

Half Year Report

For the six months ended 31 December 2024



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Corporate Directory

Chairman

Ryan Stokes, AO
BComm, FAIM
Non-executive

Directors

Brett Woods
BSc (Hons) Geology and Geophysics
Managing Director and
Chief Executive Officer

Bruce Clement
BEng (Civil) Hons, BSc, MBA
Independent non-executive

Sally-Anne Layman
BEng (Mining) Hons, BCom, CPA, MAICD
Independent non-executive

Sally Martin
BE (Elec), GAICD
Independent non-executive

Peter Moore
PhD, BSc (Hons), MBA, GAICD
Lead independent non-executive

Richard Richards
BComs/Law (Hons), LLM, MAppFIN, CA,
Admitted Solicitor
Non-executive

Margaret Hall
BEng (Met) Hons, MIEAust, GAICD, SPE
Alternate (non-executive) director for
Ryan Stokes

Joint Company Secretaries

Christian Paech
LLB (Hons), B.Com, GAICD

David Lim
LLB, BEc

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Auditors

Ernst & Young
Level 12/121 King William Street
Adelaide SA 5000

Securities Exchange Listing


Beach Energy Limited shares are listed on the Australian Securities Exchange (ASX Code: BPT)

Beach Energy Limited

ABN 20 007 617 969

Website

www.beachenergy.com.au

 Cover image
Cooper Basin, South Australia

APPENDIX 4D

For the half year ended 31 December 2024 (Rule 4.2A)

ABN
20 007 617 969

Previous Corresponding Period
31 December 2023

Results for announcement to the market

				\$A million
Revenues from ordinary activities	Increased	6%	to	1,043.6
Net profit/(loss) from ordinary activities after tax (NPAT) attributable to members	Increased	164%	to	222.3
NPAT for the period attributable to members	Increased	164%	to	222.3
Underlying NPAT ⁽¹⁾	Increased	37%	to	236.9

(1) Underlying results in this report are categorised as non-IFRS financial information provided to assist readers to better understand the financial performance of the underlying operating business. They have not been subject to audit or review by Beach's external auditors.

Dividends	Amount per Security	Franked amount per Security
Fully franked final dividend paid (on 30 September 2024)	2.00 cents	2.00 cents
Fully franked interim dividend to be paid	3.00 cents	3.00 cents
Record date for determining entitlements to the interim dividend		28 February 2025
Payment date for interim dividend		31 March 2025

This Half Year Report is to be read in conjunction with the 2024 Annual Report.

Net tangible asset backing

	Current Period	Previous Corresponding Period
Net tangible asset backing per ordinary security ⁽²⁾	\$1.50	\$1.49

(2) Net assets excluding intangibles and lease assets.

Change in ownership of controlled entities

Control gained over entities having material effect	Not applicable
Loss of control of entities having material effect	Not applicable

Dividends

	Current Period \$million	Previous Corresponding Period \$million
Ordinary Securities	45.6	45.6

None of these dividends are foreign sourced.

Directors' Report

For the half year ended 31 December 2024

The directors of Beach Energy Limited (Beach or the Company) present their report for the half year ended 31 December 2024 and the state of affairs of the Company at that date. The Company's consolidated financial statements for the half year ended 31 December 2024, presented on pages 14-29, form part of this report.

Operating results, review of operations, state of affairs and likely developments

Financial results from the half year are summarised below:

- Group profit attributable to equity holders of Beach was \$222.3 million (H1 FY24 \$345.1 million loss).
- The net profit after tax of \$222.3 million reflects higher sales revenue, lower cost of sales and other expenses, partly offset by higher tax expenses.
- Sales revenue was up 5% from H1 FY24 to \$989.8 million driven by higher Otway and Bass basin production, an additional Waitsia LNG swap cargo and higher gas prices, partly offset by lower third party sales and unfavourable liquids prices.
- Cost of sales were down 5% from H1 FY24 to \$680.7 million, mainly driven by lower third party purchases and field operating costs partly offset by higher tolling expense.

		H1 FY25	H1 FY24	Change
Operations				
Production	MMboe	10.2	8.9	15%
Sales	MMboe	12.3	11.0	12%
Capital expenditure	\$m	(363.3)	(529.7)	31%
Income				
Sales revenue	\$m	989.8	941.0	5%
Total revenue	\$m	1,043.6	982.0	6%
Cost of sales	\$m	(680.7)	(717.5)	5%
Gross profit	\$m	362.9	264.5	37%
Other income	\$m	4.4	20.0	(78%)
Other expenses	\$m	(29.0)	(759.6)	96%
Net profit after tax (NPAT)	\$m	222.3	(345.1)	164%
Underlying NPAT ⁽¹⁾	\$m	236.9	172.7	37%
Dividends paid	cps	2.00	2.00	0%
Dividends announced	cps	3.00	2.00	50%
Basic EPS	cps	9.75	(15.14)	164%
Underlying EPS ⁽¹⁾	cps	10.39	7.57	37%
Cash flows				
Operating cash flow	\$m	659.0	350.1	88%
Investing cash flow	\$m	(413.3)	(602.5)	31%
		As at 31 December 2024	As at 30 June 2024	Change
Financial Position				
Net assets	\$m	3,488.7	3,312.5	5%
Cash balance	\$m	250.7	172.0	46%

(1) Underlying results in the table above are categorised as non-IFRS financial information provided to assist readers to better understand the financial performance of the underlying operating business. They have not been subject to audit or review by Beach's external auditors. Please refer to the table on page 6 for a reconciliation of this information to the financial report.

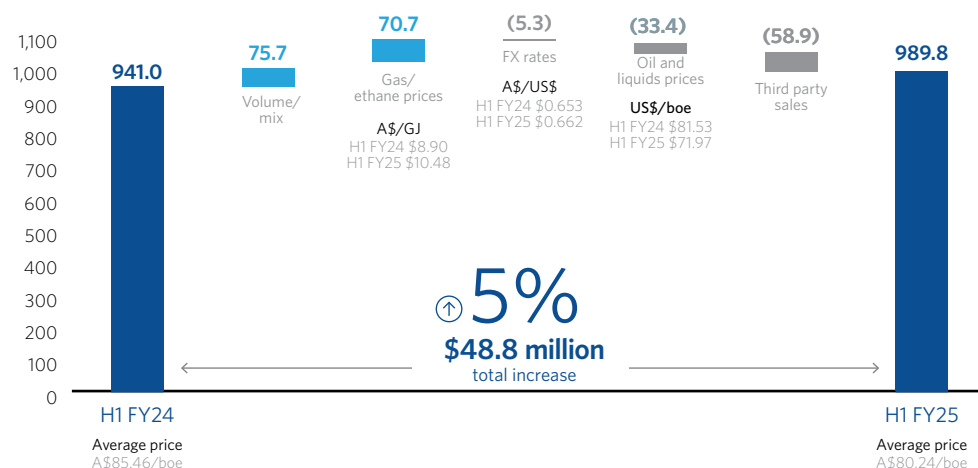
Directors' Report

For the half year ended 31 December 2024

Revenue

Sales revenue of \$989.8 million in H1 FY25 was \$48.8 million or 5% higher than H1 FY24, driven by higher Otway and Bass basin production, an additional Waitsia LNG swap cargo and higher realised gas prices, partly offset by unfavourable oil and liquids prices and lower third party sales. Higher production in the Otway and Bass basins, in addition to two LNG cargoes (H1 FY24: one LNG cargo), partly fulfilled using gas swaps, contributed \$75.7 million. Higher gas prices lifted revenues by \$70.7 million with realised gas prices increasing 18% to \$10.48/GJ. This was partly offset by lower sales volumes from third party product purchases (\$58.9 million), lower oil and liquid prices (\$33.4 million), average realised liquid prices decreasing 12% to US\$71.97/boe, and unfavourable FX movements (\$5.3 million).

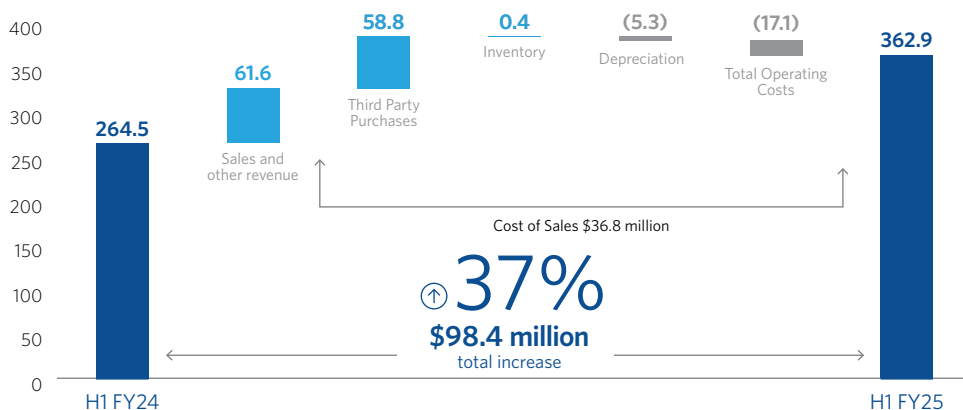
Sales Revenue Comparison (\$m)



Gross Profit

Gross profit for H1 FY25 of \$362.9 million (H1 FY24 \$264.5 million) was \$98.4 million or 37% higher than H1 FY24, driven by an increase in sales and other revenue and a \$36.8 million reduction in cost of sales. The reduction in cost of sales was primarily due to lower third-party purchases of \$58.8 million, due to the prior corresponding period's LNG and condensate purchases to fulfil cargoes, and cost reduction activity driving lower current period field operating costs by \$10.0 million, partly offset by higher tariffs and tolls (\$35.1 million) and depreciation charges.

Gross Profit Comparison (\$m)



Directors' Report

For the half year ended 31 December 2024

Net Profit Result

Other expenses of \$29.0 million were \$730.6 million lower than H1 FY24 with the prior period including the \$721.2 million impairment of non-current assets.

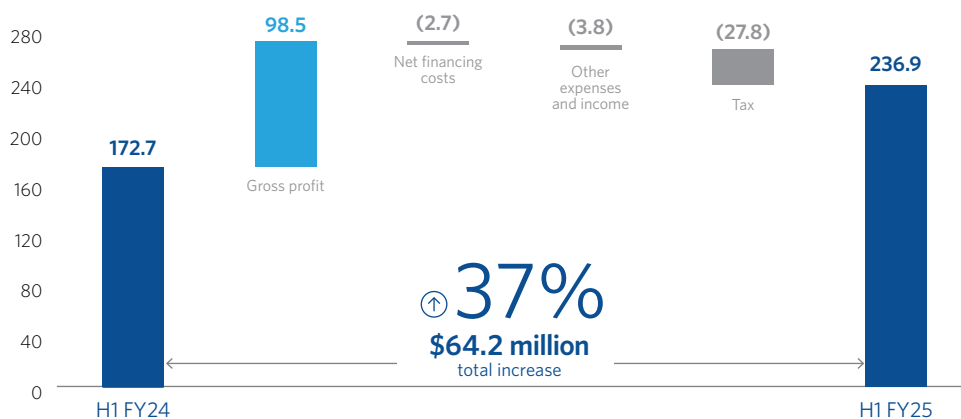
The reported net profit after income tax of \$222.3 million is \$567.4 million higher than H1 FY24, due to lower other expenses and higher revenues, partly offset by higher income tax corresponding with higher profits.

By adjusting the reported net profit after income tax for the one-off items below, Beach's underlying net profit after tax is \$236.9 million. Tariffs incurred for unutilised capacity in relation to the NWS processing of \$20.9 million as well as legal costs and insurance recoveries related to the class action defence costs included in the reported result have been excluded from the calculation of underlying net profit after tax.

Comparison of underlying profit	H1 FY25 \$million	H1 FY24 \$million	Movement from PCP \$million	
Net profit/(loss) after tax	222.3	(345.1)	567.4	164%
Adjusted for:				
Impairment of non-current assets	-	721.2	(721.2)	
Tariffs and tolls related to unutilised NWS capacity	20.9	20.8	0.1	
Loss on disposal of non-current assets	-	12.4	(12.4)	
Insurance recoveries	(2.1)	(16.2)	14.1	
Legal costs related to shareholder class action	2.1	1.4	0.7	
Tax impact of above changes	(6.3)	(221.8)	215.5	
Underlying net profit/(loss) after tax⁽¹⁾	236.9	172.7	64.2	37%

(1) Underlying results in this report are categorised as non-IFRS financial information provided to assist readers to better understand the financial performance of the underlying operating business. They have not been subject to audit or review by Beach's external auditors. All of the items being adjusted pre-tax are identified within Notes 2(b), 3(a) and 3(b) to the financial statements.

Underlying Net Profit After Tax Comparison (\$m)



Directors' Report

For the half year ended 31 December 2024

Financial Position

Assets

Total assets increased by \$232.9 million to \$5,732.1 million during the period. Cash balances increased by \$78.7 million to \$250.7 million, primarily due to:

- Cash inflow from operations of \$659.0 million, offset by,
- Cash outflow from investing activities of \$413.3 million, and
- Cash outflow from financing activities of \$167.0 million.

Receivables decreased by \$47.6 million primarily due to the timing of product sales in Waitsia, Cooper Basin and Bass Basin.

Total non-current assets increased by \$204.2 million driven by capital expenditure of \$361.5 million during the period, increase in restoration of \$60.1 million and borrowing costs capitalised \$22.4 million partly offset by depreciation and amortisation of \$218.1 million.

Liabilities

Total liabilities increased by \$56.7 million to \$2,243.4 million primarily due to an increase in payables of \$75.1 million and the restoration provision of \$67.1 million, offset by debt repayments of \$114.0 million, as a result of strong cash flows during the period.

Equity

Total equity increased by \$176.2 million, driven by a net profit after tax of \$222.3 million, partly offset by dividends paid during the period of \$45.6 million.

Dividends

During H1 FY25, the Directors declared and paid a 2.0 cent per share fully franked dividend. The Company will also pay a fully franked interim dividend of 3.0 cents per share for the current financial year.

Operations overview

Production performance, drilling and development activities are summarised below. Further information can be found in Beach's quarterly activity reports.

Production (net to Beach)

	H1 FY24		H1 FY25				Change
	Oil equivalent (MMboe)	Oil (MMbbl)	Sales Gas (PJ)	LPG (kt)	Condensate (kbbbl)	Oil equivalent (MMboe)	
Perth Basin	0.8	-	4.8	-	-	0.8	0%
Otway Basin	1.6	-	17.0	28	286	3.4	118%
Cooper Basin JV	3.4	0.4	13.9	25	185	3.2	(7%)
Western Flank	1.9	0.9	1.4	7	49	1.3	(31%)
Bass Basin	0.4	-	3.1	6	107	0.7	67%
Taranaki Basin	0.7	-	3.6	16	77	0.8	10%
Total Production	8.9	1.3	44	83	705	10.2	15%

Note that due to rounding, figures may not reconcile to totals.

Drilling

Basin	Target	Type	Wells drilled ⁽¹⁾	Successful Wells ⁽²⁾	Success rate
Cooper Basin	Oil	Exploration	2	1	50%
		Appraisal	6	2	33%
		Development	11	9	82%
	Gas	Exploration	3	3	100%
		Appraisal	10	10	100%
		Development	24	22	92%
Perth Basin	Gas	Appraisal	1	-	0%
		Development	3	3	100%
Total wells			60	50	83%

(1) Denotes wells completed during the period, excluding CO₂ injector wells.

(2) Successful wells defined as wells cased and suspended or completed as future producers.

Directors' Report

For the half year ended 31 December 2024

Perth Basin

Production

Total production of 0.8 MMboe was in-line with the prior corresponding period (H1 FY24: 0.8 MMboe) and comprised 4.8 PJ of sales gas. The Beharra Springs and Xyris gas plants operated steadily at average rates of 23 TJ/day gross and 29 TJ/day gross, respectively.

Waitsia Stage 2

The 250 TJ/day Waitsia Gas Plant reached mechanical completion during the period and completed the transition from the construction phase to the commissioning phase.

As announced on 9 December 2024, quality issues identified at the Xyris to Waitsia flowline valve station delayed the introduction of fuel gas into the Waitsia Gas Plant. These identified quality issues are being addressed and introduction of fuel gas is now expected in Q3 FY25.

The Waitsia Joint Venture is working closely with contractor Clough to mitigate potential for further schedule delays. Beach has seconded 20 senior personnel to the project and early initiatives have been identified to streamline commissioning.

First sales gas from the Waitsia Gas Plant in Q4 FY25 is targeted.

Exploration, appraisal and development

Following completion of abandonment activity in the Waitsia L1 permit and a third-party assignment, the Ventia 106 rig commenced the next phase of development drilling in the Waitsia field with three wells drilled during the period. Waitsia 12 intersected 37 metres of net gas pay across a 68-metre gross section of Kingia reservoir. Waitsia 16 intersected 20 metres of net gas pay across a 110-metre gross section of the Kingia and High Cliff reservoirs. Waitsia 17 intersected 26 metres of net gas pay across a 79-metre gross section of the Kingia and Highcliff reservoirs. The wells were completed and suspended for future connection to the Waitsia Gas Plant.

The WA 1 appraisal well spudded in mid-December 2024 and reached total measured depth of 3,447 metres after half year-end. Poor reservoir development was encountered at the objective levels and the well did not meet modelled deliverability thresholds required for completion. The well was plugged and suspended after quarter-end for a potential future side-track.

The Ventia 106 rig will next conduct the nearby Eremia decommissioning program and then mobilise to drill the Arenaria 1 exploration well from the L1 permit. The well will target the Kingia reservoir and, if successful, production volumes may be available for LNG export under the existing Waitsia export licence. Arenaria 1 is expected to spud in Q3 FY25.

Commercial

Production from the Xyris Gas Plant and third-party gas sourced via swap arrangements enabled processing and lifting of the third and fourth Waitsia LNG swap cargoes at the North West Shelf. The cargoes were sold to bp under the existing LNG SPA at an average realised price of \$17.3 per MMBtu, delivering revenue of \$139 million.

Acreege description

Perth Basin producing licence areas include Waitsia (Beach 50%, MEPAU 50% and operator) in licences L 1 and L 2, and Beharra Springs (Beach 50% and operator, MEPAU 50%) in licences L 11 and L 22. The exploration permit is EP 320 (Beach 50% and operator, MEPAU 50%).

Otway Basin

Production

Total production of 3.4 MMboe was 118% above the prior corresponding period (H1 FY24: 1.6 MMboe) and comprised 17.0 PJ of sales gas (+121%), 28 kt of LPG (+82%) and 286 kbbl of condensate (+129%). The increase in production was mostly due to connection to the Otway Gas Plant of the Enterprise gas field in June 2024 and the Thylacine West 1 and 2 development wells in October 2024 and higher customer nominations, resulting from an uplift in take-or-pay volume.

Exploration, appraisal and development

Beach completed the offshore Otway development program with the Thylacine West 1 and 2 development wells brought online in October 2024. Well deliverability for the Otway Gas Plant has been restored to nameplate capacity, which provides greater flexibility to service East Coast gas demand. This marked completion of the largest ever offshore drilling and development program in the Otway Basin.

Planning, contracting, regulatory approvals and community consultation for the next phase of offshore Victoria activity progressed during the period.

Acreege description

Otway Basin (Victoria) (Beach 60% and operator, OGOG (Otway) Pty Ltd 40%) includes producing nearshore licence VIC/L1(V) which contains the Halladale, Black Watch and Speculant gas fields, nearshore production licence VIC/L007745(V), containing the Enterprise gas field, and offshore licences VIC/L23, T/L2, T/L3 and T/L4 which contain the Geographe and Thylacine gas fields. Gas from all producing fields is processed at the Otway Gas Plant.

Otway Basin (Victoria) also comprises non-producing nearshore VIC/P42(V) (Beach 60% and operator, OGOG (Otway) Pty Ltd 40%), and offshore exploration licences VIC/P43 and VIC/P73 (Beach 60% and operator, OGOG (Otway) Pty Ltd 40%), offshore non-producing licences VIC/L35 containing the Artisan gas field and VIC/L36 containing the La Bella gas field (Beach 60% and operator, OGOG (Otway) Pty Ltd 40%), and T/30P and T/50P (Beach 100%). It also comprises the nearshore exploration permit VIC/P007192(V) (Beach 60% and operator, OGOG (Otway) Pty Ltd 40%), onshore exploration permit PEP 168 (Beach 50% and operator, Essential Petroleum Exploration 50%), and onshore production licences PPLs 6 and 9 (Lochard Energy 90% and operator, Beach 10%). Beach also holds 100% interest in Greenhouse Gas Assessment permits G-16-AP and G-21-AP in the Otway Basin.

Otway Basin (South Australia) comprises producing licences PPLs 62, 168 and 202 (Beach 100%), retention licences PRL 32 (Beach 70% and Amplitude Energy 30%) and PRLs 1 and 2 (Beach 100%), exploration licences PEL 494, which contains the Dombey gas field, and PEL 680 (Beach 70% and Amplitude Energy 30%). Otway Basin (South Australia) also comprises gas storage licences GSEL 654 (Beach 70% and Amplitude Energy 30%) and GSRL 27 (Beach 100%), as well as a geothermal licence GEL 780 (Beach 100%).

Directors' Report

For the half year ended 31 December 2024

Cooper Basin JV

Production

Total production of 3.2 MMboe was 7% below the prior corresponding period (H1 FY24: 3.4 MMboe) and comprised 0.4 MMbbl of oil (-12%), 13.9 PJ of sales gas (-5%), 25 kt of LPG (-16%) and 185 kbbl of condensate (-7%).

Exploration, appraisal and development

Beach participated in 59 wells including one CO₂ injector well and two wells in-progress at half year-end. An overall success rate of 84% was achieved from two oil exploration wells, six oil appraisal wells, 11 oil development wells, three gas exploration wells, 10 gas appraisal wells and 24 gas development wells.

One oil discovery was made in the Raffle field and a 14-well oil appraisal and development campaign targeting the Coorikiana reservoir was completed with success in the Bugito, Isoptera, Jena, Odonata, Secante and Wallace fields. Three horizontal oil development wells were successfully drilled in the Biala field.

Gas discoveries were made at Gloss 1, Malrus 1 and Snowball 1 and the wells were cased and suspended as future producers. The 22-well appraisal campaign targeting expansion of the Moomba North Patchawarra development area continued with 14 wells cased and suspended. The 22-well appraisal campaign in the Moomba South development area was completed with 21 wells cased and suspended across the campaign. An eight-well gas development campaign in the Moomba South development area continued with four wells cased and suspended during the period.

Gas development drilling was undertaken in the Gidgealpa, Meranji, Raffle, Tarwonga, Toolachee and Wackett South fields. The Moomba 390 and Moomba 391 development wells targeting the Granite Wash reservoir were progressing at half year-end.

Moomba CCS

As announced 17 October 2024, the Moomba CCS project was successfully commissioned with first CO₂ injection achieved on 30 September 2024. Following first CO₂ injection, daily injection reached capacity rates in mid-October. This exceeded expectations for the commissioning phase and indicated the project's potential to capture and store approximately 1.7 million tonnes of CO₂ per annum.

Since commissioning, Moomba CCS has performed in-line with expectations and over 300 ktCO₂e (gross) were injected in the three months to 31 December 2024.

Moomba CCS is adjacent to the Moomba Gas Plant. The project comprises a four-stage compressor, five injection wells, CO₂ dehydration and CO₂ pipelines. Depleted underground reservoirs in the Strzelecki and Marabooka fields will safely store produced reservoir CO₂ from the Moomba Gas Plant.

Acreege description

Beach owns non-operated interests in the South Australian Cooper Basin joint ventures (33.40% in SA Unit, 27.68% in Patchawarra East, 40% in SWCB, and 33.4% in TAP), the South West Queensland joint ventures (various interests of 30% to 52.5%) and ATP 299 (Tintaburra; Beach 40%), which are collectively referred to as the Cooper Basin JV. Santos is the operator.

Western Flank

Production

Total production of 1.3 MMboe was 31% below the prior corresponding period (H1 FY24: 1.9 MMboe) and comprised 0.9 MMbbl of oil (-32%), 1.4 PJ of sales gas (-29%), 7 kt of LPG (-25%) and 49 kbbl of condensate (-34%). The decrease in production was mainly due to natural field decline, partially mitigated through strong reservoir performance, high facility uptime and ongoing optimisation activities.

Exploration, appraisal and development

No drilling was undertaken during the period. Drill rig negotiations are underway for a development and appraisal campaign of up to 10 wells commencing in Q4 FY25. Planning continued for a potential exploration drilling campaign in FY26.

Acreege description

Western Flank oil producing assets include ex PEL 91 (Beach 100%), ex PEL 104/111 (Beach 100%) and ex PEL 92 (Beach 75% and operator, Amplitude Energy 25%). Western Flank gas producing assets include ex PEL 106 (Beach 100%) and the Udacha Block - PRL 26 (Beach 100%). Non-producing assets include ex PEL 101 (Beach 100%), ex PEL 182 (Beach 100%), ex PEL 107 (Beach 100%), and ex PEL 218 (Beach 100%). Beach also owns gas storage assets including GSEL 634 (Beach 75% and operator, Amplitude Energy 25%), and GSELS 645, 646, 648 and 653 (all Beach 100%).

Bass Basin

Production

Total production of 0.7 MMboe was 67% above the prior corresponding period (H1 FY24: 0.4 MMboe) and comprised 3.1 PJ of sales gas (+73%), 6 kt of LPG (+29%) and 107 kbbl of condensate (+60%). The increase in production was attributable to successful wellbore intervention activities.

Acreege description

Bass Basin operations include production from the Yolla field, situated approximately 140 km off the Gippsland coast in licence T/L1 (Beach 100%). Gas from the Yolla field is piped to the Lang Lang Gas Plant located near the township of Lang Lang, approximately 70 km southeast of Melbourne. Beach also holds a 100% interest in licences T/L5, T/RL4 and T/RL5, which capture the Trefoil, White Ibis and Bass discoveries. Beach also holds 100% interest in Greenhouse Gas Assessment tenure G-17-AP in the Bass Basin.

Taranaki Basin

Production

Total production of 0.8 MMboe was 10% above the prior corresponding period (H1 FY24: 0.7 MMboe) and comprised 3.6 PJ of sales gas (+9%), 16 kt of LPG (+14%) and 77 kbbl of condensate (+4%). The increase in production was mainly due to higher plant up-time given completion of integrity inspections, maintenance activities and drilling of the Kupe South 9 development well during the prior corresponding period.

Acreege description

New Zealand operations comprise the offshore Kupe field (Beach 50% and operator, Genesis 46%, Echelon Taranaki Limited 4%) in the Taranaki Basin. Beach produces gas from Kupe, situated approximately 30 km off the New Zealand north island coast in licence PML 38146. Gas from the Kupe field is piped to the onshore Kupe Gas Plant.

Directors' Report

For the half year ended 31 December 2024

FY25 FULL YEAR OUTLOOK

In the second half of FY25, Beach will focus on active work programs across core East and West Coast acreage. This is expected to include Waitisia Gas Plant commissioning targeting first gas, the Arenaria gas exploration well and Beharra Springs Deep 3 development well in the Perth Basin, the Hercules gas exploration well in the offshore Otway Basin, plug and abandonment of two offshore Otway Basin wells, commencement of a 10 well oil development and appraisal campaign in the Western Flank and planning for FY26 Equinox rig campaign activities.

Based on year-to-date results and the outlook for the remainder of FY25, Beach provided the following updates to its FY25 full year guidance.

	FY25	H1 FY25
Production	18.5-20.5 MMboe (previously 17.5-21.5)	10.2 MMboe
Capital expenditure	\$700-800 million	\$363 million
Depreciation and amortisation ⁽¹⁾	\$400-450 million	\$223 million

(1) Excludes corporate depreciation and amortisation

Directors' Report

For the half year ended 31 December 2024

Directors

The names and qualifications of the directors of Beach in office during the half year financial reporting period and at the date of this report are:

Ryan Stokes AO

CHAIRMAN, NON-EXECUTIVE DIRECTOR
BComm, FAIM

Brett Woods

MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
BSc (Hons) Geology and Geophysics, AMP Harvard

Bruce Clement

INDEPENDENT NON-EXECUTIVE DIRECTOR
BEng (Civil) Hons, BSc, MBA

Sally-Anne Layman

INDEPENDENT NON-EXECUTIVE DIRECTOR
BEng (Mining) Hon, BCom, CPA, MAICD

Sally Martin

INDEPENDENT NON-EXECUTIVE DIRECTOR
BE (Elec), GAICD

Peter Moore

LEAD INDEPENDENT NON-EXECUTIVE DIRECTOR
PhD, BSc (Hons), MBA, GAICD

Richard Richards

NON-EXECUTIVE DIRECTOR
BComs/Law (Hons), LL.M, MAppFin, CA, Admitted Solicitor

Margaret Hall

Alternate NON-EXECUTIVE DIRECTOR for Ryan Stokes
BEng (Met) (Hons), GAICD, MIEAust, SPE

Rounding off of amounts

Beach is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission applies relating to the rounding off of amounts. Accordingly, amounts in the Directors' Report and the Half Year Financial Report have been rounded to the nearest hundred thousand dollars, unless shown otherwise.

Events occurring after the balance date

There has not been in the period since 31 December 2024 and up to the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Auditor's independence declaration

Section 307C of the *Corporations Act 2001* requires our auditors, Ernst & Young, to provide the directors of Beach with an Independence Declaration in relation to the review of the half year financial report. This Independence Declaration is made on page 12 and forms part of this Directors' Report.

Dated at Adelaide this 6th day of February 2025 and signed in accordance with a resolution of the directors.



R K Stokes AO
Chairman

Auditor's Independence Declaration



**Shape the future
with confidence**

Ernst & Young
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Auditor's independence declaration to the directors of Beach Energy Limited

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

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

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

A stylized, handwritten signature of 'Ernst & Young' in black ink.

Ernst & Young

A handwritten signature of 'L A Carr' in black ink.

L A Carr
Partner
6 February 2025

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Half Year Financial Report

of Beach Energy Limited
and controlled entities for
the six month period ended
31 December 2024.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

	Note	Consolidated	
		Dec 2024 \$million	Dec 2023 \$million
Revenue	2(a)	1,043.6	982.0
Cost of sales	3(a)	(680.7)	(717.5)
Gross profit		362.9	264.5
Other income	2(b)	4.4	20.0
Other expenses	3(b)	(29.0)	(759.6)
Operating profit/(loss) before financing costs		338.3	(475.1)
Interest income	13	4.1	3.7
Finance expenses	13	(24.2)	(21.1)
Profit/(loss) before income tax expense		318.2	(492.5)
Income tax benefit/(expense)	4	(95.9)	147.4
Net profit/(loss) after income tax expense		222.3	(345.1)
Other comprehensive income/(loss)			
<i>Items that may be reclassified to profit or loss</i>			
Net gain/(loss) on translation of foreign operations		(1.2)	1.5
Tax effect relating to components of other comprehensive income		-	-
Other comprehensive income/(loss) net of tax		(1.2)	1.5
Total comprehensive income/(loss) after tax		221.1	(343.6)
Basic earnings per share (cents per share)	5(c)	9.75	(15.14)
Diluted earnings per share (cents per share)	5(c)	9.74	(15.14)

This consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the half year consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2024

Beach Energy Limited and Controlled Entities

	Note	Consolidated	
		Dec 2024 \$million	Jun 2024 \$million
Current assets			
Cash and cash equivalents		250.7	172.0
Receivables		218.1	265.7
Inventories		194.2	194.2
Current tax asset		10.5	17.8
Contract assets		10.7	14.1
Other current assets		30.1	21.8
Total current assets		714.3	685.6
Non-current assets			
Property, plant and equipment	6	0.4	1.4
Petroleum assets	7	4,415.3	4,223.3
Exploration and evaluation assets	8	394.9	373.1
Intangible assets	9	24.0	26.6
Contract assets		2.7	5.2
Lease assets	10	35.2	41.4
Other non-current assets		49.6	51.4
Deferred tax assets		95.7	91.2
Total non-current assets		5,017.8	4,813.6
Total assets		5,732.1	5,499.2
Current liabilities			
Payables		356.1	282.2
Provisions	11	125.1	87.2
Current tax liabilities		33.8	-
Interest bearing liabilities	13	320.0	-
Lease liabilities	10	11.5	12.4
Total current liabilities		846.5	381.8
Non-current liabilities			
Payables		40.1	38.9
Provisions	11	1,011.7	983.7
Interest bearing liabilities	13	318.1	752.1
Lease liabilities	10	27.0	30.2
Total non-current liabilities		1,396.9	1,804.9
Total liabilities		2,243.4	2,186.7
Net assets		3,488.7	3,312.5
Equity			
Contributed equity	15	1,865.1	1,864.2
Reserves		613.8	660.8
Retained earnings		1,009.8	787.5
Total equity		3,488.7	3,312.5

The consolidated statement of financial position is to be read in conjunction with the notes to the half year consolidated financial statements.

Consolidated Statement of Changes in Equity

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

	Note	Contributed equity \$million	Retained earnings \$million	Share based payment reserve \$million	Foreign currency translation reserve \$million	Profit distribution reserve \$million	Total \$million
For the half year ended 31 December 2024							
Balance as at 1 July 2024		1,864.2	787.5	38.9	(8.5)	630.4	3,312.5
Profit for the period		-	222.3	-	-	-	222.3
Other comprehensive income/(loss)		-	-	-	(1.2)	-	(1.2)
Total comprehensive income/(loss) for the period		-	222.3	-	(1.2)	-	221.1
Transactions with owners in their capacity as owners:							
Shares purchased on market, net of tax (Treasury shares)	15	(0.3)	-	-	-	-	(0.3)
Utilisation of treasury shares for employee and executive incentive plans	15	1.2	-	(1.2)	-	-	-
Final dividend paid from profit distribution reserve	16	-	-	-	-	(45.6)	(45.6)
Increase in share-based payments reserve		-	-	1.0	-	-	1.0
Transactions with owners		0.9	-	(0.2)	-	(45.6)	(44.9)
Balance as at 31 December 2024		1,865.1	1,009.8	38.7	(9.7)	584.8	3,488.7
For the half year ended 31 December 2023							
Balance as at 1 July 2023		1,863.3	1,262.8	37.7	(7.5)	721.6	3,877.9
Profit for the period		-	(345.1)	-	-	-	(345.1)
Other comprehensive income/(loss)		-	-	-	1.5	-	1.5
Total comprehensive income/(loss) for the period		-	(345.1)	-	1.5	-	(343.6)
Transactions with owners in their capacity as owners:							
Shares purchased on market (Treasury shares)		(0.5)	-	-	-	-	(0.5)
Utilisation of Treasury shares for employee and executive incentive plan		1.5	-	(1.5)	-	-	-
Final dividend paid from profit distribution reserve	16	-	-	-	-	(45.6)	(45.6)
Increase in share based payments reserve		-	-	0.8	-	-	0.8
Transactions with owners		1.0	-	(0.7)	-	(45.6)	(45.3)
Balance as at 31 December 2023		1,864.3	917.7	37.0	(6.0)	676.0	3,489.0

The consolidated statement of changes in equity is to be read in conjunction with the notes to the half year consolidated financial statements.

Consolidated Statement of Cash Flows

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

	Consolidated	
	Dec 2024 \$million	Dec 2023 \$million
Cash flows from operating activities		
Receipts from customers and other	1,242.8	862.3
Payments to suppliers and employees	(490.0)	(390.3)
Payments for restoration	(15.4)	(28.4)
Interest received	4.2	3.5
Financing costs	(23.0)	(16.2)
Income tax paid	(59.6)	(80.8)
Net cash provided by operating activities	659.0	350.1
Cash flows from investing activities		
Payments for property, plant and equipment	(0.6)	(0.4)
Payments for petroleum assets	(375.5)	(515.9)
Payments for exploration and evaluation assets	(37.3)	(86.0)
Payments for intangibles	(0.2)	(1.0)
Proceeds on sale of non-current assets	0.3	-
Proceeds on sale of joint operations interests	-	0.8
Net cash used by investing activities	(413.3)	(602.5)
Cash flows from financing activities		
Payment for shares purchased on market (Treasury shares)	(0.3)	(0.5)
Proceeds from borrowings	50.0	315.0
Repayment of borrowings	(165.0)	-
Payment of lease liabilities	(6.1)	(7.8)
Dividends paid	(45.6)	(45.6)
Net cash provided by financing activities	(167.0)	261.1
Net increase/(decrease) in cash held	78.7	8.8
Cash at the beginning of the half year	172.0	218.9
Effects of exchange rate changes on the balances of cash held in foreign currencies	(0.0)	(1.7)
Cash at the end of the half year	250.7	226.0

The consolidated statement of cash flows is to be read in conjunction with the notes to the half year consolidated financial statements.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

Basis of preparation of Half Year Financial Report

Beach Energy Limited (Beach or the Company) is a for profit company limited by shares, incorporated in Australia and whose shares are publicly listed on the Australian Securities Exchange (ASX). The Half Year Financial Report of the Company for the six months ended 31 December 2024 comprises the Company and its controlled entities (together referred to as the Group). The Half Year Financial Report was authorised for issue in accordance with a resolution of the Directors on 6 February 2025.

The 2024 Annual Report is available upon request from the Company's registered office at Level 8, 80 Flinders Street, Adelaide, South Australia 5000 or at www.beachenergy.com.au.

The Half Year Financial Report for the six months ended 31 December 2024 is a general purpose report prepared in accordance with Accounting Standards *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*. It is intended to provide users with an update on the latest annual financial statements of the Group and as such they do not include full disclosures of the type normally included in the annual report. It is recommended that they be read in conjunction with the 2024 Annual Report and any public announcements made by Beach during the half year reporting period in accordance with the continuous disclosure requirements of the ASX Listing Rules. The functional and presentation currency for the Company is Australian dollars.

The Half Year Financial Report for the six months ended 31 December 2024 has been prepared in accordance with the accounting policies adopted in the 2024 Annual Report and have been consistently applied by the entities in the Group except for those that have arisen as a result of new standards, amendments to standards and interpretations effective from 1 July 2024. The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half year. These have not had a significant or immediate impact on the Group's Half Year Financial Report.

In December 2021, the Organisation for Economic Co-operation and Development (OECD) published its Pillar Two model rules to address the tax challenges arising from the digitalisation of the global economy. The Group is subject to the Pillar Two rules in Australia from 1 July 2024, after the Australian Government enacted legislation to give effect to the rules in December 2024. Based on current information available and work done to date, the Group expects to be able to rely on the Transitional CbCR Safe Harbours, such that no material current tax is expected in the initial years of operation of the rules. The Group is continuing to assess the on-going impact of the application of the rules. The Group has applied the temporary mandatory relief under AASB 2023-2 from deferred tax accounting for the impacts of the additional tax at 31 December 2024.

The consolidated financial statements provide comparative information in respect of the previous period. Where there has been a change in the classification of items in the financial statements for the current period, the comparative for the previous period has been reclassified to be consistent with the classification of that item in the current period.

Critical accounting estimates & judgements

The preparation of the Half Year Financial Report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Half Year Financial Report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 30 June 2024 unless noted otherwise.

The Half Year Financial Report has been prepared using a going concern basis of preparation and the Group continues to be able to pay its debts as they fall due.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

RESULTS FOR THE HALF YEAR

This section explains the results and performance of the Group including additional information about those individual line items in the financial statements most relevant in the context of the operations of the Group, including accounting policies that are relevant for understanding the items recognised in the financial statements and an analysis of the Group's result for the year by reference to key areas, including operating segments, revenue, expenses, taxation and earnings per share.

1. Segment information

The Group has identified its operating segments to be its South Australian, Western Australian, Victorian and New Zealand interests based on the different geographical regions and the similarity of assets within those regions. This is the basis on which internal reports are provided to the Chief Executive Officer for assessing performance and determining the allocation of resources within the Group.

The Group operates primarily in one business, namely the exploration, development and production of hydrocarbons. Revenue is derived from the sale of gas and liquid hydrocarbons. Gas sales contracts are spread across major Australian and New Zealand energy retailers and industrial users with liquid hydrocarbon product sales being made to major multi-national energy companies based on international market pricing.

Details of the performance of each of these operating segments for the six month period ended 31 December 2024 and 31 December 2023 are set out below.

	SA		WA		Victoria		New Zealand		Corporate		Total	
	31 Dec 2024 \$million	31 Dec 2023 \$million	31 Dec 2024 \$million	31 Dec 2023 \$million	31 Dec 2024 \$million	31 Dec 2023 \$million	31 Dec 2024 \$million	31 Dec 2023 \$million	31 Dec 2024 \$million	31 Dec 2023 \$million	31 Dec 2024 \$million	31 Dec 2023 \$million
Revenue												
Sales revenue	479.4	588.2	157.2	185.7	298.4	122.7	54.8	44.4	-	-	989.8	941.0
Other revenue	45.5	37.8	-	-	8.3	3.2	-	-	-	-	53.8	41.0
Total revenue	524.9	626.0	157.2	185.7	306.7	125.9	54.8	44.4	-	-	1,043.6	982.0
Costs												
Total operating costs	(193.7)	(212.3)	(62.5)	(44.6)	(57.0)	(41.7)	(20.0)	(17.5)	-	-	(333.2)	(316.1)
Third party oil and gas purchases	(87.9)	(87.3)	(14.9)	(74.3)	-	-	-	-	-	-	(102.8)	(161.6)
Depreciation and amortisation	(118.7)	(142.5)	(6.8)	(6.8)	(88.3)	(58.8)	(8.7)	(9.1)	-	-	(222.5)	(217.2)
Change in inventory	2.8	(9.5)	(21.6)	(13.5)	(0.3)	-	(3.1)	0.4	-	-	(22.2)	(22.6)
Gross profit	127.4	174.4	51.4	46.5	161.1	25.4	23.0	18.2	-	-	362.9	264.5
Other income	-	0.9	-	1.0	1.2	16.5	-	-	3.2	1.6	4.4	20.0
Other expenses	(7.6)	(714.2)	(1.8)	-	(0.3)	(12.4)	(6.9)	(7.3)	(12.4)	(25.7)	(29.0)	(759.6)
Net financing costs									(20.1)	(17.4)	(20.1)	(17.4)
Profit/(loss) before tax	119.8	(538.9)	49.6	47.5	162.0	29.5	16.1	10.9	(29.3)	(41.5)	318.2	(492.5)
Income tax benefit/(expense)									(95.9)	147.4	(95.9)	147.4
Net profit/(loss) after tax											222.3	(345.1)

Details of the assets and liabilities of each of these operating segments for the period ended 31 December 2024 and 30 June 2024 are set out below.

	SA		WA		Victoria		New Zealand		Corporate		Total	
	31 Dec 2024 \$million	30 Jun 2024 \$million	31 Dec 2024 \$million	30 Jun 2024 \$million	31 Dec 2024 \$million	30 Jun 2024 \$million	31 Dec 2024 \$million	30 Jun 2024 \$million	31 Dec 2024 \$million	30 Jun 2024 \$million	31 Dec 2024 \$million	30 Jun 2024 \$million
Segment assets	2,530.5	2,431.0	1,325.1	1,168.1	1,407.9	1,359.7	179.3	134.6	289.3	405.8	5,732.1	5,499.2
Segment liabilities	570.7	614.9	234.6	189.7	551.0	486.1	135.3	124.0	751.8	772.0	2,243.4	2,186.7

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

2. Revenue and other income

(a) Revenue

	Consolidated	
	Dec 2024 \$million	Dec 2023 \$million
Crude oil	208.6	364.4
Sales gas and ethane	449.0	307.1
Liquefied petroleum gas	90.8	51.2
Condensate	102.8	122.2
Liquefied natural gas	138.6	96.1
Gas and gas liquids	781.2	576.6
Sales Revenue	989.8	941.0
Other operating revenue	53.8	41.0
Total revenue	1,043.6	982.0

(b) Other income

	Consolidated	
	Dec 2024 \$million	Dec 2023 \$million
Other income related to joint operations lease recoveries	1.2	1.5
Gain on sale of joint operations interests	-	0.9
Government grants	0.4	0.4
Foreign exchange gains	0.7	-
Insurance recoveries	2.1	16.2
Other	-	1.0
Total other income	4.4	20.0

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

3. Expenses

(a) Cost of sales

	Consolidated	
	Dec 2024 \$million	Dec 2023 \$million
Field operating costs	127.4	137.4
Tariffs, tolls and other ⁽¹⁾	149.3	114.2
Royalties	55.0	62.7
Carbon costs	1.5	1.8
Total operating costs	333.2	316.1
Depreciation and amortisation of petroleum assets	218.1	212.4
Depreciation of leased assets	4.4	4.8
Third party product purchases	102.8	161.6
Change in inventories	22.2	22.6
Total cost of sales	680.7	717.5

(1) Includes \$20.9 million (Dec 2023: \$20.8 million) of tariffs incurred for unutilised capacity in relation to the Northwest Shelf (NWS) processing which have been excluded from underlying profit after tax.

(b) Other expenses

	Consolidated	
	Dec 2024 \$million	Dec 2023 \$million
Impairment of petroleum assets	-	458.0
Impairment of goodwill	-	10.0
Impairment of exploration and evaluation assets ⁽¹⁾	-	253.2
Total impairment expense	-	721.2
Exploration expense	4.9	0.4
Depreciation of leased assets	1.3	1.6
Corporate expenses ⁽²⁾	9.0	8.0
Legal costs related to shareholder class action	2.1	1.4
Unwind of acquired contract assets and liabilities	6.9	6.9
Loss on disposal of non-current assets	-	12.4
Loss on disposal of interest in petroleum permit	3.0	-
Fair value losses on overlift liability	1.8	-
Foreign exchange loss	-	7.7
Total other expenses	29.0	759.6

(1) Includes exploration and evaluation expenditure of \$35.2 million incurred in the prior financial year.

(2) Includes depreciation of property, plant & equipment and amortisation of software costs of \$4.3 million (Dec 2023: \$4.4 million).

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

4. Income tax

	Consolidated	
	Dec 2024 \$million	Dec 2023 \$million
Reconciliation of income tax expense calculated on operating profit to income tax charged in the statement of profit or loss		
Accounting profit/(loss) before tax	318.2	(492.5)
Prima facie income tax expense/(benefit) at 30%	95.5	(147.7)
Increase/(decrease) in income tax expense/(benefit) due to:		
Non-deductible expenditure	0.7	0.4
Impact of tax rates applicable outside Australia	(0.3)	(0.1)
Income tax expense/(benefit)	95.9	(147.4)

5. Earnings per share

(a) Earnings after tax used in the calculation of earnings per share (EPS) is as follows:

	Consolidated	
	Dec 2024 \$million	Dec 2023 \$million
Basic earnings per share	222.3	(345.1)
Diluted earnings per share	222.3	(345.1)

(b) Weighted average number of ordinary shares and potential ordinary shares used in the calculation of earnings per share is as follows:

	Dec 2024 number	Dec 2023 number
Basic earnings per share	2,280,282,164	2,280,022,579
Share rights	3,028,003	3,461,750
Diluted earnings per share	2,283,310,167	2,283,484,329

(c) Calculation of earnings per share is as follows:

	Dec 2024	Dec 2023
Basic earnings per share (cents per share)	9.75	(15.14)
Diluted earnings per share (cents per share)	9.74	(15.14)

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

CAPITAL EMPLOYED

This section details the investments made by the Group in exploring for and developing its petroleum business including property plant and equipment, petroleum assets, exploration and evaluation assets, leases and details of future commitments.

6. Property, plant and equipment

	Consolidated	
	Dec 2024 \$million	Jun 2024 \$million
Cost	17.7	17.2
Less accumulated depreciation	(17.3)	(15.8)
Total property, plant and equipment	0.4	1.4
Reconciliation of movement in property, plant and equipment		
Balance at beginning of financial year	1.4	4.0
Additions	0.5	0.7
Depreciation expense	(1.5)	(3.3)
Balance at end of period	0.4	1.4

7. Petroleum assets

	Consolidated	
	Dec 2024 \$million	Jun 2024 \$million
Cost	9,841.4	9,439.7
Less accumulated depreciation and impairment	(5,426.1)	(5,216.4)
Total petroleum assets	4,415.3	4,223.3
Reconciliation of movement in petroleum assets		
Balance at beginning of period	4,223.3	4,482.1
Additions	332.4	814.4
Acquisition of assets and joint operation interests	-	10.5
Depreciation and amortisation expense	(218.1)	(408.7)
Impairment loss	-	(754.2)
Increase/(decrease) in restoration	60.1	14.1
Exploration transfers to petroleum assets	-	39.6
Disposals	(3.9)	(10.9)
Borrowing costs capitalised	22.4	36.9
Capitalised depreciation of lease assets	0.8	1.8
Foreign exchange movement	(1.7)	(2.3)
Balance at end of period	4,415.3	4,223.3

Impairment of Petroleum Assets

The carrying amounts of petroleum assets are assessed half yearly on a cash generating unit (CGU) basis to determine whether there is an indication of impairment or impairment reversal for those assets which have previously been impaired. The only indicator of impairment or impairment reversal identified in the period related to the Bass Basin CGU where there was a revision of the cost estimates used to calculate the restoration provision which has increased the carrying value. The recoverable amount of the Bass Basin CGU has been reassessed using updated production and cost information following successful wellbore intervention activities and there is no impairment required as at 31 December 2024. Other key estimates and judgements used have not materially changed from those that applied to the financial report as at and for the year ended 30 June 2024.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

8. Exploration and evaluation assets

	Consolidated	
	Dec 2024 \$million	Jun 2024 \$million
Exploration and evaluation assets at beginning of financial year	373.1	562.2
Additions	29.1	145.6
Impairment loss	-	(293.4)
Increase/(decrease) in restoration	-	(2.4)
Exploration and evaluation expenditure expensed	(4.9)	(0.4)
Disposal of joint operation interests	(2.4)	-
Transfers to petroleum assets	-	(39.6)
Capitalised depreciation of lease assets	-	1.1
Balance at end of period	394.9	373.1

Impairment of exploration and evaluation assets

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective Area of Interest (AOI). Each potential or recognised AOI is reviewed half-yearly to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support continued carry forward of capitalised costs. Where a potential impairment is indicated, assessment is performed using a fair value less costs to dispose method to determine the recoverable amount for each AOI to which the exploration and evaluation expenditure is attributed. No indicators of impairment were identified in the period. The key estimates and judgements used have not materially changed from those that applied to the financial report as at and for the year ended 30 June 2024.

9. Intangible assets

	Consolidated	
	Dec 2024 \$million	Jun 2024 \$million
Goodwill		
Goodwill at cost	57.1	57.1
Less impairment of goodwill	(51.0)	(51.0)
Total goodwill	6.1	6.1
Software		
Software at cost	55.9	55.7
Less accumulated amortisation	(38.0)	(35.2)
Total software	17.9	20.5
Balance at beginning of period	20.5	20.5
Additions	0.2	3.7
Amortisation expense	(2.8)	(3.7)
Total software	17.9	20.5
Total non-current intangibles	24.0	26.6

Impairment of intangible assets

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or CGU is the greater of its value-in-use and its fair value less cost of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination. Impairment losses are recognised in profit or loss unless the asset has previously been revalued, in which case the impairment is recognised as a reversal to the extent of that previous revaluation with any excess recognised in profit or loss. No indicators of impairment were identified in the period. The key estimates and judgements used have not materially changed from those that applied to the financial report as at and for the year ended 30 June 2024.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

10. Leases

	Consolidated	
	Dec 2024 \$million	Jun 2024 \$million
Lease Assets		
Lease Assets at the beginning of the financial year	41.4	23.6
Additions	1.3	33.8
Lease remeasurement	(0.8)	(0.1)
Depreciation expense ⁽¹⁾	(6.7)	(15.9)
Total Lease Asset	35.2	41.4

(1) Instances where the underlying costs regarding a lease contract would previously have been capitalised, the depreciation on the lease asset is capitalised. The Group capitalisation of depreciation is \$1.0million (FY24 \$1.8 million).

	Consolidated	
	Dec 2024 \$million	Jun 2024 \$million
Lease Liabilities		
Lease Liabilities at the beginning of the financial year	42.6	25.2
Additions	1.3	33.8
Repayments ⁽²⁾	(7.1)	(19.1)
Lease remeasurement	(0.8)	(0.1)
Accretion of interest	1.0	1.5
Foreign exchange movements	1.5	1.3
Total Lease Liabilities	38.5	42.6
Current Liabilities	11.5	12.4
Non-current Liabilities	27.0	30.2

(2) Instances where the payments regarding a lease contract are part of a joint arrangement and the Group is the responsible party for payment, the Group recognises the full lease liability, and recognises other income for the portion of payment that is recovered through other parties within the joint venture arrangement. The Group recognised \$1.2 million (FY24 \$3.7 million) of other income relating to joint venture recoveries.

11. Provisions

	Consolidated	
	Dec 2024 \$million	Jun 2024 \$million
Employee-entitlements	20.9	21.6
Restoration	103.0	63.7
Other Provisions	1.2	1.9
Total current provisions	125.1	87.2
Employee-entitlements	1.9	1.7
Restoration	1,009.8	982.0
Total non-current provisions	1,011.7	983.7

Estimate of restoration costs

Whilst the provisions reflect the Group's best estimate based on current knowledge and information, further studies and detailed analysis of the restoration activities for individual assets will continue to be performed when planning and/or executing decommissioning activities in the near term, near the end of an asset's operational life and when detailed decommissioning plans are required to be submitted to the relevant regulatory authorities. The timing and amount of future costs relating to decommissioning and environmental liabilities together with the inflation and discount rates are reviewed annually or half-yearly where there are significant changes. Actual costs and cash outflows can materially differ from the current estimate as a result of changes in laws & regulations and their application, prices, discovery and analysis of site conditions, public expectations, further studies, timing of restoration and changes in removal technology. These uncertainties may result in actual costs and cash outflows differing from amounts included in the provision recognised as at 31 December 2024.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

12. Commitments

Capital Commitments

The Group has contracted the following amounts for capital expenditure at the end of the reporting period for which no amounts have been provided for in the financial statements.

	Consolidated	
	Dec 2024 \$million	Jun 2024 \$million
Due within 1 year	92.1	147.5
Due within 1-5 years	-	-
Due later than 5 years	-	-
	92.1	147.5

There has been no material change to other commitments since 30 June 2024.

FINANCIAL AND RISK MANAGEMENT

This section provides details on the Group's debt and related financing costs, interest income, cash flows and the fair values of items in the Group's statement of financial position. It also provides details of the Group's market, credit and liquidity risks and how they are managed.

13. Finances and borrowings

During the period Beach had debt facilities in place totalling \$1,020 million, comprised of a \$350 million revolving facility maturing June 2027 (Facility F), a \$350 million revolving facility maturing September 2026 (Facility B), a \$220 million revolving facility maturing September 2025 (Facility D) and a \$100 million term facility maturing September 2025 (Facility E).

Beach also had \$100 million of bilateral Contingent Instrument facilities (CI Facilities) in place with a maturity date of September 2027.

As at 31 December 2024, \$640 million of debt facilities were drawn and \$52 million of bank guarantees were drawn under the CI Facilities.

	Consolidated	
	Dec 2024 \$million	Jun 2024 \$million
Bank Debt	320.0	-
Less debt issuance costs	-	-
Total current borrowings	320.0	-
Bank Debt	320.0	755.0
Less debt issuance costs	(1.9)	(2.9)
Total non-current borrowings	318.1	752.1

	Consolidated	
	Dec 2024 \$million	Dec 2023 \$million
Net financing expenses		
Finance costs	2.1	1.4
Interest expense	20.8	14.9
Discount unwinding on net present value assets and liabilities	22.7	20.4
Finance costs associated with lease liabilities	1.0	0.5
Less borrowing costs capitalised	(22.4)	(16.1)
Total finance expenses	24.2	21.1
Interest income	(4.1)	(3.7)
Net financing expenses	20.1	17.4

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

14. Financial risk management

The Group's activities expose it to a variety of financial risks including currency, commodity, interest rate, credit and liquidity risk. Management identifies and evaluates all financial risks and may enter into financial risk instruments such as foreign exchange contracts, commodity contracts and interest rate swaps to minimise potential adverse effects of these risk exposures, in accordance with Board approved financial risk management policies. The Group does not trade in derivative financial instruments for speculative purposes.

The carrying value of the group's financial assets and financial liabilities, which also approximates their fair values, are set out below.

Carrying amount	Note	Financial assets/ financial liabilities at carrying value		Financial assets/ financial liabilities at fair value	
		Dec 2024 \$million	Jun 2024 \$million	Dec 2024 \$million	Jun 2024 \$million
Financial assets					
Cash and cash equivalents ⁽¹⁾		250.7	172.0	250.7	172.0
Receivables ⁽²⁾		218.1	265.7	218.1	265.7
Total Financial Assets		468.8	437.7	468.8	437.7
Financial liabilities					
Payables ⁽²⁾		396.2	321.1	396.2	321.1
Lease liabilities ⁽²⁾	10	38.5	42.6	38.5	42.6
Interest bearing liabilities ⁽²⁾	13	640.0	755.0	640.0	755.0
Total Financial Liabilities		1,074.7	1,118.7	1,074.7	1,118.7

(1) Fair value based on level 1 inputs.

(2) Fair value based on level 2 inputs.

Fair Values

Certain assets and liabilities of the Group are recognised in the statement of financial position at their fair value in accordance with accounting standard AASB 13 Fair Value Measurement. The methods used in estimating fair value are made according to how the available information to value the asset or liability fits with the following fair value hierarchy:

- Level 1 - the fair value is calculated using quoted prices in active markets;
- Level 2 - the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability; and
- Level 3 - the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 31 December 2024 and there have been no transfers between the levels of the fair value hierarchy during the half year to 31 December 2024.

The Group also has a number of other financial assets and liabilities, including cash and cash equivalents, receivables and payables which are recorded at their carrying value which is considered to be a reasonable approximation of their fair value.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

EQUITY AND GROUP STRUCTURE

This section provides information which will help users understand the equity and group structure as a whole including information on equity and dividends.

15. Contributed equity

(a) Movement in share capital

	Consolidated	
	Dec 2024 \$million	Jun 2024 \$million
Balance at beginning of period	1,864.2	1,863.3
Shares purchased on market (Treasury shares), net of tax	(0.3)	(0.6)
Utilisation of Treasury shares on vesting of shares and rights under employee and executive incentive plans	1.2	1.5
Balance at end of period	1,865.1	1,864.2

Treasury shares

Treasury shares are purchased for use on vesting for the executive incentive plan and the employee share scheme. Shares are accounted for at the weighted cost for the period.

(b) Movement in Treasury shares

	Consolidated	
	Dec 2024 Number	Jun 2024 Number
Balance at beginning of period	1,599,300	1,988,895
Shares purchased on market during the period	250,000	574,261
Utilisation of Treasury shares on vesting of shares under employee or executive incentive plan	(752,616)	(963,856)
Balance at end of period	1,096,684	1,599,300

(c) Movement in fully paid ordinary shares

	Consolidated	
	Dec 2024 Number	Jun 2024 Number
Balance at beginning of period	2,281,333,656	2,281,333,656
Shares issued on vesting/exercise of unlisted incentive rights	-	-
Balance at end of period	2,281,333,656	2,281,333,656

(d) Movement in unlisted Incentive Rights

	Consolidated	
	Dec 2024 Number	Jun 2024 Number
Balance at beginning of period	12,943,133	10,149,514
Issued during the period	487,436	6,132,793
Forfeited during the period	(5,918,712)	(2,537,946)
Vested/Exercised during the period	(749,233)	(801,228)
Balance at end of period	6,762,624	12,943,133

Employee Rights

During the period, Beach issued the following unlisted rights pursuant to the Executive Incentive Plan with further details of the plan included in the 2024 Annual Report:

- 98,002 performance rights in respect of the 2024 short term incentive offer with 49,002 rights vesting on 1 July 2025 and 49,000 vest on 1 July 2026 subject to the holder of the rights remaining employed with Beach on the vesting dates.
- 389,434 employee retention rights with 35,743 rights vesting on 2 September 2025, 39,761 rights vesting on 4 November 2025, 154,885 rights vesting on 2 September 2027 and 159,045 rights vesting on 4 November 2027.

Notes to the Half Year Consolidated Financial Statements

For the half year ended 31 December 2024
Beach Energy Limited and Controlled Entities

16. Dividends

	Consolidated	
	Dec 2024 \$million	Dec 2023 \$million
Final fully franked dividend of 2.0 cents per fully paid ordinary paid on 30 September 2024	45.6	-
Final fully franked dividend of 2.0 cents per fully paid ordinary paid on 3 October 2023	-	45.6
	45.6	45.6

Subsequent to the end of the period, the Company resolved to also pay a fully franked dividend of 3.0 cents per share for the interim period.

OTHER INFORMATION

Additional information required to be disclosed under Australian Accounting Standards.

17. Contingent assets and liabilities

There has been no material change to contingent assets and contingent liabilities since 30 June 2024.

18. Events occurring after the balance date

There has not been in the period since 31 December 2024 and up to the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Directors' Declaration

The Directors of the Company declare that:

1. The half year financial report and notes set out on pages 14 to 29, are in accordance with the *Corporations Act 2001* including:
 - (a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
 - (b) complying with Accounting Standard *AASB 134 Interim Financial Reporting*, and the *Corporations Regulations 2001*.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Adelaide this 6th day of February 2025.

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



R K Stokes AO
Chairman

Independent Auditor's Review Report



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Independent auditor's review report to the members of Beach Energy Limited

Conclusion

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

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

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

Directors' responsibilities for the half-year financial report

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

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

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



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

A stylized, handwritten signature of 'Ernst & Young' in black ink.

Ernst & Young

A handwritten signature of 'L A Carr' in black ink.

L A Carr
Partner
Adelaide
6 February 2025

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Glossary

\$	Australian dollars	LPG	Liquefied petroleum gas
Amplitude Energy	Amplitude Energy Ltd and its subsidiaries (previously Cooper Energy Ltd)	MEPAU	Mitsui E&P Australia
Bass Basin	Bass Basin (Beach 100%) produces gas from the offshore Yolla gas field in the Bass Basin in production licence T/L1. Beach also holds a 100% interest in license T/L5, T/RL4 and T/RL5	Mitsui	Mitsui & Co., Ltd and its subsidiaries
bbbl	Barrels	MMbbl	Million barrels of oil
Beach	Beach Energy Limited and its subsidiaries	MMboe	Million barrels of oil equivalent
Beharra Springs	Beharra Springs (Beach 50% and operator, MEPAU 50%) produces gas from the onshore Beharra Springs gas field in the Perth Basin in production licences L11 and L22	MMBtu	Million British thermal units
Boe	Barrels of oil equivalent - the volume of hydrocarbons expressed in terms of the volume of oil which would contain an equivalent volume of energy	MMscfd	Million standard cubic feet of gas per day
bp	BP Singapore Pte. Limited, a subsidiary of BP plc	Mt	Million metric tonnes
C&S	Cased and suspended	MTPA	Million metric tonnes per annum
CCS	Carbon capture and storage	O.G. Energy	O.G. Energy Holdings Limited, a member of the Ofer Global group of companies
Cooper Basin	Includes both Cooper and Eromanga basins	OGP	Otway Gas Project (Beach 60% and operator) consists of offshore gas fields Thylacine and Geographe, the Thylacine Well Head Platform, Otway Gas Plant and associated infrastructure
CBJV (Cooper Basin JV)	The Santos operated SACB JVs and SWQ JVs and ATP 299 (Tintaburra - Beach 40%, Santos 60% and operator)	Origin	Origin Energy Limited and its subsidiaries
CY(25)	Calendar year (2025)	Other Cooper Basin	Other Cooper Basin producing permit areas are ex PEL 513/632 (Beach 40%, Santos 60% and operator) and ex PEL 182 (Vanessa) (Beach 100%)
DD&A	Depreciation, depletion and amortisation	P&A	Plugged and abandoned
EP	Exploration Permit	PEL	Petroleum Exploration Licence (SA)
Ex PEL 91	PRLs 151 to 172 and various production licences (Beach 100% and operator)	PEP	Petroleum Exploration Permit (Victoria and NZ)
Ex PEL 92	PRLs 85 to 104 and various production licences (Beach 75% and operator, Amplitude Energy 25%)	Perth Basin	Includes Beach's Waitsia and Beharra Springs assets
Ex PEL 104/111	PRLs 136 to 150 and various production licences (Beach 100% and operator)	PL	Petroleum Lease (QLD)
Ex PEL 106	PRLs 129 and 130 and various production licences (Beach 100% and operator)	PPL	Petroleum Production Licence (SA)
Ex PEL 513	PRLs 191 to 206 and various production licences	PRL	Petroleum Retention Licence (SA)
Ex PEL 632	PRLs 131 to 134 and various production licences	PJ	Petajoule
EBITDA	Earnings before Interest Tax Depreciation and Amortisation	Qtr	Quarter
FY(25)	Financial year (2025)	SACB JV	South Australian Cooper Basin Joint Ventures, which includes the Fixed Factor Area (Beach 33.4%, Santos 66.6% and operator) and the Patchawarra East Block (Beach 27.68%, Santos 72.32% and operator)
Genesis	Genesis Energy Limited and its subsidiaries	Santos	Santos Limited and its subsidiaries
GSA	Gas sales agreement	SPA	Sale and Purchase Agreement
GJ	Gigajoule	SWQ JV	South West Queensland Joint Ventures, incorporating various equity interests (Beach 30-52.5%, Santos operator)
H(1) (FY25)	(First) half year period of (FY25)	TJ	Terajoule
H(1) (CY25)	(First) half of calendar year (2025)	Victorian Otway Basin	Produces gas from licences VIC/L1(V), which contain the Halladale, Black Watch and Speculant nearshore gas fields, VIC/L007745(V), which contains the Enterprise gas field, and licences VIC/L23, T/L2, T/L3 and T/L4 which contain the Geographe and Thylacine offshore gas fields. Beach also holds non-producing offshore licenses VIC/L35, VIC/L36, T/30P, VIC/P42(V), VIC/P43, VIC/P73 and VIC/P007192(V)
JV	Joint Venture	Waitsia	Waitsia Gas Project (Beach 50%, MEPAU 50% and operator) produces gas from the onshore Waitsia gas field in the Perth Basin in licence L1/L2
JKM	LNG Japan/Korea Marker	Webuild	Webuild SPA
Kbbl	Thousand barrels of oil	Western Flank Gas	Comprises gas production from ex PEL 91 and 106 (Beach 100% and operator)
kboe	Thousand barrels of oil equivalent	Western Flank Oil	Comprises oil production from ex PEL 91 (Beach 100% and operator), ex PEL 92 (Beach 75% and operator, Amplitude Energy 25%) and ex PEL 104/111 (Beach 100% and operator)
kbopd	Thousand barrels of oil per day		
Kt	Thousand metric tonnes		
Kupe	Kupe Gas Project (Beach 50% and operator, Genesis 46%, Echelon Taranaki Limited 4%) produces gas from the offshore Kupe gas field in the Taranaki Basin in licence PML38146		
LNG	Liquefied natural gas		

