

INTERIM REPORT

1H25

Cedar Woods Properties Limited
ABN 47 009 259 081



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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Cedar Woods Properties Limited during the interim reporting period in accordance with continuous disclosure requirements of the *Corporations Act 2001*.

Cedar Woods Properties Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is Level 4, 50 Colin Street, West Perth, WA 6005. Its shares are listed on the Australian Securities Exchange.

Cover picture: Greville, Woolloowin, Queensland

DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to hereafter as the group) consisting of Cedar Woods Properties Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

a. Directors

The following persons were directors of Cedar Woods Properties Limited during the whole of the half-year and up to the date of this report:

William George Hames (Chairman)

Robert Stanley Brown (Deputy Chairman)

Valerie Anne Davies (Independent Non-executive Director)

Jane Mary Muirsmith (Independent Non-executive Director)

Paul Gilbert Say (Independent Non-executive Director)

Nathan John Blackburne (Managing Director)

b. Review of operations

The principal continuing activities of the group in the course of the half-year ended 31 December 2024 were that of property developer and investor and no significant change in the nature of those activities has taken place during that period.

A summary of consolidated revenues and results for the half-year ended 31 December 2024 is set out below:

| | 2024 \$'000 | 2023 \$'000 |
|---|----------------|----------------|
| Revenue | 195,879 | 123,213 |
| Profit before income tax expense | 21,528 | 2,767 |
| Income tax expense | (6,522) | (126) |
| Net profit attributable to members of Cedar Woods Properties Limited | 15,006 | 2,641 |

During the half-year the group continued the sale of lots and units at its residential and commercial projects in Australia.

The group's earnings from period to period are dependent upon the timing of the settlements in each development. Management's focus is primarily on the achievement of full year results and the distribution of profits between half-years may from time to time be uneven due to the timing of settlements of significant projects.

c. Dividends

Since 31 December 2024 the directors have recommended the payment of an interim fully franked ordinary dividend of \$8,251,000 (10.0 cents per share) to be paid on 30 April 2025 out of retained earnings at 31 December 2024.

d. Matters subsequent to the end of the period

Refer to note 5 for details on the group's corporate finance facility extension since the end of the reporting period.

Refer to note 8 for dividends declared since the end of the reporting period.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected the group's operations, results or state of affairs.

e. Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

f. Rounding of amounts

The group is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with the instrument.

This report is made in accordance with a resolution of directors.



Nathan Blackburne

Managing Director

Perth, Western Australia
19 February 2025



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Auditor's independence declaration to the directors of Cedar Woods Properties Limited

As lead auditor for the review of the half-year financial report of Cedar Woods Properties 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 Cedar Woods Properties Limited and the entities it controlled during the financial period.

Ernst & Young

Pierre Dreyer
Partner
19 February 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 31 December 2024

| | Note | 31 December 2024 \$'000 | 31 December 2023 \$'000 |
|--|------|-------------------------------|-------------------------------|
| Continuing operations | | | |
| Revenue | 2 | 195,879 | 123,213 |
| Cost of sale of land and buildings | | (141,789) | (90,205) |
| Cost of providing development services | | (2,540) | (723) |
| Gross profit | | 51,550 | 32,285 |
| Project operating costs | | (9,215) | (11,501) |
| Administration expenses | | (14,498) | (13,017) |
| Other expenses | | (591) | (235) |
| Other income | | 1,251 | 474 |
| Operating profit | | 28,497 | 8,006 |
| Finance costs | 3 | (6,785) | (5,239) |
| Share of net loss of associates and joint ventures accounted for using the equity method | | (184) | - |
| Profit before income tax | | 21,528 | 2,767 |
| Income tax expense | 4 | (6,522) | (126) |
| Profit for the half-year | | 15,006 | 2,641 |
| Total comprehensive income for the half-year | | 15,006 | 2,641 |
| Total comprehensive income attributable to members of Cedar Woods Properties Limited | | 15,006 | 2,641 |
| Earnings per share for profit attributable to the ordinary equity holders of the company: | | | |
| Basic earnings per share | | 18.2 cents | 3.2 cents |
| Diluted earnings per share | | 17.9 cents | 3.2 cents |

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

| | Note | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
|---|------|-------------------------------|---------------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | | 3,071 | 21,945 |
| Trade and other receivables | | 10,008 | 5,275 |
| Contract assets | | 729 | 1,475 |
| Inventories | | 284,465 | 265,902 |
| Deferred development costs | | 6,798 | 5,596 |
| Current tax asset | | 643 | - |
| Other financial assets | 6 | 285 | 806 |
| Total current assets | | 305,999 | 300,999 |
| Non-current assets | | | |
| Receivables | | 3,469 | 5,061 |
| Contract assets | | 555 | 274 |
| Inventories | | 448,272 | 424,194 |
| Deferred development costs | | 1,673 | 724 |
| Other financial assets | 6 | 7,435 | 170 |
| Property, plant and equipment | | 7,182 | 7,618 |
| Right-of-use assets | | 1,965 | 2,145 |
| Investments accounted for using the equity method | | 2,222 | 2,407 |
| Total non-current assets | | 472,773 | 442,593 |
| Total assets | | 778,772 | 743,592 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | | 35,154 | 35,343 |
| Other financial liabilities | 6 | 9,896 | 54,461 |
| Current tax liabilities | | - | 10,259 |
| Contract liabilities | | 8,165 | 8,657 |
| Lease liabilities | | 716 | 616 |
| Provisions | | 21,292 | 20,893 |
| Total current liabilities | | 75,223 | 130,229 |
| Non-current liabilities | | | |
| Borrowings | 5 | 188,345 | 142,039 |
| Other financial liabilities | 6 | 41,891 | 62 |
| Lease liabilities | | 1,640 | 1,910 |
| Provisions | | 5,626 | 6,883 |
| Deferred tax liabilities | | 3,230 | 1,678 |
| Total non-current liabilities | | 240,732 | 152,572 |
| Total liabilities | | 315,955 | 282,801 |
| Net assets | | 462,817 | 460,791 |
| EQUITY | | | |
| Contributed equity | 7 | 139,111 | 138,625 |
| Reserves | | 2,670 | 2,354 |
| Retained profits | | 321,036 | 319,812 |
| Total equity | | 462,817 | 460,791 |

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2024

| | Note | Contributed equity \$'000 | Reserves \$'000 | Retained profits \$'000 | Total \$'000 |
|--|------|------------------------------|--------------------|----------------------------|-----------------|
| Balance at 1 July 2023 | | 137,795 | 1,742 | 291,565 | 431,102 |
| Profit for the half-year | | - | - | 2,641 | 2,641 |
| Total comprehensive income for the half-year | | - | - | 2,641 | 2,641 |
| Transactions with owners in their capacity as owners: | | | | | |
| Dividends provided for or paid | 8 | - | - | (5,769) | (5,769) |
| Employee share scheme | | 830 | (235) | - | 595 |
| | | 830 | (235) | (5,769) | (5,174) |
| Balance at 31 December 2023 | | 138,625 | 1,507 | 288,437 | 428,569 |
| Balance at 1 July 2024 | | 138,625 | 2,354 | 319,812 | 460,791 |
| Profit for the half-year | | - | - | 15,006 | 15,006 |
| Total comprehensive income for the half-year | | - | - | 15,006 | 15,006 |
| Transactions with owners in their capacity as owners: | | | | | |
| Transfers from reserves to retained profits | | - | (244) | 244 | - |
| Dividends provided for or paid | 8 | - | - | (14,026) | (14,026) |
| Employee share scheme | | 486 | 560 | - | 1,046 |
| | | 486 | 316 | (13,782) | (12,980) |
| Balance at 31 December 2024 | | 139,111 | 2,670 | 321,036 | 462,817 |

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2024

| | Note | 31 December 2024 \$'000 | 31 December 2023 \$'000 |
|--|------|-------------------------------|-------------------------------|
| Cash flows from operating activities | | | |
| Receipts from customers (incl. GST) | | 220,712 | 142,361 |
| Other income | | 2 | - |
| Payments to suppliers and employees (incl. GST) | | (58,310) | (45,874) |
| Payments for land | | (46,054) | (28,685) |
| Payments for development | | (137,367) | (130,725) |
| Interest received | | 876 | 265 |
| Borrowing costs paid | | (7,242) | (9,300) |
| Income taxes paid | | (15,795) | (7,436) |
| Net cash (outflows) from operating activities | | (43,178) | (79,394) |
| Cash flows from investing activities | | | |
| Loans to associates and joint ventures | 6 | (8,075) | - |
| Payments for property, plant and equipment | | (353) | (736) |
| Net cash (outflows) from investing activities | | (8,428) | (736) |
| Cash flows from financing activities | | | |
| Net proceeds from borrowings | | 46,200 | 77,957 |
| Principal elements of lease payments | | (363) | (438) |
| Proceeds from project partners | | 8,250 | 8,250 |
| Payments to project partners | | (7,329) | - |
| Dividends paid | 8 | (14,026) | (5,769) |
| Net cash inflows from financing activities | | 32,732 | 80,000 |
| Net (decrease) in cash and cash equivalents | | (18,874) | (130) |
| Cash and cash equivalents at the beginning of the half-year | | 21,945 | 6,802 |
| Cash and cash equivalents at the end of the half-year | | 3,071 | 6,672 |

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

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. Basis of preparation

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Cedar Woods Properties Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*. Where necessary, comparative information is reclassified and restated for consistency with current period disclosures.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below.

a) New and amended standards adopted by the group

A number of new or amended standards became applicable in the current reporting period. No changes to accounting policies or retrospective adjustments were required as a result of adopting these standards.

b) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods. These standards and interpretations have not been early adopted by the group.

These standards are not expected to have a material impact on the consolidated entity in the current or future reporting periods and on foreseeable future transactions.

2. Revenue

Disaggregation of revenue from contracts with customers

| Half year ended 31 December | 2024 \$'000 | 2023 \$'000 |
|--------------------------------------|------------------------|------------------------|
| Timing of revenue recognition | | |
| <i>At a point in time</i> | | |
| Sale of land and buildings | 191,543 | 118,786 |
| Development services | 3,832 | 936 |
| <i>Over time</i> | | |
| Rent from properties | 504 | 3,491 |
| | 195,879 | 123,213 |

3. Expense items

Profit before income tax expense includes the following specific expenses:

| Half year ended 31 December | 2024 \$'000 | 2023 \$'000 |
|--|------------------------|------------------------|
| Finance costs | | |
| Interest and finance charges | 6,255 | 9,170 |
| Interest – leases | 78 | 65 |
| Interest – other financial liabilities | 1,481 | 1,737 |
| Unrealised financial instrument losses | 832 | 1,040 |
| Less: amount capitalised | (1,861) | (6,773) |
| Finance costs expensed | 6,785 | 5,239 |

4. Income tax

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year, adjusted for current tax of prior periods. The estimated average annual tax rate used for the six months to 31 December 2024 is 30%, compared to 30% for the six months ended 31 December 2023.

5. Borrowings

Non-Current borrowings

Bank loan facilities totalling \$330,000,000 (30 June 2024: \$330,000,000) are provided by three major banks and are secured by first registered mortgages over some of the consolidated entity's landholdings, and first registered charges, guarantees and indemnities provided by Cedar Woods and applicable subsidiary entities. The group extended its corporate facility in January 2025 following its annual review. The changes included renewed facility tenure.

The extended facility now comprises:

- \$264,000,000 of the facility extending to January 2028 (80% of permanent facility limit); and
- \$66,000,000 of the facility extending to January 2030 (20% of permanent facility limit).

6. Other financial assets and liabilities

Other financial assets

| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
|---|-------------------------------|---------------------------|
| Current | | |
| Interest rate hedge contracts | 285 | 806 |
| | 285 | 806 |
| Non-Current | | |
| Due from associates and joint ventures ⁱ | 7,435 | - |
| Interest rate hedge contracts | - | 170 |
| | 7,435 | 170 |

Other financial liabilities

| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
|--|-------------------------------|---------------------------|
| Current | | |
| Due to vendors of properties under contracts of sale | - | 37,815 |
| Due to associates and joint ventures | - | 880 |
| Due to project partners | 9,896 | 15,766 |
| | 9,896 | 54,461 |
| Non-Current | | |
| Due to vendors of properties under contracts of sale | 33,163 | - |
| Due to project partners | 8,554 | - |
| Interest rate hedge contracts | 144 | 4 |
| Other payables | 30 | 58 |
| | 41,891 | 62 |

- i. During the period \$8,075,000 was advanced to Tarkine Property Pty Ltd, a joint venture between the group and Tokyo Gas Australia Real Estate Pty Ltd, under an interest free loan. The loan is recognised at fair value in the statement of financial position.

7. Contributed equity

| | 31 December 2024 Shares | 31 December 2023 Shares | 31 December 2024 \$'000 | 31 December 2023 \$'000 |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Movement in ordinary share capital | | | | |
| Start of the period | 82,418,418 | 82,209,937 | 138,625 | 137,795 |
| Shares issued under employee share schemes: | | | | |
| Ordinary shares issued on 20 September 2024 | 31,765 | - | 137 | - |
| Ordinary shares issued on 30 August 2024 | 60,439 | - | 352 | - |
| Ordinary shares issued on 27 September 2023 | - | 26,409 | - | 105 |
| Ordinary shares issued on 30 August 2023 | - | 182,072 | - | 730 |
| Transaction costs arising on share issues | - | - | (3) | (5) |
| | 92,204 | 208,481 | 486 | 830 |
| End of the period | 82,510,622 | 82,418,418 | 139,111 | 138,625 |

8. Dividends

| Half year ended 31 December | 2024 \$'000 | 2023 \$'000 |
|---|----------------|----------------|
| Ordinary shares | | |
| Cash dividends declared and paid: | | |
| Final dividend for 2024: 17.0 cents (2023: 7.0 cents) | 14,026 | 5,769 |
| | 14,026 | 5,769 |

Dividends not recognised at the end of the half-year

Subsequent to balance date, the directors have recommended the payment of an interim dividend of 10.0 cents per fully paid ordinary share (2023 – 8.0 cents), fully franked based on tax paid at 30%. A final dividend is also expected to be paid following the completion of the financial year.

9. Contingent liabilities

At 31 December 2024 bank guarantees totalling \$50,206,000 (30 June 2024 - \$52,324,000) had been provided to various state and local authorities supporting development and maintenance commitments. Some of these development commitments are recognised in inventory in the financial statements where the costs have been expended or provided for in part.

10. Segment information

The board has determined the operating segment based on the reports reviewed by the Managing Director that are used to make strategic decisions.

The board has considered the business from both a product and a geographic perspective and has determined that the group operates a single business in a single geographic area and hence has one reportable segment.

The group engages in property development and investment which takes place in Australia. The group has no separate business units or divisions.

The internal reporting provided to the Managing Director includes key performance information at a whole of group level. The Managing Director uses the internal information to make strategic decisions, based primarily upon the expected future outcome of those decisions on the group as a whole. Material decisions to allocate resources are generally made at a whole of group level.

The group mainly sells products to the public and is not generally reliant upon any single customer for 10% or more of the group's revenue.

All of the group's assets are held within Australia.

The Managing Director assesses the performance of the operating segment based on the net profit after tax, earnings per share and net tangible assets per share.

11. Events occurring after reporting period

Refer to note 5 for details on the group's corporate finance facility extension since the end of the reporting period.

Refer to note 8 for dividends declared since the end of the reporting period.

DIRECTORS' DECLARATION

In the directors' opinion:

- a. the financial statements and notes set out on pages 6 to 14 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - ii. giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and
- b. there are reasonable grounds to believe that Cedar Woods Properties Limited will be able to pay its debts as and when they become due and payable.

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



Nathan Blackburne
Managing Director

Perth, Western Australia
19 February 2025



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Independent auditor's review report to the members of Cedar Woods Properties Limited

Conclusion

We have reviewed the accompanying half-year financial report of Cedar Woods Properties Limited (the Company) and its subsidiaries (collectively the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed 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 handwritten signature in black ink that reads 'Ernst & Young' in a cursive script.

Ernst & Young

A handwritten signature in black ink, appearing to be 'P. Dreyer', written in a cursive style.

Pierre Dreyer
Partner
Perth
19 February 2025

CORPORATE DIRECTORY

A.B.N. 47 009 259 081

DIRECTORS

William George Hames

BArch (Hons) MCU (Harvard) LFRAIA,
MPIA, FAPI (Econ) – Chairman

Robert Stanley Brown

MAICD, AIFS – Deputy Chairman

Valerie Anne Davies

FAICD

Jane Mary Muirsmith

BCom (Hons), FCA, GAICD

Paul Gilbert Say

FRICS, FAPI

Nathan John Blackburne

BB, AMP, GAICD – Managing Director

COMPANY SECRETARY

Paul Samuel Freedman

BSc, CA, GAICD

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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AUDITOR

Ernst & Young

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PERTH WA 6000

SECURITIES EXCHANGE LISTING

Cedar Woods Properties Limited shares
are listed on the Australian Securities
Exchange (ASX)

ASX Code CWP