

# FIRST QUARTER UPDATE

30 OCTOBER 2024

Cedar Woods Properties Limited (ASX: CWP) ('Cedar Woods' or 'the Company') provides the following first quarter update for FY25.

## KEY POINTS

- Confirmed target of 10% growth in net profit after tax (NPAT) for FY25
- Presales of more than \$560 million at the end of Q1 (\$500 million pcp), up 12%
- Strong balance sheet, low gearing, and significant undrawn finance facilities available

## FINANCIAL PERFORMANCE

At the end of Q1 FY25, the company had achieved approximately one quarter of forecast full year settlements and revenue and just over one quarter of forecast full year NPAT, tracking well towards targeted 10% growth in NPAT for FY25.

During the quarter, contracted acquisition payments at Mason Quarter, Victoria and Subiaco Depot, Perth, a joint venture with Tokyo Gas Real Estate (TGRE), were made totalling \$45.8 million. Following these payments, the Company maintained over \$150 million in liquidity (made up of undrawn headroom in the Company's corporate finance facility and cash at bank).

The Company maintains a strong balance sheet with corporate finance facilities of \$330 million with maturity terms of 3 years (\$264 million) and 5 years (\$66 million), with tenure extended annually.

## PORTFOLIO PERFORMANCE

Portfolio highlights in Q1 FY25 include completion and first settlements at Banksia apartments in South Australia, the Company's first joint venture project with TGRE. The second TGRE joint venture, Bloom 1 apartments is forecast to complete in Q4 FY25 with one other joint venture project also underway between the parties.

In Queensland, the Company recorded first townhouse settlements at its Greville project in Woolloowin and land settlements at Flourish in South Maclean. Flourish is proving to be popular with first home buyers and has recorded strong sales rates and price growth.

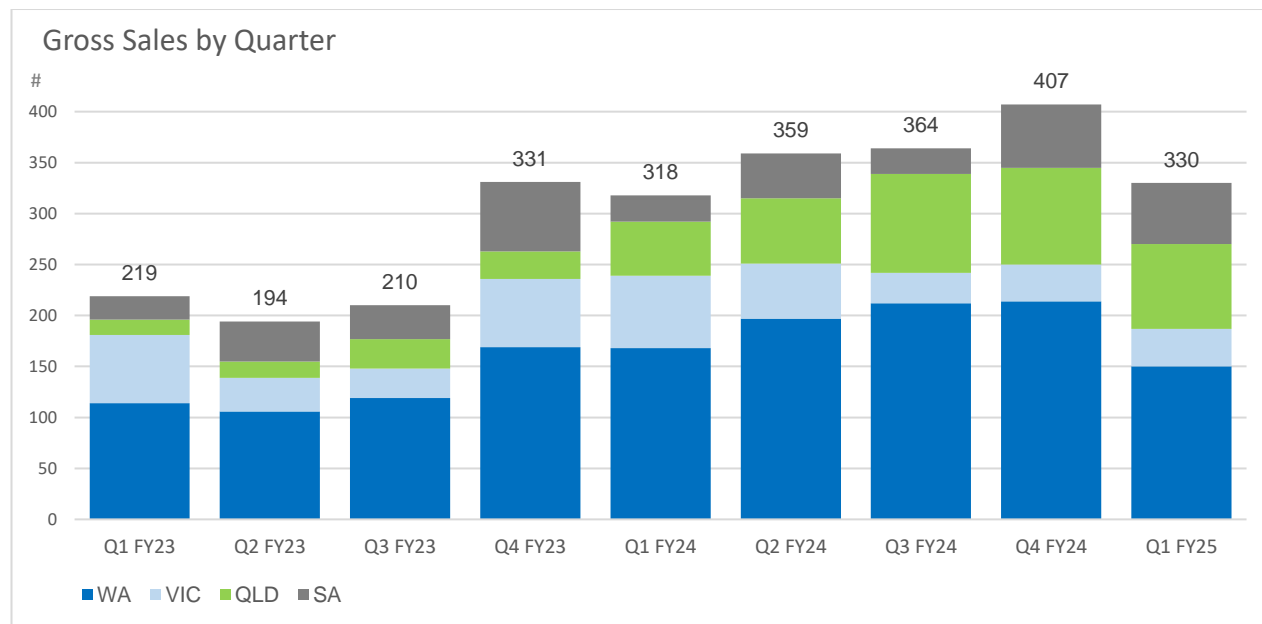
In Victoria, the Company commenced construction on its fourth strata office project at Williams Landing ahead of schedule. The project, known as Hudson Hub, is 66% presold and forecast to complete in H2 FY26, further proving up the ongoing strength and depth of demand for affordable, well-located offices at Williams Landing.

The Company's Western Australian projects have continued to sell well with prices stabilising at higher levels and resulting in higher margins. Eglinton Village and Millars Landing have more than 1,100 lots and 1,300 lots remaining respectively.

## MARKET CONDITIONS

Market conditions continue to support the residential property sector with buoyant conditions in WA, QLD and SA,

while VIC remains somewhat weaker. 330 gross sales were achieved in the quarter, up 4% on Q1 FY24, taking presales on hand to over \$560 million, up 12% on the balance held at the end of Q1 FY24. Whilst Q1 sales volumes remained at good levels, they were lower than Q4 FY24. The national undersupply of housing is expected to continue to positively support enquiry, sales volumes and pricing.



A combination of high population growth, low housing supply, stable employment outlook, moderating inflation and stabilising interest rates have resulted in strong growth in dwelling values across Perth +24.1%, Brisbane +14.5% and Adelaide + 14.8% in the 12 months to September 2024<sup>1</sup>. Melbourne was the only major capital to record negative change in dwelling values of -1.4% for the period, now making it relatively affordable compared with other capitals.

State, local and federal government policies have shifted towards support for residential development in a concerted effort to address the national housing crisis. Examples of this support include government infrastructure contributions, policy support for increased building height, fast track approval policies and stamp duty exemptions.

Many of the Company’s projects offer affordable product and are expected to benefit from these expansionary policies and the potential interest rate cuts that are anticipated to occur in 2025.

## COMPANY OUTLOOK

As noted in the Company’s recent full year results announcement on 20 August, the Company is targeting 10% growth in NPAT for FY25 and is well placed for the medium term with a long pipeline of undeveloped dwellings/lots/offices across four states.

<sup>1</sup> CoreLogic Australia

Authorised by: Cedar Woods Board of Directors

## ENDS

[For further information](#)

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