year.

Below is a summary of fees paid for various services to Pitcher Partners during the year:

	Cromwell		Trust	
	2024 $	2023 $	**2024 $**	2023 $
Pitcher Partners				
Audit and other assurance services				
Auditing of the Trust's compliance plan	**46,000**	43,000	**46,000**	43,000
Audit of Statements of Outgoings	**18,900**	20,000	**18,900**	20,000
	64,900	63,000	**64,900**	63,000
Other services				
Valuation services	**12,000**	6,100	**-**	-
Total remuneration of Pitcher Partners	**76,900**	69,100	**64,900**	63,000

26. Unrecognised items

a) Overview

Items that have not been recognised on Cromwell's and the Trust's Balance Sheet include contractual commitments for future expenditure and contingent liabilities which are not sufficiently certain to qualify for recognition as a liability on the Consolidated Balance Sheet. This note provides details of any such items.

b) Commitments

Capital expenditure commitments

Commitments in relation to capital expenditure contracted for at reporting date but not recognised as a liability are as follows:

	Cromwell		Trust	
	2024 $M	2023 $M	**2024 $M**	2023 $M
Investment property	**2.6**	4.2	**2.2**	4.2
Total capital expenditure commitments – continuing operations	**2.6**	4.2	**2.2**	4.2
Capital contributions – discontinued operations	**39.8**	39.8	**-**	-
Total capital expenditure commitments	**42.4**	44.0	**2.2**	4.2

c) Contingent assets and contingent liabilities

The Directors are not aware of any material contingent assets or contingent liabilities of Cromwell or the Trust (2023: $nil).

27. Subsequent events

On 19 July 2024, Cromwell and the Trust repaid in full €55.0 million ($88.4 million) of the revolving Euro facility. The facility was then cancelled.

Other than those disclosed above, no matter or circumstance has arisen since 30 June 2024 that has significantly affected or may significantly affect:

- Cromwell's and the Trust's operations in future financial years; or
- the results of those operations in future financial years; or
- Cromwell's and the Trust's state of affairs in future financial years.

The financial statements were approved by the Board of Directors and authorised for issue on 29 August 2024.

Directors' Declaration

The Directors of Cromwell Corporation Limited and Cromwell Property Securities Limited as Responsible Entity for the Cromwell Diversified Property Trust (collectively referred to as "the Directors") declare that:

a) in the directors' opinion, there are reasonable grounds to believe that Cromwell and the Trust will be able to pay their debts as and when they become due and payable;

b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards as disclosed in About this report - note 1 Basis of preparation;

c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with *Corporations Act 2001* (Cth), including compliance with accounting standards, *Corporations Regulations 2001* and give a true and fair view of the financial position and performance of Cromwell and the Trust;

d) The Directors have been given the declarations by the chief executive officer and chief financial officer for the financial year ended 30 June 2024 required by section 295A of the *Corporations Act 2001* (Cth); and

e) in the directors' opinion, the attached consolidated entity disclosure statement is true and correct as set out on pages 59 to 60.

This declaration is made in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001* (Cth).

Dr Gary Weiss AM

Chair

29 August 2024

Sydney

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Independent Auditor's Report to the Stapled Security Holders of Cromwell Property Group and the Unitholders of Cromwell Diversified Property Trust

Report on the Audit of the Financial Reports

Opinion

We have audited the financial reports of:

- Cromwell Property Group (the Group) which comprises the consolidated balance sheet as at 30 June 2024, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the directors' declaration and the Consolidated Entity Disclosure Statement of Cromwell Corporation Limited (the Company). The Group comprises the consolidated stapled entity compromising the Company and Cromwell Diversified Property Trust, and the entities they controlled at year end or from time to time during the year; and
- Cromwell Diversified Property Trust (the Trust) which comprises the consolidated balance sheet as at 30 June 2024, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the directors' declaration and the Consolidated Entity Disclosure Statement of Cromwell Property Securities Limited (the Responsible Entity) as Responsible Entity of the Trust. The Trust comprises Cromwell Diversified Property Trust and the entities it controlled at year end or from time to time during the year.

In our opinion, the accompanying financial reports of the Group and the Trust are in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group and the Trust's financial position as at 30 June 2024 and of their financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

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

Key Audit Matters

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

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Valuation of investment property At 30 June 2024, Cromwell Property Group recognised investment properties at fair value of $2.2b as disclosed in Note 8. The Group owns a portfolio of properties within Australia. Valuations were carried out by third-party valuers for all investment properties in Australia during the year. Within their 30 June 2024 valuations, certain valuers included observations as to market uncertainty caused by inflationary pressures and tightening monetary policy. This highlights that a higher degree of caution should be attached to the valuations than would normally be the case. Note 8 describes the valuation methodologies adopted by the Group: • the income capitalisation method applies a capitalisation rate to normalised market net operating income. • the discounted cash flow (DCF) method involves the projection of cash flows discounted to present value. The valuation processes require judgment and estimation in the following valuation inputs: • net market income • net operating income • compound annual growth rates • terminal yields • capitalisation rates; and • discount rates. Of these, capitalisation rates and discount rates are considered to have the greatest propensity to materially impact the valuations and involve the use of significant judgement.	Our procedures included, but were not limited to: • Understanding the relevant controls within management's valuation framework and assessing the oversight applied by the directors over the valuation processes. • Enquiring of management to obtain an understanding of portfolio movements and their identification of any property specific matters, as well as their assessment of the impact of inflationary pressures and tightening monetary policy on the valuations, and the uncertainty statement included in certain valuation reports. • Assessing the independence, competence and objectivity of the external valuers. • Performing an analytical review and risk assessment of the portfolio, assessing the key inputs and assumptions. • Testing all externally valued properties, for: - the completeness and accuracy of the information in the valuation by agreeing key inputs such as annual net operating income to underlying records and source evidence; - the reasonableness of the forecasts used in the valuations, such as net operating income, capital expenditure requirements, occupancy and lease renewals, with reference to current financial results; and - the mathematical accuracy of the valuation models. • Assessing the reasonableness of the assumptions used in the valuations, including the capitalisation rates, and net market income adjustments made in the capitalisation approach and the discount rate, compound annual growth rate, and terminal yield used in the discounted cashflow method with reference to external market trends & transactions, property specific factors such as tenant mix and changes since the prior valuation. We also assessed the appropriateness of the disclosures included in the Notes to the financial statements.

Key audit matter	How the scope of our audit responded to the key audit matter
Classification & presentation and measurement of discontinued operations During the financial year ended 30 June 2024, Cromwell Property Group entered a sale and purchase agreement on 22 May 2024 for the sale of its European Platform, comprising its units in Cromwell European REIT (CEREIT), Cromwell Italy Urban Logistics Fund (CIULF) and the shares in subsidiaries Cromwell European Holdings (CEH) and Cromwell EREIT Management (CEM) (collectively, the "Management Platform") for approximately €280m (A$457m). Additionally, Cromwell has disposed of all Polish investment properties during the financial year. The Group entered into a sale agreement on 23 December 2023 and completed the sale on 15 May 2024 for its ownership of the Polish retail investment properties held within the Cromwell Polish Retail Fund (CPRF) for €285m (A$465m). The Group's 50% interest in the Polish Ursynów joint venture was disposed of in February 2024 for €41.5m (A$69m). Cromwell has classified the components to these transactions as discontinued operations, as disclosed in Note 20 to the financial statements. The Management Platform has also been classified as held for sale at 30 June 2024, as disclosed in Note 20 to the financial statements. The areas of key accounting estimates and judgement across the completed and contracted sale transactions include: • classification of the Management Platform as held for sale, and its presentation within the Consolidated Statement of Financial Position • classification of the Management Platform and Polish investments as discontinued operations, and their presentation within the Consolidated Statement of Profit or Loss • measurement of the Management Platform as held for sale at the lower of fair less costs to sell and carrying values at the time of the sale being contracted • disclosure of the assets held for sale and liabilities directly related within the Notes to the financial statements; and • disclosure of the discontinued operations within the Notes to the financial statements. The presentation and disclosure of the discontinued operations of the Group, including re-presentation of comparative financial information are considered significant to an overall understanding of the Group's financial position at, and performance for the year ended, 30 June 2024.	Our procedures included, but were not limited to: • Inquiring of management to obtain an understanding of the rationale for the classification, presentation and measurement adopted for the assets and liabilities classified as Held for sale at 30 June 2024 and of the discontinued operations for the year ended 30 June 2024 • Examining the Sale and Purchase Agreement for the contracted sale of the Group's units in CEREIT, CIULF and the shares in the Management Platform to assess the terms of the contract. • Testing the cash and debt settlement amounts for the sale of CPRF investment properties and interest in the Ursynów joint venture. • Inquiring of management and assessing the measurement of the retention amounts disclosed within the sale agreement of the CPRF investment properties. • Assessing the classification and presentation of the Management Platform as held for sale at 30 June 2024 is in accordance with AASB 5 *Non-current assets held for sale and discontinued operations.* • Assessing that the classification and presentation, and measurement of the Management Platform and Polish investments as discontinued operations are in accordance with AASB 5 *Non-current assets held for sale and discontinued operations*. • Evaluating that the measurement of the Management Platform as held for sale at 30 June 2024 is accordance with AASB 5 *Non-current assets held for sale and discontinued operations.* • Assessing the appropriateness of the disclosures included in the Notes to the financial statements.

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Other Information

The directors of the Company and the Responsible Entity of the Trust (the directors) are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of this auditor's report, and also includes the following information which will be included in the Group and Trust's Annual Report (but does not include the financial reports and our auditor's report thereon): Financial Highlights, Chairman's Report, CEO's Report, Corporate Governance Statement and Securityholder Information, which is expected to be made available to us after that date.

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

In connection with our audit of the financial reports, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial reports 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.

When we read the Financial Highlights, Chairman's Report, CEO's Report, Corporate Governance Statement and Securityholder Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action.

Responsibilities of the Directors for the Financial Reports

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

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

Auditor's Responsibilities for the Audit of the Financial Reports

Our objectives are to obtain reasonable assurance about whether the financial reports as a whole are 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 reports.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial reports, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group or the Trust's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group or the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial reports or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Trust to cease to continue as going concerns.
- Evaluate the overall presentation, structure and content of the financial reports, including the disclosures, and whether the financial reports represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group and Trust financial reports. We are responsible for the direction, supervision and performance of the Group's and Trust's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the Group financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 33 to 49 of the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Cromwell Property Group for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Nicholas Rozario
Partner
Chartered Accountants

Sydney, 29 August 2024