

Appendix 4D

Results for Announcement to the Market For the six months ended 31 December 2024 CROMWELL PROPERTY GROUP

The Appendix 4D should be read in conjunction with the half-year financial report of Cromwell Property Group for the half-year ended 31 December 2024.

1. CROMWELL PROPERTY GROUP STRUCTURE

This report is for the Cromwell Property Group ("Cromwell"), consisting of Cromwell Corporation Limited (ABN 44 001 056 980) ("the Company"), and Cromwell Diversified Property Trust (ABN 30 074 537 051) ("the Trust").

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

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

2. REPORTING PERIOD

The financial information contained in this report is for the **six month period ended 31 December 2024**. The previous corresponding period is the six month period ended 31 December 2023. This report should be read in conjunction with Cromwell Property Group's annual report for the year to 30 June 2024 which is available from Cromwell's website at www.cromwellpropertygroup.com.

3. HIGHLIGHTS OF RESULTS

	Half-year 31 Dec 2024 \$A'M	Half-year 31 Dec 2023 \$A'M	% Change
Revenue and other income ⁽¹⁾	98.5	124.4	(21%)
Operating profit attributable to stapled security holders as assessed by the directors ⁽²⁾	55.1	83.7	(34%)
Operating profit per stapled security as assessed by the directors ^{(2) (3)}	2.1 cents	3.2 cents	(34%)
Other items (including fair value adjustments)	(164.9)	(265.0)	38%
Loss after tax from continuing operations	(109.8)	(181.3)	39%
Profit / (loss) from discontinuing operations, net of tax	81.2	(90.1)	190%
Loss after tax attributable to stapled security holders	(28.6)	(271.4)	89%
Basic earnings per stapled security from continuing operations ⁽³⁾	(4.2) cents	(6.9) cents	39%
Diluted earnings per stapled security from continuing operations ⁽⁴⁾	(4.2) cents	(6.9) cents	39%
Basic earnings per stapled security ⁽³⁾	(1.1) cents	(10.4) cents	89%
Diluted earnings per stapled security ⁽⁴⁾	(1.1) cents	(10.3) cents	89%
Distributions per stapled security	1.5 cents	1.6 cents	(6%)
	31 Dec 2024 \$A'M	30 Jun 2024 \$A'M	
Total assets	2,865.9	3,083.0	(7%)
Net assets	1,487.3	1,589.8	(6%)
Net tangible assets ("NTA") ⁽⁵⁾	1,487.6	1,589.5	(6%)
Net debt ⁽⁶⁾	645.7	1,070.7	(40%)
Gearing (%) ⁽⁷⁾	29.1%	38.9%	(25%)
Securities issued (M)	2,618.9	2,618.9	-%
NTA per security	\$0.57	\$0.61	(7%)
NTA per security (excluding interest rate derivatives)	\$0.57	\$0.60	(5%)

- (1) Restatement to 31 December 2023 comparatives required due to the presentation of Polish investments and the European Funds Management Platform as discontinued operations in the Statement of Profit or Loss.
- (2) Operating profit is calculated after adjusting for certain items (including fair value adjustments, realised gains on sale and other items) as set out in the Directors Report of the December 2024 half-year financial report.
- (3) Earnings per stapled security calculated using weighted average number of stapled securities on issue during the relevant period.
- (4) Earnings per stapled security calculated using weighted average number of stapled securities and potential stapled securities on issue during the period.
- (5) Net assets less deferred tax assets and liabilities, intangible assets and right-of-use assets and associated lease liabilities.
- (6) Interest bearing liabilities excluding lease liabilities and cash and cash equivalents.
- (7) Net debt divided by total tangible assets less cash and cash equivalents.

4. COMMENTARY ON THE RESULTS

Refer to the Directors' Report of the half-year financial report for a commentary on the results of Cromwell.

5. DISTRIBUTIONS AND DIVIDENDS

Interim distributions/dividends declared during the current and previous half-year were as follows:

	Dividend per Security	Distribution per Security	Total per Security	Total \$A'M	Franked amt per Security	Record Date	Payment Date
31 Dec 2024							
Interim distribution	-	0.7500¢	0.7500¢	19.6	-	30/09/24	15/11/24
Interim distribution	-	0.7500¢	0.7500¢	19.6	-	31/12/24	14/02/25
	-	1.5000¢	1.5000¢	39.2	-		
31 Dec 2023							
Interim distribution	-	0.8300¢	0.8300¢	21.7	-	29/09/23	17/11/23
Interim distribution	-	0.7500¢	0.7500¢	19.6	-	29/12/23	16/02/24
	-	1.5800¢	1.5800¢	41.3	-		

6. DISTRIBUTION REINVESTMENT PLAN

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

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

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

7. INVESTMENTS IN JOINT VENTURES

Refer to Note 8 of the half-year financial report for details of investments in joint ventures and associates.

8. AUDIT REVIEW REPORT

The information contained in this report is unaudited. The financial report for the half-year ended 31 December 2024 has been reviewed by the auditors for the Cromwell Property Group.

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

A copy of the Cromwell Property Group half-year financial report for the 6 months ended 31 December 2024 with the auditors review opinion has been lodged with ASX.

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



Michelle Dance
Chief Financial Officer
27 February 2025
Sydney



CROMWELL
PROPERTY GROUP

Cromwell Property Group Half-Year Financial Report

31 December 2024

Consisting of the combined consolidated Financial Reports of
Cromwell Corporation Limited (ABN 44 001 056 980) and
Cromwell Diversified Property Trust (ARSN 102 982 598)

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

Cromwell Diversified Property Trust
ARSN 102 982 598

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

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DIRECTORY

Board of Directors:

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

Secretary:

Michael Foster

Share Registry:

MUFG Corporate Market Services (AU) Limited
Level 21, 10 Eagle Street
Brisbane QLD 4000
Tel: 1300 554 474
Web: www.mpms.mufg.com

Registered Office:

Level 10
100 Creek Street
Brisbane QLD 4000
Tel: +61 7 3225 7777
Web: www.cromwellpropertygroup.com

Listing:

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

Auditor:

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Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000
Tel: +61 2 9322 7000
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Directors' Report

The Directors of Cromwell Corporation Limited and Cromwell Property Securities Limited as responsible entity for the Cromwell Diversified Property Trust (collectively referred to as "the Directors") present their report together with the consolidated financial statements for the half-year ended 31 December 2024 for both:

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

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

Principal activities

The principal activities of Cromwell and the Trust, which, other than for the sale of the European Management Platform, did not change through the half-year, are summarised below:

Investment portfolio	This involves the ownership of investment properties located in Australia. These properties are held for long term investment purposes and primarily contribute net rental income and associated cash flows to results.
Funds and asset management	Fund management represents activities in relation to the establishment and management of external funds for institutional, wholesale and retail investors. Asset management includes property and facility management, leasing and project management and development related activities. These activities are carried out by Cromwell itself and by associates and contribute related fee revenues or the relevant share of profit of each entity to consolidated results.
Co-investments	Include an interest in the Cromwell Direct Property Fund, the Cromwell Global Opportunities Fund, and investments in Funds that were exited as part of the sale of the European Funds Management Platform. This activity contributes net rental income and the relevant share of profit of each entity to the consolidated results.

Sale of European Fund Management Platform

During May 2024, Cromwell entered into an agreement to sell its European funds management platform and interests, including the 50% interest in CIULF and the 27.8% interest in CEREIT, to Stoneweg SA Group ("Stoneweg"). The transaction completed on 24 December 2024 for net proceeds (after settlement adjustments) of €274.1 million (\$456.7 million).

Key results and metrics

	Half year ended				
	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021	31 Dec 2020
Financial performance					
Total assets under management (\$B) ⁽¹⁾	4.5	11.4	12.0	12.1	11.6
Total revenue and other income for the half-year (\$M) ⁽²⁾	98.5	124.4	85.9	162.1	166.1
Statutory (loss) / profit for the half-year (\$M)	(28.6)	(271.4)	(129.5)	132.5	145.2
Statutory (loss) / profit per stapled security for the half-year (basic) (cents)	(1.09)	(10.36)	(4.94)	5.06	5.53
<i>Results from operations (\$M):</i>					
Investment portfolio	78.0	78.0	80.6	86.1	89.9
Funds and asset management	7.9	11.8	27.2	22.7	22.8
Co-investments	18.2	53.4	37.2	41.2	38.9
Unallocated items	(49.0)	(59.5)	(57.9)	(53.6)	(52.5)
Operating profit for the half-year (\$M)	55.1	83.7	87.1	96.4	99.1
Operating profit per stapled security for the half-year (cents)	2.10	3.20	3.33	3.68	3.79
Dividends / distributions for the half-year (\$M)	39.2	41.3	72.0	85.1	98.1
Dividends / distributions per stapled security for the half-year (cents)	1.50	1.58	2.75	3.25	3.75

(1) AUM disclosed at 31 Dec 2024 is net of cash of \$0.5 billion which was allocated for a debt repayment on 10 January 2025.

(2) Total revenue and other income for all periods reflect the reclassification of the Polish investments & the European Funds Management Platform as discontinued operations.

Directors' Report

	As at				
	31 Dec 2024	30 Jun 2024	30 Jun 2023	30 Jun 2022	30 Jun 2021
Financial position					
Total assets (\$M)	2,865.9	3,083.0	4,215.7	5,054.2	5,008.9
Net assets (\$M)	1,487.3	1,589.9	2,212.2	2,710.4	2,665.3
Net tangible assets (\$M) ⁽¹⁾	1,487.6	1,589.5	2,211.2	2,721.2	2,656.7
Net debt (\$M) ⁽²⁾	645.7	1,070.7	1,735.4	1,879.5	2,021.2
Gearing (%) ⁽³⁾	29.1%	38.9%	42.6%	39.6%	41.8%
Look-through gearing (%)	29.1%	46.3%	47.6%	44.8%	46.2%
Stapled securities issued (M)	2,618.9	2,618.9	2,618.9	2,618.9	2,617.5
NTA per stapled security	\$0.57	\$0.61	\$0.84	\$1.04	\$1.02

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

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

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

Financial performance

Statutory loss

Cromwell recorded a statutory loss of \$28.6 million for the half-year ended 31 December 2024 (December 2023: statutory loss of \$271.4 million). The Trust recorded a statutory loss of \$67.2 million for the half-year ended 31 December 2024 (December 2023: statutory loss of \$289.0 million).

Operating profit

Statutory profit includes a number of items which are non-cash in nature or occur infrequently and / or relate to realised or unrealised changes in the values of assets and liabilities and in the opinion of the Directors should be adjusted for in order to allow securityholders to gain a better understanding of Cromwell's operating profit. Operating profit is considered by the Directors to reflect the underlying earnings of Cromwell. It is a key metric taken into account in determining distributions. Operating earnings is not a measure which is calculated in accordance with International Financial Reporting Standards ("IFRS") and has not been reviewed by Cromwell's auditor.

Cromwell recorded an operating profit of \$55.1 million for the half-year ended 31 December 2024 compared with \$83.7 million for the previous comparable period.

Directors' Report

A reconciliation of Cromwell's operating profit, as assessed by the Directors, to statutory loss is below:

	Cromwell	
	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
Operating profit ⁽¹⁾	55.1	83.7
<i>Reconciliation to loss after tax for the half-year</i>		
Fair value net losses - Investment properties	(103.3)	(195.7)
Fair value net losses - Derivative financial instruments	(31.6)	(24.4)
Fair value gain – Campbell Park Rights cost ⁽²⁾	-	15.2
Lease cost and incentive amortisation and rent straight-lining	(15.3)	(10.0)
Relating to equity accounted investments ⁽³⁾	0.3	(0.3)
Net exchange (loss) / gain on foreign currency borrowings	(0.7)	3.6
Tax expense relating to non-operating items ⁽⁴⁾	0.5	(3.9)
Non-cash or non-recurring items from discontinued operations ⁽⁵⁾	62.8	(128.9)
Other non-cash expenses or non-recurring items ⁽⁶⁾	3.6	(10.7)
Loss after tax	(28.6)	(271.4)
Profit / (loss) from discontinued operations, net of tax	81.2	(90.1)
Loss after tax from continuing operations	(109.8)	(181.3)

- (1) Operating profit of equity accounted investments for the half-year ended 31 December 2024 includes operating profit from the equity accounted investments CEREIT and CIULF for the period 1 July 2024 to 24 December 2024, however for financial reporting purposes no share of profit or loss from the equity accounted investments is included in accordance with AASB 5 which requires equity accounting to cease on 22 May 2024 when the assets were classified as held for sale. Management consider that these investments continued to form part of the group until 24 December 2024 when the rights and obligations associated with them were passed to the purchaser and as a result included them when reporting operating profit to the Chief Operating Decision Maker. The operating profit from the investments in CEREIT and CIULF for the period from 1 July 2024 to 24 December 2024 was \$17.9m.
- (2) The Campbell Park Rights financial asset was revalued during the prior period to the estimated proceeds of \$27.5 million that Cromwell would receive upon the sale of the Rights. Included in operating profit as distribution revenue is the part of the proceeds \$12.3 million in excess of the initial acquisition cost of \$15.2 million.
- (3) Comprises fair value adjustments included in share of profit of equity accounted entities.
- (4) Comprises tax expense attributable to changes in deferred tax liabilities derecognised as a result of decreases in the carrying value of investments.
- (5) Non-cash or non-recurring items in relation to Polish portfolio and the European Funds Management Platform being disclosed as a discontinued operation include:
- \$23.2 million (2023: Nil) profit on the sale of the European Funds Management Platform
 - \$54.9 million (2023: Nil) foreign currency gain from the release of the foreign currency translations reserves upon the completion of the sale
 - Nil (2023: \$48.0 million) relating to non-operating losses from equity accounted investments
 - Nil (2023: \$44.5 million) fair value loss on investment properties
 - \$18.9 million (2023: \$13.9 million) impairment of equity accounted investments
 - Nil (2023: \$11.1 million) of transactions costs
 - \$0.1 million tax expense (2023: \$5.8 million) relating to non-operating items
- (6) These expenses include but are not limited to:
- Amortisation of loan transaction costs.
 - Amortisation of intangible assets and depreciation of property, plant and equipment.
 - Other transaction costs.

Operating profit per security for the half-year was 2.10 cents (December 2023: 3.20 cents). This represents a decrease of approximately 34.4% over the prior corresponding period. Operating profit is analysed within each segment in the following section.

Analysis of segment performance

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

Directors' Report

INVESTMENT PORTFOLIO

Cromwell is dedicated to driving the performance of its investment portfolio through leasing and asset management initiatives while also remaining focused on its strategy to move the Group to a capital light business model over time.

Investment portfolio performance and key metrics

	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
<i>Portfolio performance</i>		
Rental income and recoverable outgoings ⁽¹⁾	95.9	96.7
Property expenses ⁽²⁾	(17.3)	(17.8)
Net operating income	78.6	78.9
Investment property revaluation loss	(103.3)	(195.7)

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

⁽²⁾ Property expenses excluding lease cost amortisation.

	As at		
	31 Dec 2024	30 Jun 2024	31 Dec 2023
<i>Key metrics</i>			
Investment portfolio value (\$M)	2,113.0	2,212.0	2,347.3
Weighted average capitalisation rate (%)	7.0	6.6	6.4
Total lettable area (sqm)	246,990	247,243	255,823
Occupancy (%)	95.8	94.1	93.4
Weighted average lease expiry (years)	5.1	5.4	5.3

Net operating income from the investment portfolio was largely flat (-0.4%). On a like-for-like basis, excluding non-recurring income, net operating income increased by 2.7%. This growth was largely driven by fixed rental increases and an increase in portfolio occupancy.

On a like-for-like basis, excluding the fitout rent expiry, net operating income increased by 2.7%. This growth was largely driven by fixed rental increases and an increase in portfolio occupancy.

The investment portfolio remains well occupied, with occupancy increasing to 95.8%. Over 16,000 sqm of new leasing activity occurred over the half year to 31 December 2024, including material new leasing transactions at both 700 Collins Street and HQ North. Additional discussions are underway to fill the remaining portfolio vacancy and improve the short to medium term lease expiry profile.

Cromwell's tenant security continues to remain strong with 68% of income derived from our top 5 tenants being State and Federal Governments, Qantas, and Metro Trains, with good diversification across all sectors.

The value of the properties in Cromwell's investment portfolio decreased on a like-for-like basis by \$99.0 million (4.5%), driven by expansion of the portfolio weighted average capitalisation rate from 6.6% to 7.0%. All states in which Cromwell's investment properties are located were affected by the general expansion of capitalisation rates that reflect a demand for higher returns by investors to compensate for higher borrowing costs over the course of the past two years.

Cromwell continues to actively manage capital expenditure and improvement initiatives to preserve and improve value in its investment portfolio, including new tenant amenity at 207 Kent Street, Sydney, and a continuation of our successful speculative fit out strategy.

Directors' Report

FUNDS AND ASSET MANAGEMENT

Financial highlights in relation to funds and asset management include:

	Total		Australia		Europe		Joint ventures	
	Half-year ended							
	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Fee and other revenues	39.9	47.6	10.4	10.0	29.5	37.6	-	-
Development income	2.3	1.7	-	-	2.3	1.7	-	-
Share of operating profit	0.7	0.7	-	-	-	0.3	0.7	0.4
Expenses	35.0	38.2	7.1	6.5	27.9	31.7	-	-
Operating profit	7.9	11.8	3.3	3.5	3.9	7.9	0.7	0.4
	As at							
	31 Dec 2024 \$B	30 Jun 2024 \$B	31 Dec 2024 \$B	30 Jun 2024 \$B	31 Dec 2024 \$B	30 Jun 2024 \$B	31 Dec 2024 \$B	30 Jun 2024 \$B
	Assets under management ⁽¹⁾	4.5	11.0	3.3	3.6	-	6.2	1.2

(1) AUM disclosed at 31 Dec 2024 is net of cash of \$0.5 billion which was allocated for a debt repayment on 10 January 2025.

Australia

Retail funds management

A breakdown of retail funds management results is below:

	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
Recurring fee income	3.6	4.3
Performance fee income	1.4	0.1
Total fee revenue	5.0	4.4
Costs	2.5	1.8
Operating profit	2.5	2.6

Retail funds management total fee revenue increased from \$4.4 million in the prior comparative period to \$5.0 million for the half-year, following increased performance fee revenue from the Cromwell Phoenix Funds, and lower recurring fee income following asset valuation reductions of investment properties under management.

The higher total fee revenue was offset by increased costs as a result of Cromwell's management fee payable to Phoenix Portfolio's Pty Ltd increasing following the receipt of performance fee revenue.

Total assets under management at 31 December 2024 were \$1.2 billion (June 2024: \$1.3 billion).

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

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

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

Directors' Report

Wholesale funds management

A breakdown of wholesale funds management results is below:

	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
Recurring fee income	0.2	0.2
Total fee revenue	0.2	0.2
Operating profit	0.2	0.2

During the half-year wholesale funds management activities related to the management of the 50% interest held by an external party in the investment property at 475 Victoria Avenue, Chatswood NSW.

Property management

A breakdown of property management results is below:

	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
Recurring fee income	5.2	5.4
Costs	4.6	4.7
Operating profit	0.6	0.7

Property management profit decreased to \$0.6 million (2023: \$0.7 million) due to a small decrease in recurring fee income.

Europe

A breakdown of European funds management results is below:

	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
<i>Fee and other revenue</i>		
Recurring fee income	27.7	31.9
Transactional fee income	2.3	2.3
Performance fee income	-	3.4
Development income	1.8	1.7
Total fee and other revenue	31.8	39.3
<i>Costs attributable</i>		
Employee benefits expense:		
Performance fee-related	-	0.7
Other	21.1	23.9
Other operational costs	6.8	7.1
Total costs attributable	27.9	31.7
Operating profit	3.9	7.6

The European funds management business generated an operating profit of \$3.9 million (31 December 2023: \$7.6 million) for the period. This was the result of a combination of lower recurring and performance fee income, partially offset by a reduction in employee benefits expenses and other operational costs.

The European Funds management business was part of the sale that completed on 24 December 2024.

Directors' Report

Joint ventures

Phoenix – Australia

Phoenix Portfolios Pty Ltd experienced an increase in the level of management and performance fee income compared to the previous comparative period.

Cromwell recognised a share of operating profit of \$0.4 million for the half-year (December 2023: \$0.1 million).

Oyster – New Zealand

Oyster Property Group's assets under management remained steady at NZD\$1.8 billion at half-year end (June 2024: NZD\$1.8 billion).

Cromwell recognised a share of operating profit of \$0.3 million for the half-year (December 2023: \$0.3 million).

CO-INVESTMENTS

Financial highlights in relation to Co-investments include:

	Total		CPRF		CIULF		CEREIT		Other investments	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Rental income and recoverable outgoings (\$M)	0.8	40.2	0.8	39.8	-	0.4	-	-	-	-
Share of operating profit (\$M)	17.9	22.8	-	1.9	0.7	0.6	17.2	20.3	-	-
Distribution income (\$M)	0.4	12.8	-	-	-	-	-	-	0.4	12.8
Operating profit (\$M)	18.2	53.4	-	19.3	0.6	1.0	17.2	20.3	0.4	12.8
Net fair value (losses) / gains (\$M)	-	(44.5)	-	(44.5)	-	-	-	-	-	-
	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
Ownership share (%)	-	-	-	-	-	50.0%	-	27.8%	-	-
Investment value (\$M)	12.6	413.5	-	-	-	15.4	-	381.9	12.6	16.2

CPRF

In May 2024, Cromwell completed the sale of the Cromwell Polish Retail Fund (CPRF) assets. In addition, in March 2024 Cromwell completed the sale of its 50% interest in the Ursynów Joint Venture.

The rental income from the CPRF assets in the period to December 2024 reflects settlement and other adjustments following the sale in May 2024.

CIULF

During July 2023, Cromwell entered into a joint venture with Value Partners to share ownership of the CIULF assets.

Cromwell then disposed its remaining 50% interest in CIULF on 24 December 2024, as part of the European Funds Management sale to Stoneweg.

Directors' Report

The share of operating profit of \$0.7 million represents Cromwell's ownership share for the period 1 July 2024 to 24 December 2024.

CEREIT

Cromwell continued to manage and sponsor CEREIT, a SGX-listed real estate investment trust, until disposal of Cromwell's interest to Stoneweg on 24 December 2024. At 31 December 2024 Cromwell owned no securities in CEREIT (30 June 2024: 27.8%).

During the period Cromwell recognised its share of operating profit (for the period 1 July 2024 to 24 December 2024) of \$17.2 million (31 December 2023: \$20.3 million) and received \$18.0 million in distributions (31 December 2023: \$20.5 million).

OTHER INVESTMENTS

Cromwell has co-investments in Australian real estate investment mandates which are accounted for as investments at fair value through profit or loss. Cromwell receives distributions from these investments which also support the funds management business.

The co-investment distribution and operating profit reduced to \$0.4 million (31 December 2023 \$12.8 million). The reduction was primarily related to recognition of \$12.3 million distribution income in the prior period relating to the sale of the Campbell Park income assignment deed and call option deed.

Capital management

As at 31 December 2024 Cromwell's gearing was 29.1% compared with the 30 June 2024 gearing level of 38.9%. The reduction in gearing followed the completion of the sale of the European Funds Management Platform on 24 December 2024. The gearing on both a headline and look-through basis post completion is slightly below the bottom of Cromwell's stated target gearing range of 30% - 40%.

Net debt has decreased during the period by \$425.0 million (39.7%), with interest expense in relation to borrowings for the period also reducing to \$32.7 million (31 December 2023: \$43.4 million).

The net fair value loss in relation to interest rate derivative financial instruments of \$12.7 million (31 December 2023: loss of \$24.4 million) arose as a result of the revaluation of interest rate swap, cap and collar contracts. Cromwell has hedged future interest rates through various types of interest rate derivatives (predominately interest rate caps) with 63.2% of borrowings at 31 December 2024, and 99.7% at 10 January 2025 (post the repayment of \$472.5 million) hedged or fixed (excluding forward start derivatives), and to minimise the earnings impact of changes in interest rates in the future (30 June 2024: 77.9%).

During the period Cromwell entered into a range of new derivative transactions to optimise its hedging profile, and following the settlement of the European Funds Management Platform sale, the majority of the drawn debt is hedged. The weighted average hedge term at 31 December 2024 was 2.7 years (30 June 2024: 2.0 years).

Debt

Bilateral Facilities

Cromwell's debt platform is underpinned by its bilateral facilities secured against selected assets of Cromwell's Australian investment portfolio. Following the sale of the European Funds Management Platform, the bilateral facilities have ample headroom against covenants to facilitate growth in the Cromwell business as the strategy to transition to a capital light business model over time.

Cromwell funded its co-investment in CPRF via a Euro revolving credit facility. The remaining facility amount of \$88.4 million was repaid, and the facility cancelled in July 2024.

During the period, Cromwell extended the maturity of \$75 million of debt within Cromwell's bilateral facilities from June 2025 to June 2026.

On 10 January 2025, Cromwell repaid \$472.5 million of the bilateral bank debt and cancelled \$285.0 million of bilateral bank debt facilities.

Chatswood JV Syndicated Facility

Cromwell acquired 475 Victoria Avenue, Chatswood in 2006 for \$103.0 million and sold a 50% interest in the asset to a joint venture partner in May 2020 for \$120 million. At that time, the partners entered into a syndicated loan facility due to mature in April 2025, with an initial five year business plan. The IRR for the asset, based on the December 2024 valuation, is estimated at 9.1%.

Cromwell and its Joint Venture Partner are parties to a non-recourse secured debt facility for the investment property at 475 Victoria Avenue, Chatswood NSW. The security for this facility and the recourse to the lenders is limited to the property at 475 Victoria Avenue, Chatswood and the Joint Venture bank accounts. Cromwell's share of the Joint Venture bank accounts at 31 December 2024 is \$4.2 million. The lenders to this facility have no further recourse to Cromwell's other assets.

The facility, which expires in April 2025, has a loan to value covenant of 75.0%. This covenant will not be assessed by the lenders until 14 March 2025. The actual loan to value ratio based on the 31 December 2024 independent valuation is 85.7%, which exceeds the

Directors' Report

covenant. Discussions are continuing with the lenders and Cromwell's Joint Venture partner regarding the business plan and the facility. This facility (representing 50% Cromwell's share) is disclosed as a current liability within the consolidated balance sheet.

Liquidity

As at 31 December 2024 Cromwell had \$641.0 million of cash (30 June 2024: \$292.3 million) and no undrawn and available bank facilities (30 June 2024: \$Nil). On 10 January 2025, Cromwell repaid \$472.5 million bank debt and cancelled \$285.0 million of bank debt facilities. Subsequent to the repayment and facility limit reduction, on 10 January 2025 Cromwell had \$370.0 million of undrawn and available bank debt facilities and \$168.5 million⁽¹⁾ of cash at bank.

(1) 31 December 2024 cash less debt repayment on 10 January 2025.

Equity

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

Net tangible assets (NTA) per security has decreased during the period from \$0.61 to \$0.57, primarily as a result of an overall decrease in property valuations.

Strategy

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

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

Outlook

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

A distribution of 0.75cps is expected to be paid for the March 2025 quarter.

Directors' Report

Directors

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

Directors		Date of Appointment
Dr Gary Weiss AM	Non-executive Chair	18 September 2020 (Chair since 17 March 2021)
Mr Eng Peng Ooi	Non-executive Deputy Chair	8 March 2021 (Deputy Chair since 17 March 2021)
Mr Robert Blain	Non-executive Director	8 March 2021
Mr Jonathan Callaghan	Managing Director / Chief Executive Officer	7 October 2021
Ms Tanya Cox	Non-executive Director	21 October 2019
Mr Joseph Gersh AM	Non-executive Director	18 September 2020
Ms Lisa Scenna	Non-executive Director	21 October 2019
Ms Jialei Tang	Non-executive Director	9 July 2021

Company Secretary

The Company Secretary at any time during the half-year and up to the date of this report was:

Company Secretary	Date of Appointment
Mr Michael Foster	6 April 2022

Subsequent events

Other than as disclosed in note 16, no matter or circumstance has arisen since 31 December 2024 that has significantly affected or may significantly affect:

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

Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 amounts in the Directors' report have been rounded off to the nearest one hundred thousand dollars, or in certain cases to the nearest dollar, unless otherwise indicated.

Auditor's independence declaration

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

This report is made pursuant to section 306(3) of the *Corporations Act 2001* (Cth).



Dr Gary Weiss AM
Chair
27 February 2025
Sydney



Jonathan Callaghan
Managing Director / Chief Executive Officer

27 February 2025

Board of Directors
Cromwell Corporation Limited and
Cromwell Property Securities Limited (as responsible entity for Cromwell Diversified Property Trust)
Level 10, 100 Creek Street
Brisbane QLD 4000

Dear Directors

Auditor's Independence Declaration to Cromwell Property Group

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

As lead audit partner for the review of the half year financial report of Cromwell Property Group (the stapled entity which comprises Cromwell Corporation Limited, Cromwell Diversified Property Trust and the entities they controlled at the end of the half-year or from time to time during the half-year) and Cromwell Diversified Property Trust for the year half year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully

Deloitte Touche Tohmatsu

Deloitte Touche Tohmatsu



Nicholas Rozario
Partner
Chartered Accountants

Consolidated Statements of Profit or Loss

For the half-year ended 31 December 2024

	Notes	Cromwell		Trust	
		Half-year ended		Half-year ended	
		31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Revenue	5(a)	93.4	97.0	84.9	89.1
Other income					
Fair value net gains from:					
Investments at fair value through profit or loss		-	24.6	-	-
Net foreign currency gains		4.1	2.6	3.8	2.4
Share of profit of equity accounted investments		1.0	0.2	-	-
Total revenue and other income		98.5	124.4	88.7	91.5
Expenses					
Property expenses and outgoings		13.4	16.0	15.9	18.3
Funds management costs		1.2	0.6	-	-
Employee benefits expense	6(a)	16.0	15.9	-	-
Administrative and other expenses	6(b)	7.2	8.3	7.9	10.2
Finance costs	6(c)	34.0	37.6	34.0	37.6
Fair value net losses from:					
Investment properties	7(f)	103.3	195.7	103.3	195.7
Derivative financial instruments		31.6	24.4	28.9	24.4
Investments at fair value through profit or loss		1.0	-	1.0	2.9
Other transaction costs		0.3	3.5	-	0.1
Total expenses		208.0	302.0	191.0	289.2
Loss before income tax from continuing operations		(109.5)	(177.6)	(102.3)	(197.7)
Income tax expense		0.3	3.7	0.3	0.6
Loss after tax from continuing operations		(109.8)	(181.3)	(102.6)	(198.3)
Discontinued operations					
Profit / (loss) from discontinued operations, net of tax	14(d)	81.2	(90.1)	35.4	(90.7)
Loss after tax		(28.6)	(271.4)	(67.2)	(289.0)
<i>Loss after tax is attributable to securityholders:</i>					
Profit attributable to the Company		38.6	17.6	-	-
Loss attributable to the Trust		(67.2)	(289.0)	(67.2)	(289.0)
Total loss after tax attributable to securityholders		(28.6)	(271.4)	(67.2)	(289.0)
Earnings per security from continuing operations					
Basic earnings per stapled security (cents)	3(b)	(4.19¢)	(6.92¢)	(3.92¢)	(7.58¢)
Diluted earnings per stapled security (cents)	3(b)	(4.18¢)	(6.90¢)	(3.91¢)	(7.55¢)
Earnings per security					
Basic earnings per stapled security (cents)	3(b)	(1.09¢)	(10.36¢)	(2.57¢)	(11.03¢)
Diluted earnings per stapled security (cents)	3(b)	(1.09¢)	(10.33¢)	(2.57¢)	(11.00¢)

The above consolidated statements of profit or loss should be read in conjunction with the accompanying notes.

Consolidated Statements of Other Comprehensive Income

For the half-year ended 31 December 2024

	Notes	Cromwell		Trust	
		Half-year ended		Half-year ended	
		31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Loss after tax		(28.6)	(271.4)	(67.2)	(289.0)
Other comprehensive (loss) / income					
<i>Items that may be reclassified to profit or loss</i>					
Exchange differences on translation of foreign operations		17.3	(11.2)	15.0	(11.1)
Release of foreign currency translation reserves upon the completion of the sale of foreign operations	14(d)	(52.2)	-	(34.6)	-
Income tax relating to this item		-	-	-	-
Other comprehensive loss, net of tax		(34.9)	(11.2)	(19.6)	(11.1)
Total other comprehensive loss		(63.5)	(282.6)	(86.8)	(300.1)
<i>Total other comprehensive loss is attributable to securityholders:</i>					
Other comprehensive income attributable to the Company		23.3	17.5	-	-
Other comprehensive loss attributable to the Trust		(86.8)	(300.1)	(86.8)	(300.1)
Total other comprehensive loss		(63.5)	(282.6)	(86.8)	(300.1)
<i>Other comprehensive loss, net of tax arises from:</i>					
Continuing operations		(0.1)	(10.5)	-	-
Discontinued operations		(34.8)	(0.7)	(19.6)	(11.1)
Other comprehensive loss, net of tax		(34.9)	(11.2)	(19.6)	(11.1)

The above consolidated statements of other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheets

As at 31 December 2024

	Notes	Cromwell		Trust	
		As at		As at	
		31 Dec 2024 \$M	30 Jun 2024 \$M	31 Dec 2024 \$M	30 Jun 2024 \$M
Current assets					
Cash and cash equivalents		641.0	292.3	609.9	262.0
Receivables	10(b)	19.0	25.8	17.4	21.0
Derivative financial instruments		17.2	28.1	17.2	28.0
Current tax assets		1.9	2.1	1.7	2.0
Other current assets		6.6	3.7	2.9	2.5
		685.7	352.0	649.1	315.5
Assets held for sale	14(b)	-	439.2	-	371.9
Total current assets		685.7	791.2	649.1	687.4
Non-current assets					
Investment properties	7(e)	2,113.0	2,212.0	2,113.0	2,212.0
Equity accounted investments	8(a)	20.8	20.1	-	-
Investments at fair value through profit or loss	9	12.6	13.6	12.6	13.6
Inventories	7(d)	19.0	17.4	-	-
Derivative financial instruments		5.5	18.6	5.5	18.3
Receivables	10(b)	-	-	11.2	4.2
Property, plant and equipment		9.0	9.7	-	-
Intangible assets		0.3	0.3	-	-
Deferred tax assets		-	0.1	-	0.1
Total non-current assets		2,180.2	2,291.8	2,142.3	2,248.2
Total assets		2,865.9	3,083.0	2,791.4	2,935.6
Current liabilities					
Trade and other payables		26.5	20.6	19.9	15.1
Unearned income		15.7	14.1	14.5	12.9
Dividends / distributions payable		19.6	19.6	19.6	19.6
Interest bearing liabilities	11(a)	87.9	176.3	87.0	175.4
Derivative financial instruments		22.5	9.6	22.5	10.4
Provisions		2.6	2.8	-	-
Current tax liabilities		0.1	-	0.1	-
		174.9	243.0	163.6	233.4
Liabilities directly related to assets held for sale	14(b)	-	31.2	-	-
Total current liabilities		174.9	274.2	163.6	233.4
Non-current liabilities					
Interest bearing liabilities	11(a)	1,202.5	1,212.3	1,265.8	1,209.0
Derivative financial instruments		0.3	6.1	0.3	5.8
Provisions		0.5	0.5	-	-
Deferred tax liabilities		0.4	0.1	0.4	0.1
Total non-current liabilities		1,203.7	1,219.0	1,266.5	1,214.9
Total liabilities		1,378.6	1,493.2	1,430.1	1,448.3
Net assets		1,487.3	1,589.8	1,361.3	1,487.3
Equity attributable to securityholders					
Contributed equity	12(a)	2,280.1	2,280.1	2,072.8	2,072.8
Reserves		13.1	47.8	-	19.6
Accumulated losses		(805.9)	(738.1)	(711.5)	(605.1)
Equity attributable to securityholders		1,487.3	1,589.8	1,361.3	1,487.3
<i>Comprising</i>					
Total equity attributable to the Company		126.0	102.5	-	-
Total equity attributable to the CDPT		1,361.3	1,487.3	1,361.3	1,487.3
Total equity attributable to securityholders		1,487.3	1,589.8	1,361.3	1,487.3

The above consolidated balance sheets should be read in conjunction with the accompanying notes.

Consolidated Statements of Changes in Equity

For the half-year ended 31 December 2024

Cromwell		Attributable to Securityholders of Cromwell			
		Contributed equity \$M	Reserves \$M	Accumulated losses \$M	Total \$M
31 December 2024	Notes				
Balance as at 1 July 2024		2,280.1	47.8	(738.1)	1,589.8
Loss for the half-year		-	-	(28.6)	(28.6)
Other comprehensive loss for the half-year		-	(34.9)	-	(34.9)
Total comprehensive loss		-	(34.9)	(28.6)	(63.5)
<i>Transactions with securityholders in their capacity as securityholders:</i>					
Dividends / distributions paid / payable	4	-	-	(39.2)	(39.2)
Employee performance rights		-	0.5	-	0.5
Acquisition of treasury securities		-	(0.7)	-	(0.7)
Issue of treasury securities		-	0.4	-	0.4
Total transactions with securityholders		-	0.2	(39.2)	(39.0)
Balance as at 31 December 2024		2,280.1	13.1	(805.9)	1,487.3

		Attributable to Securityholders of Cromwell			
		Contributed equity \$M	Reserves \$M	Accumulated losses \$M	Total \$M
31 December 2023	Notes				
Balance at 1 July 2023		2,280.1	58.1	(126.0)	2,212.2
Loss for the half-year		-	-	(271.4)	(271.4)
Other comprehensive loss for the half-year		-	(11.2)	-	(11.2)
Total comprehensive loss		-	(11.2)	(271.4)	(282.6)
<i>Transactions with securityholders in their capacity as securityholders:</i>					
Dividends / distributions paid / payable	4	-	-	(41.3)	(41.3)
Employee performance rights		-	(0.2)	-	(0.2)
Acquisition of treasury securities		-	(0.5)	-	(0.5)
Issue of treasury securities		-	0.5	-	0.5
Total transactions with securityholders		-	(0.2)	(41.3)	(41.5)
Balance as at 31 December 2023		2,280.1	46.7	(438.7)	1,888.1

The above consolidated statements of changes in equity should be read in conjunction with accompanying notes.

Consolidated Statements of Changes in Equity

For the half-year ended 31 December 2024

Trust		Attributable to Securityholders of the CDPT			
		Contributed equity \$M	Reserve \$M	Accumulated losses \$M	Total equity \$M
31 December 2024	Notes				
Balance at 1 July 2024		2,072.8	19.6	(605.1)	1,487.3
Loss for the half-year		-	-	(67.2)	(67.2)
Other comprehensive loss for the half-year		-	(19.6)	-	(19.6)
Total comprehensive loss		-	(19.6)	(67.2)	(86.8)
<i>Transactions with securityholders in their capacity as securityholders:</i>					
Distributions paid / payable	4	-	-	(39.2)	(39.2)
Total transactions with securityholders		-	-	(39.2)	(39.2)
Balance as at 31 December 2024		2,072.8	-	(711.5)	1,361.3

		Attributable to Securityholders of CDPT			
		Contributed equity \$M	Reserve \$M	Accumulated losses \$M	Total equity \$M
31 December 2023	Notes				
Balance at 1 July 2023		2,072.8	29.5	16.5	2,118.8
Loss for the half-year		-	-	(289.0)	(289.0)
Other comprehensive loss for the half-year		-	(11.1)	-	(11.1)
Total comprehensive loss		-	(11.1)	(289.0)	(300.1)
<i>Transactions with securityholders in their capacity as securityholders:</i>					
Contributions of equity, net of equity issue costs		-	-	-	-
Distributions paid / payable	4	-	-	(41.3)	(41.3)
Total transactions with securityholders		-	-	(41.3)	(41.3)
Balance as at 31 December 2023		2,072.8	18.4	(313.8)	1,777.4

The above consolidated statements of changes in equity should be read in conjunction with accompanying notes.

Consolidated Statements of Cash Flows

For the half-year ended 31 December 2024

	Note	Cromwell		Trust	
		Half-year		Half-year	
		31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Cash flows from operating activities					
Receipts in the course of operations		148.1	188.5	103.0	139.8
Payments in the course of operations		(90.4)	(118.1)	(38.9)	(61.0)
Distributions received		19.3	21.0	19.0	20.6
Interest received		4.0	3.5	3.2	3.1
Finance costs paid		(31.6)	(33.3)	(31.6)	(33.3)
Income tax refunded / (paid)		0.2	(1.6)	0.2	(1.4)
Net cash provided by operating activities		49.6	60.0	54.9	67.8
Cash flows from investing activities					
Proceeds from sale of investment properties		6.5	45.3	6.5	45.3
Payments for investment properties		(20.0)	(18.6)	(20.0)	(18.6)
Proceeds from the sale of the European Funds Management Platform, net of cash disposed	14	437.9	-	388.9	-
Proceeds from sale of subsidiary, net of cash disposed		-	20.7	-	20.7
Payments for investments at fair value through profit or loss		(2.5)	(0.3)	-	-
Payments for property, plant and equipment		(0.4)	(3.6)	-	-
Loans received from related entities		2.3	0.7	66.1	2.1
Loans paid to related entities		-	-	(7.0)	(13.0)
Payments for other transaction costs		(10.4)	(4.4)	(9.8)	(1.1)
Net cash provided by investing activities		413.4	39.8	424.7	35.4
Cash flows from financing activities					
Proceeds from borrowings		-	29.1	-	29.1
Repayment of borrowings		(99.1)	(23.3)	(99.1)	(23.3)
Payments for lease liabilities		(2.2)	(3.1)	-	(0.2)
Payment of loan transaction costs		(0.1)	(0.7)	(0.1)	(0.7)
Payments for derivative financial instruments		-	(0.2)	-	(0.2)
Payments for treasury shares		(0.7)	(0.5)	-	-
Payment of dividends / distributions		(39.2)	(57.7)	(39.2)	(57.7)
Net cash used in financing activities		(141.3)	(56.4)	(138.4)	(53.0)
Net increase in cash and cash equivalents					
Cash and cash equivalents at 1 July		292.3	113.9	262.0	58.3
Cash included in assets held for sale at 1 July		21.4	1.5	-	1.5
Effects of exchange rate changes on cash and cash equivalents		5.6	(2.8)	6.7	(2.0)
Cash and cash equivalents at 31 December		641.0	156.0	609.9	108.0

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

Notes to the Financial Statements

For the half-year ended 31 December 2024

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Cromwell's half-year financial report has been prepared in a format designed to provide users of the financial report with a clear understanding of relevant balances and transactions that drive Cromwell's financial performance and financial position free of immaterial and superfluous information. Plain English is used in commentary or explanatory sections of the notes to the financial statements to also improve readability of the financial report.

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

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Notes to the Financial Statements

For the half-year ended 31 December 2024

ABOUT THIS REPORT

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

1. Basis of preparation

Shares of Cromwell Corporation Limited ("Company") and units of Cromwell Diversified Property Trust ("CDPT") are stapled to one another forming the Cromwell Property Group and are quoted as a single stapled security on the ASX under the code CMW.

As permitted by *ASIC Corporations (Stapled Group Reports) Instrument 2015/838* the consolidated financial statements and accompanying notes of the Cromwell Property Group ("Cromwell"), consisting of the Company and its controlled entities and CDPT and its controlled entities are presented jointly with the consolidated financial statements and accompanying notes of the CDPT and its controlled entities ("Trust"). Cromwell and the Trust are for-profit entities for the purpose of preparing the financial statements.

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 Cromwell during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth).

The accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in Cromwell's and the Trust's annual report for the year ended 30 June 2024. These accounting policies are consistent with applicable Australian accounting standards and with International Financial Reporting Standards.

This interim financial report has been prepared on a going concern basis. At 31 December 2024 Cromwell's and the Trust's current assets exceeded current liabilities by \$510.8 million and \$485.5 million respectively (30 June 2024: Cromwell's and the Trust's current assets exceeded current liabilities by \$517.0 million and by \$454.0 million respectively). In addition, at 31 December 2024, Cromwell and the Trust had no undrawn but available bank debt facilities (30 June 2024: no undrawn facility available to be drawn upon) and current assets includes cash of \$641.0 million and \$609.9 million respectively (30 June 2024: \$292.3 million and \$262.0 million). On 10 January 2025, Cromwell and Trust repaid \$472.5 million bank debt and cancelled \$285.0 million of bank debt facilities. Subsequent to the repayment and facility limit reduction on 10 January 2025 Cromwell and the Trust both had \$370.0 million of undrawn and available bank debt facilities.

Rounding of amounts

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

Presentational changes and comparatives

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

The Polish portfolio of six investment properties (including the liabilities directly associated with them) and Polish joint venture Ursynów were sold in May 2024 and have been classified as discontinued operations in the Statement of Profit or Loss. In addition, the European Funds Management Platform, including equity interests predominately consisting of the 50% interest in CIULF and 27.8% interest in CEREIT were sold in December 2024 and have also been classified as discontinued operations in the Statement of Profit or Loss. The presentation of discontinued operations requires the restatement of the prior comparative period to enable users to make meaningful comparisons. Both Cromwell and the Trust have presented the results of the Polish investments and the European Funds Management Platform as discontinued operations for the periods ended 31 December 2024 and 31 December 2023.

Notes to the Financial Statements

For the half-year ended 31 December 2024

a) Critical accounting estimates and judgements

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

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

Area of estimation	Note
Revenue	5
Investment properties	7
Equity accounted investments	8
Receivables	10
Assets held for sale and discontinued operations	14

b) New and amended accounting standards and interpretations adopted by Cromwell and the Trust

Cromwell and the Trust have adopted all applicable new Australian accounting standards and interpretations. There are no new relevant accounting standards and interpretations that have been adopted in the current period.

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

Notes to the Financial Statements

For the half-year ended 31 December 2024

RESULTS

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

2. Operating segment information

a) Overview

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

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

Operating segments:	Business activity:
Investment portfolio	This involves the ownership of investment properties located in Australia. These properties are held for long term investment purposes and primarily contribute net rental income and associated cash flows to results.
Funds and asset management	Fund management represents activities in relation to the establishment and management of external funds for institutional, wholesale, and retail investors. Asset management includes property and facility management, leasing and project management and development related activities. These activities are carried out by Cromwell itself and by associates and contributes related fee revenues or the relevant share of profit of each entity to consolidated results.
Co-investments	Include an interest in Cromwell Direct Property Fund and investments in Funds that were exited as part of the sale of the European Platform. This activity contributes net rental income and the relevant share of profit of each entity to the consolidated results.

b) Segment assets and liabilities

31 December 2024	Investment portfolio \$M	Funds and asset management \$M	Co-investments \$M	Cromwell \$M
Segment assets	2,730.6	85.9	49.4	2,865.9
Segment liabilities	1,340.3	14.2	24.1	1,378.6
Segment net assets	1,390.3	71.7	25.3	1,487.3

30 June 2024	Investment portfolio \$M	Funds and asset management \$M	Co-investments \$M	Cromwell \$M
Segment assets	2,497.5	143.4	442.1	3,083.0
Segment liabilities	1,355.6	44.8	92.8	1,493.2
Segment net assets	1,141.9	98.6	349.3	1,589.8

Notes to the Financial Statements

For the half-year ended 31 December 2024

c) Segment results

The table below shows segment results as presented to the CEO in his capacity as CODM. For further commentary on individual segment results refer to the Directors' Report:

31 December 2024	Investment portfolio \$M	Funds and asset management \$M	Co-investments \$M	Cromwell \$M
Segment revenue				
Rental income and recoverable outgoings	95.9	-	0.8	96.7
Operating profit of equity accounted investments	-	0.7	17.9	18.6
Development income	-	2.3	-	2.3
Funds and asset management fees	-	39.9	-	39.9
Distributions	-	-	0.4	0.4
Total segment revenue	95.9	42.9	19.1	157.9
Segment expenses				
Property expenses	17.3	-	0.3	17.6
Funds and asset management direct costs	-	30.4	0.6	31.0
Other expenses	0.6	4.6	-	5.2
Total segment expenses	17.9	35.0	0.9	53.8
Segment EBIT	78.0	7.9	18.2	104.1
Unallocated items				
Net finance costs				(28.9)
Corporate costs ⁽¹⁾				(18.6)
Income tax expense				(1.5)
Segment profit				55.1

(1) Includes non-segment specific corporate costs pertaining to Group level functions such as finance and tax, legal, risk and compliance, corporate secretarial and marketing and other corporate services.

31 December 2023	Investment portfolio \$M	Funds and asset management \$M	Co-investments \$M	Cromwell \$M
Segment revenue				
Rental income and recoverable outgoings	96.7	-	40.2	136.9
Operating profit of equity accounted investments	-	0.7	22.8	23.5
Development income	-	1.7	-	1.7
Funds and asset management fees	-	47.6	-	47.6
Distributions	-	-	12.8	12.8
Total segment revenue	96.7	50.0	75.8	222.5
Segment expenses				
Property expenses	17.8	-	19.2	37.0
Funds and asset management direct costs	-	33.4	2.0	35.4
Other expenses	0.9	4.8	1.2	6.9
Total segment expenses	18.7	38.2	22.4	79.3
Segment EBIT	78.0	11.8	53.4	143.2
Unallocated items				
Net finance costs				(39.7)
Corporate costs ⁽¹⁾				(18.5)
Income tax expense				(1.3)
Segment profit				83.7

(1) Includes non-segment specific corporate costs pertaining to Group level functions such as finance and tax, legal, risk and compliance, corporate secretarial and marketing and other corporate services.

Notes to the Financial Statements

For the half-year ended 31 December 2024

d) Reconciliation of total segment revenue to total revenue

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

	Cromwell	
	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
Total segment revenue	157.9	222.5
<i>Reconciliation to total revenue:</i>		
Finance income	3.7	1.6
Straight-line lease adjustment	(1.7)	3.1
Inter-segmental management fee revenue	(2.8)	(6.2)
Lease incentive amortisation	(12.7)	(13.0)
Operating profit from equity accounted investments	(0.7)	(0.7)
Revenue from discontinued operations ⁽¹⁾	(69.5)	(98.0)
Distributions received ^(2,3)	19.2	(12.3)
Total revenue	93.4	97.0

- (1) Revenue from discontinued operations for half-year ended 31 December 2024 includes operating profit from the equity accounted investments CEREIT and CIULF for the period 1 July 2024 to 24 December 2024, however for financial reporting purposes no share of profit or loss from the equity accounted investments is included in accordance with AASB 5 which required equity accounting to cease on 22 May 2024 when the assets were classified as held for sale. Management consider that these investments continue to form part of the group until 24 December 2024 when the rights and obligations associated with them were passed to the purchaser and as a result included them when reporting operating profit to the Chief Operating Decision Maker. The operating profit from the investments in CEREIT and CIULF for the period from 1 July 2024 to 24 December 2024 was \$17.9 million.
- (2) In the half-year ended 31 December 2024 the distributions received CEREIT and CIULF were recorded as income in the Statement of Profit or Loss due to the cessation of equity accounting upon recognition of these investments as held for sale in the year ended 30 June 2024. Previously, these distributions were recorded as a reduction to the equity accounted investment in accordance with the requirements of IFRS.
- (3) The distribution received that has been recorded as revenue in the segment analysis for the half-year ended 31 December 2023 for the Campbell Park Rights is the fair value gain of \$27.5 million less Cromwell's initial cost of investment to acquire the Rights of \$15.2 million. The Chief Operating Decision Maker has presented all returns from the investment above the initial cost as revenue derived from the investment. For this half year financial report, the distribution in all other places where it is presented has been classified and disclosed in accordance with the requirements of IFRS.

Notes to the Financial Statements

For the half-year ended 31 December 2024

e) Reconciliation of segment profit to statutory loss

	Cromwell	
	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
Segment profit ⁽¹⁾	55.1	83.7
<i>Reconciliation to loss after tax for the half-year</i>		
Fair value net losses - Investment properties	(103.3)	(195.7)
Fair value net losses - Derivative financial instruments	(31.6)	(24.4)
Fair value gain – Campbell Park Rights cost ⁽²⁾	-	15.2
Lease cost and incentive amortisation and rent straight-lining	(15.3)	(10.0)
Relating to equity accounted investments ⁽³⁾	0.3	(0.3)
Net exchange (loss) / gain on foreign currency borrowings	(0.7)	3.6
Tax expense relating to non-operating items ⁽⁴⁾	0.5	(3.9)
Non-cash or non-recurring items from discontinued operations ⁽⁵⁾	62.8	(128.9)
Other non-cash expenses or non-recurring items ⁽⁶⁾	3.6	(10.7)
Loss after tax	(28.6)	(271.4)
Profit / (loss) from discontinued operations, net of tax	81.2	(90.1)
Loss after tax from continuing operations	(109.8)	(181.3)

- (1) Segment profit of equity accounted investments for the half-year ended 31 December 2024 includes operating profit from the equity accounted investments CEREIT and CIULF for the period 1 July 2024 to 24 December 2024, however for financial reporting purposes no share of profit or loss from the equity accounted investments is included in accordance with AASB 5 which requires equity accounting to cease on 22 May 2024 when the assets were classified as held for sale. Management consider that these investments continued to form part of the group until 24 December 2024 when the rights and obligations associated with them were passed to the purchaser and as a result included them when reporting operating profit to the Chief Operating Decision Maker. The operating profit from the investments in CEREIT and CIULF for the period from 1 July 2024 to 24 December 2024 was \$17.9m.
- (2) The Campbell Park Rights financial asset was revalued during the prior period to the estimated proceeds of \$27.5 million that Cromwell would receive upon the sale of the Rights. Included in operating profit as distribution revenue is the part of the proceeds \$12.3 million in excess of the initial acquisition cost of \$15.2 million.
- (3) Comprises fair value adjustments included in share of profit of equity accounted entities.
- (4) Comprises tax expense attributable to changes in deferred tax liabilities derecognised as a result of decreases in the carrying value of investments.
- (5) Non-cash or non-recurring items in relation to Polish portfolio and the European Funds Management Platform being disclosed as a discontinued operation include:
 - \$23.2 million (2023: Nil) profit on the sale of the European Funds Management Platform
 - \$54.9 million (2023: Nil) foreign currency gain from the release of the foreign currency translations reserves upon the completion of the sale
 - Nil (2023: \$48.0 million) relating to non-operating losses from equity accounted investments
 - Nil (2023: \$44.5 million) fair value loss on investment properties
 - \$18.9 million (2023: \$13.9 million) impairment of equity accounted investments
 - Nil (2023: \$11.1 million) of transactions costs
 - \$0.1 million tax expense (2023: \$5.8 million) relating to non-operating items
- (6) These expenses include but are not limited to:
 - Amortisation of loan transaction costs.
 - Amortisation of intangible assets and depreciation of property, plant and equipment.
 - Other transaction costs.

f) Accounting policy

Segment allocation

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

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

EBIT

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

Segment profit

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

Notes to the Financial Statements

For the half-year ended 31 December 2024

3. Earnings per security

a) Overview

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

b) Earnings per stapled security company share / unit trust

	Cromwell		Company		Trust	
	Half-year ended		Half-year ended		Half-year ended	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Basic earnings per security (cents)	(1.09)	(10.36)	1.48	0.67	(2.57)	(11.03)
From continuing operations	(4.19)	(6.92)	(0.27)	0.66	(3.92)	(7.58)
From discontinued operations	3.10	(3.44)	1.75	0.01	1.35	(3.45)
Diluted earnings per security (cents)	(1.09)	(10.33)	1.48	0.67	(2.57)	(11.00)
From continuing operations	(4.18)	(6.90)	(0.27)	0.65	(3.91)	(7.55)
From discontinued operations	3.09	(3.43)	1.75	0.02	1.34	(3.45)
<i>Earnings used to calculate basic and diluted earnings per security:</i>						
(Loss) / profit for the half-year attributable to securityholders (\$M)	(28.6)	(271.4)	38.6	17.6	(67.2)	(289.0)
(Loss) / profit from continuing operations	(109.8)	(181.3)	(7.2)	17.0	(102.6)	(198.3)
(Loss) / profit from discontinued operations	81.2	(90.1)	45.8	0.6	35.4	(90.7)
<i>Weighted average number of securities used in calculating basic and diluted earnings per security:</i>						
Weighted average number of securities used in calculating basic earnings per security (number)	2,618.9	2,618.9	2,618.9	2,618.9	2,618.9	2,618.9
Effect of performance rights on issue (number)	11.4	9.0	11.4	9.0	11.4	9.0
Weighted average number of securities used in calculating diluted earnings per security (number)	2,630.3	2,627.9	2,630.3	2,627.9	2,630.3	2,627.9

4. Distributions

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

Distributions paid / payable by Cromwell and the Trust per stapled security and in total for the half-year were as follows:

Date paid/payable for the half-year		Half-year ended		Half-year ended	
31 Dec 2024	31 Dec 2023	31 Dec 2024 cents	31 Dec 2023 cents	31 Dec 2024 \$M	31 Dec 2023 \$M
15 November 2024	17 November 2023	0.750¢	0.830¢	19.6	21.7
14 February 2025	16 February 2024	0.750¢	0.750¢	19.6	19.6
Total		1.500¢	1.580¢	39.2	41.3

Notes to the Financial Statements

For the half-year ended 31 December 2024

5. Revenue

a) Overview

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

	Cromwell		Trust	
	Half-year ended		Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Rental income – lease components	71.1	76.7	71.0	76.8
Recoverable outgoings – non-lease components	10.5	10.9	10.3	10.4
Rental income and recoverable outgoings	81.6	87.6	81.3	87.2
<i>Other revenue from contracts with customers:</i>				
Funds and asset management fees	7.6	7.3	-	-
Total rental income, recoverable outgoings and funds and asset management fees	89.2	94.9	81.3	87.2
<i>Other revenue items recognised:</i>				
Interest	3.7	1.6	3.2	1.4
Distributions	0.4	0.5	0.4	0.5
Other revenue	0.1	-	-	-
Total other revenue	4.2	2.1	3.6	1.9
Total revenue	93.4	97.0	84.9	89.1

Notes to the Financial Statements

For the half-year ended 31 December 2024

b) Disaggregation of revenue from contracts with customers

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

	Cromwell		Trust	
	Half-year ended		Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
<i>Rental income and recoverable outgoings – non-lease components:</i>				
Recoverable outgoings ⁽¹⁾	7.3	6.7	7.1	6.7
Cost recoveries ⁽²⁾	3.2	4.2	3.2	3.7
Total rental income and recoverable outgoings – non-lease components	10.5	10.9	10.3	10.4
<i>Funds and asset management fees:</i>				
Funds and asset management fees ⁽¹⁾	3.8	4.5	-	-
Performance fees ⁽²⁾	1.4	0.1	-	-
Project management fees ⁽¹⁾	0.2	0.4	-	-
Leasing fees ⁽²⁾	0.8	0.9	-	-
Property management fees ⁽¹⁾	1.4	1.4	-	-
Total funds and asset management fees	7.6	7.3	-	-
Total revenue from contracts with customers	18.1	18.2	10.3	10.4
<i>Timing of recognition of revenue items</i>				
Recognised over time	12.7	13.0	7.1	6.7
Recognised at point in time	5.4	5.2	3.2	3.7
Total revenue from contracts with customers	18.1	18.2	10.3	10.4

(1) Revenue recognised over time.

(2) Revenue recognised at point in time.

c) Critical accounting estimates and judgements

Poland – Cromwell and the Trust have chosen to recognise an expected credit loss provision at 31 December 2024 of €1.4 million (\$2.4 million) at balance date (30 June 2024: €1.4 million, \$2.3 million).

Notes to the Financial Statements

For the half-year ended 31 December 2024

6. Employee benefits expense, administrative and other expenses and finance costs

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

a) Employee benefits expense

	Cromwell		Trust	
	Half-year ended		Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Salaries and wages, including bonuses and on-costs	13.0	13.4	-	-
Directors fees	0.7	0.7	-	-
Contributions to defined contribution superannuation plans	1.1	1.1	-	-
Security-based payments	0.5	(0.2)	-	-
Restructure costs	0.2	0.6	-	-
Other employee benefits expense	0.5	0.3	-	-
Total employee benefits expense	16.0	15.9	-	-

b) Administrative and other expenses

	Cromwell		Trust	
	Half-year ended		Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Administrative and overhead costs	5.4	5.4	0.1	0.2
Audit, taxation and other professional fees	1.0	1.2	1.2	1.5
Fund administration costs	-	-	6.6	8.5
Amortisation and depreciation	0.8	1.7	-	-
Total administrative and other expenses	7.2	8.3	7.9	10.2

c) Finance costs

	Cromwell		Trust	
	Half-year ended		Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Interest on borrowings ⁽¹⁾	33.2	36.6	33.2	36.6
Amortisation of loan transaction costs	0.8	1.0	0.8	1.0
Total finance costs	34.0	37.6	34.0	37.6

(1) Interest on borrowings includes interest expense on borrowings of \$40.3 million offset by interest received on interest rate derivatives of \$7.9 million (2023: interest expense on borrowings of \$49.3 million offset by interest received on interest rate derivatives of \$13.3 million).

Notes to the Financial Statements

For the half-year ended 31 December 2024

OPERATING ASSETS

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

7. Investment properties

a) Overview

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

b) Movements in investment properties

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

	Cromwell		Trust	
	Half-year ended		Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Balance at 1 July	2,212.0	3,098.2	2,212.0	3,098.2
Capital works:				
Property improvements	2.2	3.3	2.2	3.3
Lifecycle	1.4	2.0	1.4	2.0
Reclassified to:				
Held for sale	-	(511.8)	-	(511.8)
Straight-line lease adjustment	(1.7)	3.1	(1.7)	3.1
Lease costs and incentive costs	16.0	12.4	16.0	12.4
Amortisation ⁽¹⁾	(13.6)	(14.2)	(13.6)	(14.2)
Net loss from fair value adjustments ⁽²⁾	(103.3)	(240.2)	(103.3)	(240.2)
Foreign exchange differences	-	(5.5)	-	(5.5)
Balance at 31 December	2,113.0	2,347.3	2,113.0	2,347.3

(1) Pertains to the amortisation of lease costs, lease incentive costs and right-of-use assets.
(2) Refer to note 7(f) for further details.

c) Investment properties sold / reclassified as held for sale

During the prior comparative period the following transactions occurred:

- The sale of Tuggeranong Office Park, Tuggeranong ACT was completed for \$17.5 million in April 2024 after having been transferred to held for sale during the half-year ended 31 December 2023;
- The Polish Retail Portfolio of six investment properties with a carrying value of \$467.1 million (€ 285.0 million), including the associated right of use asset, was transferred to held for sale during the year ended 30 June 2024. The sale of the properties completed in May 2024 with final completion adjustments and lease related retentions to be finalised in the current financial year; and
- The sale of 243 Northbourne Avenue, Lyneham ACT, was completed for \$27.2 million in June 2024 after having been transferred to held for sale for the half-year ended 31 December 2023.

d) Investment properties reclassified as inventory

During the 2021 financial year Cromwell reclassified the investment property at 19 National Circuit, Barton, ACT as an inventory asset. This is due to its intended redevelopment for future sale. To facilitate this ownership, the asset was transferred from the Trust to the Cromwell Development Trust (a subsidiary of Cromwell Corporation Limited) for a contract price of \$10.0 million. Costs totalling \$1.6 million (31 December 2023: \$0.2 million) were incurred during the period, with the Inventory carrying amount at 31 December 2024 totalling \$19.0 million (30 June 2024: \$17.4 million).

Notes to the Financial Statements

For the half-year ended 31 December 2024

e) Details of Cromwell's investment property portfolio

	Ownership	Title	Asset class	Independent valuation		Carrying amount	
				Date	Amount \$M	31 Dec 2024 \$M	30 Jun 2024 \$M
Australia							
400 George Street, Brisbane QLD	100%	Freehold	Office	Dec 2024	352.0	352.0	394.5
HQ North, Fortitude Valley QLD	100%	Freehold	Office	Dec 2024	211.0	211.0	217.0
203 Coward Street, Mascot NSW	100%	Freehold	Office	Dec 2024	470.0	470.0	470.0
2-24 Rawson Place, Sydney NSW	100%	Freehold	Office	Dec 2024	250.0	250.0	260.0
207 Kent Street, Sydney NSW	100%	Leasehold	Office	Dec 2024	250.0	250.0	250.0
475 Victoria Avenue, Chatswood NSW	50%	Freehold	Office	Dec 2024	101.5	101.5	107.0
Soward Way, Greenway ACT	100%	Leasehold	Office	Dec 2024	255.0	255.0	260.0
700 Collins Street, Melbourne VIC	100%	Freehold	Office	Dec 2024	223.5	223.5	253.5
Total – investment properties					2,113.0	2,113.0	2,212.0

f) Critical accounting estimates - Revaluation of investment property portfolio

Cromwell's investment properties, with an aggregate carrying amount of \$2,113.0 million (June 2024: \$2,212.0 million) represent a significant balance on Cromwell's and the Trust's Balance sheets. Investment properties are measured at fair value using valuation methods that utilise inputs based upon estimates.

All property valuations utilise valuation models based on discounted cash flow ("DCF") models or income capitalisation models (or a combination of both) supported by recent market sales evidence.

At balance date the adopted valuations for all of Cromwell's investment properties are based on independent external valuations.

For the half-year ended 31 December 2024 Cromwell's approach to property valuations was substantially consistent with prior years, being in accordance with the established Valuations policy, but with an added emphasis in relation to current global economic impacts upon inputs relevant to the valuation model for each property.

The table below shows the half-year end revaluation losses for each portfolio.

	Cromwell	
	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
Australia	(103.3)	(195.7)
Total revaluation loss from continuing operations	(103.3)	(195.7)
Poland	-	(44.5)
Total revaluation loss from discontinued operations	-	(44.5)
Total revaluation loss	(103.3)	(240.2)

Valuation inputs

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

	Net property income (\$M)		Capitalisation rate (%)		Discount rate (%)		Terminal yield (%)	
	Range	Weighted average	Range	Weighted average	Range	Weighted average	Range	Weighted average
31 December 2024								
Australia ⁽¹⁾	9.1 - 35.1	24.0	6.5 - 7.5	7.0	7.3 - 8.3	7.7	6.8 - 7.8	7.3
30 June 2024								
Australia ⁽¹⁾	9.1 - 33.5	23.3	6.0 - 7.4	6.6	7.0 - 8.0	7.4	6.3 - 7.6	6.9

(1) DCF models / income capitalisation models (and unobservable inputs therein) are not applied in certain cases (e.g. H.F.S. assets, vacant assets, etc) where this is not considered an appropriate method of valuation for the particular asset.

Notes to the Financial Statements

For the half-year ended 31 December 2024

Sensitivity analysis

Significant judgement is required when assessing the fair value of investment property, especially in the current global economic environment. Owing to this significant judgement, a sensitivity analysis is included below. The sensitivity analysis shows the impact on the carrying values of directly held investment properties of an increase or decrease of 0.50% on the capitalisation rate, discount rate and terminal yields as at 31 December 2024.

	Cromwell	
	31 December 2024 \$M	31 December 2024 \$M
	0.50%	(0.50%)
Australian portfolio	(169.9)	184.3

Notes to the Financial Statements

For the half-year ended 31 December 2024

8. Equity accounted investments

a) Overview

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

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

	Cromwell				Trust			
	31 December 2024		30 June 2024		31 December 2024		30 June 2024	
	%	\$M	%	\$M	%	\$M	%	\$M
Equity accounted investments								
Joint ventures	-	20.8	-	20.1	-	-	-	-
Total - equity accounted investments	-	20.8	-	20.1	-	-	-	-

b) Details of joint ventures

Cromwell's joint ventures consist of an investment in Oyster Property Funds Limited (Oyster) (50% interest, June 2024: 50%), a New Zealand based fund and property manager which is jointly owned with six other shareholders; an investment in Phoenix Portfolios Pty Ltd (45% interest, June 2024: 45%), an Australian based equity fund manager; and an investment in VAC Car Park Co. Pty Ltd (CARVAC) (50% interest, June 2024: 50%), an Australian based company which operated the car park in Cromwell's Victoria Avenue Chatswood investment property until 1 December 2024.

c) Equity accounted investments sold / reclassified as held for sale

Ursynów

Cromwell and the Trust had an investment in Ursynów which was reclassified to held for sale at 31 December 2023, with the sale completing in March 2024. Prior to being reclassified as held for sale the investment was impaired by \$13.9 million to the contract value of \$36.9 million.

European Funds Management Platform

Cromwell and the Trust had significant equity accounted investments which were sold to Stoneweg on 24 December 2024 after being previously classified as held for sale in May 2024. The equity accounted investments sold included Cromwell and the Trust's 27.8% interest in Stoneweg European Real Estate Investment Trust (formerly known as and hence forth referred to as Cromwell European Real Estate Investment Trust "CEREIT"); 50% interest in Cromwell Italy Urban Logistics Fund (CIULF) and several small UK based property development joint ventures which formed part of Cromwell European Holdings Limited and its controlled entities (CEH). Prior to being reclassified as held for sale the equity accounted investments were impaired by \$154.7 million to their respective contract values. Refer to note 14 for further details.

d) Critical accounting estimates and judgements

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

If there is objective evidence that the group's net investment in a joint venture is impaired, the requirements of AASB 136 Impairment of Assets are applied to determine whether it is necessary to recognise any impairment loss with respect to the group's investment. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AASB 136 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

Notes to the Financial Statements

For the half-year ended 31 December 2024

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

	As at 31 December 2024		As at 30 June 2024				
	\$M		\$M				
	Joint Ventures ⁽¹⁾	Total	CEREIT ⁽²⁾	Ursynów ⁽³⁾	CIULF ⁽⁴⁾	Joint Ventures	Total
<i>Summarised balance sheets:</i>							
Total assets	35.1	35.1	-	-	-	33.8	33.8
Total liabilities	5.4	5.4	-	-	-	5.8	5.8
Net assets	29.7	29.7	-	-	-	28.0	28.0
<i>Carrying amount of investment:</i>							
Cromwell's share of equity (%)	-	-	-	-	-	-	-
Cromwell's share of net assets	14.2	14.2	-	-	-	13.5	13.5
Goodwill	6.6	6.6	-	-	-	6.6	6.6
Carrying amount	20.8	20.8	-	-	-	20.1	20.1
<i>Movement in carrying amounts:</i>							
	Period ending 31 December 2024		Period ending 31 December 2023				
Opening balance at 1 July	20.1	20.1	589.7	51.5	-	21.0	662.2
Additional investment	-	-	-	-	21.5	-	21.5
Share of profit / (loss) from continuing operations	1.0	1.0	-	-	-	0.5	0.5
Share of loss from discontinued operations	-	-	(27.2)	(0.4)	2.4	-	(25.2)
Less: dividends / distributions received	(0.2)	(0.2)	(20.5)	-	-	-	(20.5)
Transferred to held for sale	-	-	-	(36.9)	-	-	(36.9)
Impairment	-	-	-	(13.9)	-	-	(13.9)
Foreign exchange difference	(0.1)	(0.1)	(6.8)	(0.3)	(0.2)	-	(7.3)
Carrying amount at 31 December	20.8	20.8	535.2	-	23.7	21.5	580.4

(1) The three equity accounted associates as described in note 8(b) are not considered individually material and are disclosed altogether in the one column for the half-year ended 31 December 2024.

(2) At half-year end Cromwell had no remaining interest in CEREIT (June 2024: 27.8% and 27.4% respectively although the investments had been reclassified as held for sale, refer to note 14).

(3) At half-year end Cromwell and the Trust owned 0.0% of Ursynów (June 2024: 0.0%).

(4) At half-year end Cromwell and the Trust owned 0.0% of CIULF (June 2024: 50.0% respectively although the investments had been reclassified as held for sale, refer to note 14).

Notes to the Financial Statements

For the half-year ended 31 December 2024

9. Investments at fair value through profit or loss

This note provides an overview and detailed financial information of Cromwell's investments in Cromwell unlisted funds and investments in wholesale funds that are classified as financial assets at fair value through profit or loss. Cromwell holds less than 20% of the issued capital in these investments. Such investments are classified as investments at fair value through profit or loss which are carried at fair value in the Balance sheet with adjustments to the fair value recorded in profit or loss.

	Cromwell		Trust	
	31 Dec 2024 \$M	30 Jun 2024 \$M	31 Dec 2024 \$M	30 Jun 2024 \$M
Investment in Cromwell unlisted funds	12.6	13.6	12.6	13.6
Total investments at fair value through profit or loss	12.6	13.6	12.6	13.6

10. Receivables

a) Overview

This note provides further information about material financial assets that are incidental to Cromwell's and the Trust's trading activities, being current and non-current receivables.

b) Receivables

	Cromwell		Trust	
	31 Dec 2024 \$M	30 Jun 2024 \$M	31 Dec 2024 \$M	30 Jun 2024 \$M
<i>Current</i>				
Trade and other receivables at amortised cost	19.0	23.3	17.4	21.0
Loans at amortised cost – related party	-	2.5	-	-
Total receivables – current	19.0	25.8	17.4	21.0
<i>Non-current</i>				
Loans at amortised cost – inter-group	-	-	11.2	4.2
Total receivables – non-current	-	-	11.2	4.2

Loans - inter-group

The Trust has also provided a development loan facility to the Company of \$30.0 million in relation to the transfer of the development property at 19 National Circuit, ACT. The facility is unsecured and expires in September 2026. The balance receivable at period end was \$11.2 million (30 June 2024: \$4.2 million).

c) Critical accounting estimates and judgements

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

Notes to the Financial Statements

For the half-year ended 31 December 2024

FINANCE AND CAPITAL STRUCTURE

This section of the half-year financial report provides further information on Cromwell's and the Trust's interest bearing liabilities and associated costs and contributed equity.

11. Interest bearing liabilities

a) Overview

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

	Cromwell				Trust			
	31 Dec 2024		30 Jun 2024		31 Dec 2024		30 Jun 2024	
	Limit \$M	Drawn \$M	Limit \$M	Drawn \$M	Limit \$M	Drawn \$M	Limit \$M	Drawn \$M
Current								
<i>Unsecured</i>								
Lease liabilities	-	0.9	-	0.9	-	-	-	-
<i>Secured</i>								
Euro facility	-	-	88.4	88.4	-	-	88.4	88.4
JV Syndicated facility - AUD	87.0	87.0	87.0	87.0	87.0	87.0	87.0	87.0
Total current	87.0	87.9	175.4	176.3	87.0	87.0	175.4	175.4
Non-current								
<i>Unsecured</i>								
Loan payable – inter-group	-	-	-	-	80.0	66.1	-	-
Lease liabilities	-	2.8	-	3.3	-	-	-	-
<i>Secured</i>								
Bilateral loan facilities ⁽¹⁾	1,385.0	1,202.5	1,385.0	1,212.5	1,385.0	1,202.5	1,385.0	1,212.5
Unamortised transaction costs	-	(2.8)	-	(3.5)	-	(2.8)	-	(3.5)
Total non-current	1,385.0	1,202.5	1,385.0	1,212.3	1,465.0	1,265.8	1,385.0	1,209.0
Total interest bearing liabilities	1,472.0	1,290.4	1,560.4	1,388.6	1,552.0	1,352.8	1,560.4	1,384.4

(1) As at 31 December 2024 under the financial undertakings of the Bilateral loan facilities there was no facility available to be drawn upon. However, after 10 January 2025 when \$472.5 million of bank debt was repaid and \$285.0 million of facilities were cancelled, \$370.0 million bank debt facilities was available to be drawn upon.

b) Maturity profile

At balance date, the notional principal amounts and period of expiry of all of Cromwell's and the Trust's interest bearing liabilities, excluding lease liabilities, is as follows:

	Cromwell		Trust	
	31 Dec 2024 \$M	30 Jun 2024 \$M	31 Dec 2024 \$M	30 Jun 2024 \$M
	1 Year	87.0	175.4	87.0
2 Years	232.5	80.0	232.5	80.0
3 Years	815.0	977.5	815.0	977.5
4 Years	155.0	155.0	155.0	155.0
5 Years	-	-	-	-
6-9 years	-	-	66.1	-

Notes to the Financial Statements

For the half-year ended 31 December 2024

c) Details of facilities

i) Euro facility

The Euro revolving facility had €55.0 million outstanding at 30 June 2024 which was repaid in full in July 2024 with the facility then cancelled.

ii) Secured bilateral loan facilities

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

Details of individual SBLFs for Cromwell and the Trust are as follows:

	31 December 2024		30 June 2024	
	Limit \$M	Drawn \$M	Limit \$M	Drawn \$M
Facilities expiring Jun-25	-	-	75.0	-
Facilities expiring Feb-26	20.0	20.0	20.0	20.0
Facilities expiring Jun-26	135.0	60.0	60.0	60.0
Facilities expiring Nov-26	250.0	152.5	250.0	152.5
Facilities expiring Jun-27	825.0	815.0	825.0	825.0
Facilities expiring Feb-28	80.0	80.0	80.0	80.0
Facilities expiring Jun-28	75.0	75.0	75.0	75.0
Total SBLFs ⁽¹⁾	1,385.0	1,202.5	1,385.0	1,212.5

(1) As at 31 December 2024 under the financial undertakings of the Bilateral loan facilities there was no facility available to be drawn upon. However, after 10 January 2025 when \$472.5 million of bank debt was repaid and \$285.0 million of facilities were cancelled, \$370.0 million bank debt facilities are available to be drawn upon.

iii) JV Syndicated facility - AUD

Cromwell acquired 475 Victoria Avenue, Chatswood in 2006 for \$103.0 million and sold a 50% interest in the asset to a joint venture partner in May 2020 for \$120 million. At that time, the partners entered into a syndicated loan facility due to mature in April 2025, with an initial five year business plan. The IRR for the asset, based on the December 2024 valuation, is estimated at 9.1%.

Cromwell and its Joint Venture Partner are parties to a non-recourse secured debt facility for the investment property at 475 Victoria Avenue, Chatswood NSW. The security for this facility and the recourse to the lenders is limited to the property at 475 Victoria Avenue, Chatswood and the Joint Venture bank accounts. Cromwell's share of the Joint Venture bank accounts at 31 December 2024 is \$4.2 million. The lenders to this facility have no further recourse to Cromwell's other assets.

The facility, which expires in April 2025, has a loan to value covenant of 75.0%. This covenant will not be assessed by the lenders until 14 March 2025. The actual loan to value ratio based on the 31 December 2024 independent valuation is 85.7%, which exceeds the covenant. Discussions are continuing with the lenders and Cromwell's Joint Venture partner regarding the business plan and the facility. This facility (representing 50% Cromwell's share) is disclosed as a current liability within the consolidated balance sheet.

iv) Loan payable inter-group

On 24 December 2024 the Trust entered into an \$80.0 million loan facility with Cromwell Corporation Limited for a term of 9 years and completed a drawdown on that date for \$66.1 million. The facility has an interest rate determined by reference to weighted average interest rate across all active facilities under the SBLF and is considered to be at arms length.

Notes to the Financial Statements

For the half-year ended 31 December 2024

12. Contributed equity

a) Overview

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

Cromwell's and the Trust's issued capital at balance date were as follows:

	Cromwell stapled securities		Company shares		CDPT units	
	31 Dec 2024 M	30 Jun 2024 M	31 Dec 2024 \$M	30 Jun 2024 \$M	31 Dec 2024 \$M	30 Jun 2024 \$M
Issued capital	2,618.9	2,618.9	207.3	207.3	2,072.8	2,072.8

b) Movements in contributed equity

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

Notes to the Financial Statements

For the half-year ended 31 December 2024

OTHER ITEMS

This section of the half-year financial report provides fair value disclosure information in relation to financial instruments and information about assets held for sale, unrecognised items and subsequent events.

13. Fair value disclosures - financial instruments

a) Overview

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

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

The table below presents Cromwell's and the Trust's financial assets and liabilities measured and carried at fair value at period end:

Cromwell	31 December 2024			30 June 2024		
	Level 2 \$M	Level 3 \$M	Total \$M	Level 2 \$M	Level 3 \$M	Total \$M
Financial assets at fair value						
Investments at fair value through profit or loss						
Unlisted equity securities	12.6	-	12.6	13.6	-	13.6
Derivative financial instruments						
Interest rate derivatives	22.7	-	22.7	40.3	-	40.3
Forward exchange contract	-	-	-	6.4	-	6.4
Total financial assets at fair value	35.3	-	35.3	60.3	-	60.3
Financial liabilities at fair value						
Derivative financial instruments						
Interest rate derivatives	10.4	-	10.4	15.7	-	15.7
Forward exchange contract	12.4	-	12.4	-	-	-
Total financial liabilities at fair value	22.8	-	22.8	15.7	-	15.7
Trust	31 December 2024			30 June 2024		
	Level 2 \$M	Level 3 \$M	Total \$M	Level 2 \$M	Level 3 \$M	Total \$M
Financial assets at fair value						
Investments at fair value through profit or loss						
Unlisted equity securities	12.6	-	12.6	13.6	-	13.6
Derivative financial instruments						
Interest rate derivatives	22.7	-	22.7	39.9	-	39.9
Forward exchange contract	-	-	-	6.4	-	6.4
Total financial assets at fair value	35.3	-	35.3	59.9	-	59.9
Financial liabilities at fair value						
Derivative financial instruments						
Interest rate derivatives	10.4	-	10.4	15.3	-	15.3
Forward exchange contract	12.4	-	12.4	0.9	-	0.9
Total financial liabilities at fair value	22.8	-	22.8	16.2	-	16.2

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

Notes to the Financial Statements

For the half-year ended 31 December 2024

b) Disclosed fair values

i) Valuation techniques used to derive Level 1 fair values

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

ii) Valuation techniques used to derive Level 2 fair values

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

Fair value of investments at fair value through profit or loss

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

Fair value of interest rate derivatives

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

iii) Valuation techniques used to derive Level 3 fair values

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

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

	Cromwell	
	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
Investments at fair value through profit or loss		
Opening balance as at 1 July	-	2.9
Additions	-	0.3
Fair value gain	-	27.5
Foreign exchange difference	-	(0.2)
Reclassified to held for sale	-	(27.5)
Balance at 31 December	-	3.0

Fair value of investments at fair value through profit or loss

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

Notes to the Financial Statements

For the half-year ended 31 December 2024

14. Assets held for sale and discontinued operations

a) Overview

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

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

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

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

	Cromwell		Trust	
	31 Dec 2024 \$M	30 Jun 2024 \$M	31 Dec 2024 \$M	30 Jun 2024 \$M
Disposal assets - European Funds Management Platform				
Cash and cash equivalents	-	21.4	-	-
Receivables and other current assets	-	24.0	-	-
Current tax assets	-	0.2	-	-
Equity accounted investments	-	398.7	-	391.6
Investments at fair value through profit or loss	-	2.5	-	-
Receivables non-current	-	1.3	-	-
Property, plant & equipment	-	12.8	-	-
Less: impairment due to disposal costs	-	(21.7)	-	(19.7)
Total – disposal assets - European Funds Management Platform	-	439.2	-	371.9
Total – assets held for sale	-	439.2	-	371.9
Liabilities directly related to assets held for sale - European Funds Management Platform				
Trade and other payables	-	18.0	-	-
Provisions	-	2.2	-	-
Interest bearing liabilities	-	10.8	-	-
Current tax liability	-	0.2	-	-
Total - liabilities directly related to assets held for sale - European Funds Management Platform	-	31.2	-	-
Total - liabilities directly related to assets held for sale	-	31.2	-	-

Disposal group – European Funds Management Platform

In the prior financial year on 22 May 2024, Cromwell entered into an agreement to sell its European Funds Management Platform and equity interests predominately consisting of the 50% interest in CIULF and the 27.8% interest in CEREIT, to Stoneweg for €280.0 million (subject to settlement adjustments). The proceeds were reduced by the amount of distributions (€11.4 million) that Cromwell received from CEREIT and CIULF prior to completion of the sale on 24 December 2024. Upon receipt of these distributions during the period the value of CEREIT and CIULF was impaired down to the new adjusted sale price.

On 24 December 2024, Cromwell received €274.1 million (\$456.7 million) from Stoneweg representing the sale price of €280.0 million (\$466.5 million) less the distributions received of €11.4 million (\$19.0 million) plus an estimate of working capital and other sale adjustments €5.5 million (\$9.2 million). The finalisation of the working capital and other sale adjustments is expected to be completed by 30 June 2025.

Notes to the Financial Statements

For the half-year ended 31 December 2024

c) Critical accounting estimates and judgements

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

Investment Properties

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

Equity accounted investments

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

Property, plant and equipment

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

d) Discontinued operations

In the current and previous financial periods Cromwell and the Trust have recognised two transactions that significantly impact the results of the business going forward. The completed sale of the six investment properties and the Ursynów Joint Venture, represent Cromwell ceasing to hold direct property interest in the Polish Retail sector. The signing of the sale contract to sell Cromwell and the Trust's interest in the European Funds Management Platform represent Cromwell ceasing to own any European property assets and operating European funds management activities. The impact of these assets and operations on Cromwell and the Trusts' Statement of Profit & Loss is summarised below with greater detail provided in note 14(e) and 14(f).

In addition to the operations described above, the overall profit on sale of the European Funds Management Platform is included in the discontinued result as well as the release of the Foreign Currency Translation Reserves (FCTR). The FCTR that related to EUR and SGD translations were released as substantially all of Cromwell's European operations have ceased.

	Notes	Cromwell		Trust	
		31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Profit / (loss) after tax from discontinued operations – Polish Portfolio	14(e)	0.5	(62.5)	0.1	(65.9)
Profit / (loss) after tax from discontinued operations – European Fund Management Platform	14(f)	2.6	(27.6)	0.7	(24.8)
Release of foreign currency reserves		54.9	-	34.6	-
Profit on sale of European Funds Management Platform		23.2	-	-	-
Total profit / (loss) after tax from discontinued operations		81.2	(90.1)	35.4	(90.7)

Notes to the Financial Statements

For the half-year ended 31 December 2024

e) Discontinued operations – Polish Portfolio

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

	Cromwell		Trust	
	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Revenue	0.8	40.8	0.8	40.8
Other income				
Net foreign currency gains	0.2	0.3	0.2	0.3
Other income	0.5	-	0.5	-
Total revenue and other income	1.5	41.1	1.5	41.1
Expenses				
Property expenses and outgoings	0.3	17.1	0.3	19.2
Administrative and other expenses	0.5	0.8	0.7	2.1
Finance costs	-	7.6	-	7.6
Fair value net losses from:				
Investment properties	-	44.5	-	44.5
Derivative financial instruments	-	1.9	-	1.9
Share of loss of equity accounted investments	-	0.4	-	0.4
Impairment of equity accounted investments	-	13.9	-	13.9
Other transaction costs	-	10.3	0.2	10.3
Total expenses	0.8	96.5	1.2	99.9
Profit / (loss) before income tax from discontinued operations	0.7	(55.4)	0.3	(58.8)
Income tax expense	0.2	7.1	0.2	7.1
Profit / (loss) after tax from discontinued operations	0.5	(62.5)	0.1	(65.9)

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

	Cromwell	
	Half-year ended	
	31 Dec 2024 \$M	31 Dec 2023 \$M
Net cash (used in) / provided by operating activities	(1.2)	2.9
Net cash provided by / (used in) investing activities	6.0	(4.1)
Net cash used in financing activities	(9.8)	(2.1)
Net cash used by disposal group	(5.0)	(3.3)

Notes to the Financial Statements

For the half-year ended 31 December 2024

f) Discontinued operations – European Funds Management Platform

The sale of the European Funds Management Platform represents Cromwell ceasing to hold any material asset or business operation in Asia, Europe, and the United Kingdom. The results of the discontinued operations, which have been included in the loss for the period, were as follows:

	Cromwell		Trust	
	31 Dec 2024 \$M	31 Dec 2023 \$M	31 Dec 2024 \$M	31 Dec 2023 \$M
Revenue	50.8	36.5	18.6	0.4
Other income				
Fair value net gains from Investments at fair value through profit or loss	2.2	-	-	-
Net foreign currency gains	0.1	-	-	-
Total revenue and other income	53.1	36.5	18.6	0.4
Expenses				
Property expenses and outgoings	-	0.1	-	0.1
Fund management costs	2.3	3.3	-	-
Employee benefits expenses	20.2	25.3	-	-
Administrative and other expenses	8.8	9.5	-	-
Finance costs	0.1	0.3	-	0.1
Fair value net losses from:				
Investments at fair value through profit and loss	-	0.1	-	-
Share of loss of equity accounted investments	-	24.5	-	24.4
Net foreign currency losses	-	0.3	-	-
Impairment of equity accounted investments	18.9	-	18.6	-
Other transaction costs	(0.2)	0.6	(0.7)	0.6
Total expenses	50.1	64.0	17.9	25.2
Profit / (loss) before income tax from discontinued operations	3.0	(27.5)	0.7	(24.8)
Income tax expense	0.4	0.1	-	-
Profit / (loss) after tax from discontinued operations	2.6	(27.6)	0.7	(24.8)

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

	Cromwell	
	31 Dec 2024 \$M	31 Dec 2023 \$M
Net cash provided by operating activities	19.3	14.8
Net cash used in investing activities	(2.4)	(1.1)
Net cash used in financing activities	(1.2)	(2.0)
Net cash provided by disposal group	15.7	11.7

Notes to the Financial Statements

For the half-year ended 31 December 2024

15. Unrecognised items

a) Overview

Items that have not been recognised on Cromwell's and the Trust's Balance sheets include contractual commitments for future expenditure and contingent assets and contingent liabilities which are not sufficiently certain to qualify for recognition as an asset or a liability on the Balance sheet. This note provides details of any such items.

b) Capital expenditure and co-investment commitments

Commitments in relation to capital expenditure and co-investments contracted for at reporting date but not recognised as a liability are as follows:

	Cromwell		Trust	
	31 Dec 2024 \$M	30 Jun 2024 \$M	31 Dec 2024 \$M	30 Jun 2024 \$M
Investment property capital expenditure	4.5	2.6	4.0	2.2
Total capital expenditure commitments – continuing operations	4.5	2.6	4.0	2.2
Co-investment capital contributions – discontinued operations	-	39.8	-	-
Total capital expenditure and co-investment commitments	4.5	42.4	4.0	2.2

c) Contingent assets and contingent liabilities

The Directors are not aware of any material contingent assets or contingent liabilities of Cromwell or the Trust (June 2024: \$Nil).

16. Subsequent events

On 3 January 2025 the Trust, having received the proceeds from the sale of the European Funds Management Platform, settled the Deal Contingent FX Forward contract it had entered into with an investment bank by paying €280.0 million and receiving \$456.3 million on the same day.

On 10 January 2025, the Trust repaid \$472.5 million bank debt and cancelled \$285.0 million bank debt facilities. Subsequent to the repayment and facility limit reduction, the Trust had \$370.0 million undrawn and available bank debt facilities.

Other than those disclosed above, no matters or circumstances have arisen since 31 December 2024 that has significantly affected or may significantly affect:

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

The financial statements were approved by the Board of Directors and authorised for issue on 27 February 2025.

Directors' Declaration

In the opinion of the Directors of Cromwell Corporation Limited and Cromwell Property Securities Limited as Responsible Entity for the Cromwell Diversified Property Trust (collectively referred to as "the Directors"):

the attached financial statements and notes are in accordance with the *Corporations Act 2001* (Cth), including:

- i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001*; and
- ii) giving a true and fair view of Cromwell's and the Trust's financial position as at 31 December 2024 and of their performance, for the half-year ended on that date; and

there are reasonable grounds to believe that Cromwell and the Trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001* (Cth).



Dr Gary Weiss AM
Chair
27 February 2025
Sydney



Jonathan Callaghan
Managing Director / Chief Executive Officer

Independent Auditor's Review Report to the Stapled Securityholders of Cromwell Property Group and the Cromwell Diversified Property Trust

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of:

- Cromwell Property Group (the "Group"), which comprises the consolidated balance sheet as at 31 December 2024, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the Directors' declaration as set out on pages 14 to 47 of the consolidated entity Cromwell Property Group, being the consolidated stapled entity. The consolidated stapled entity comprises Cromwell Corporation Limited ("the Company"), Cromwell Diversified Property Trust and the entities they controlled at the end of the half-year or from time to time during the half-year; and
- Cromwell Diversified Property Trust ("the Trust") which comprises the consolidated balance sheet as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the Directors' declaration as set out on pages 14 to 47 of Cromwell Property Securities Limited, as the Responsible Entity of the Trust. The consolidated entity comprises Cromwell Diversified Property Trust and the entities it controlled at the end of the half-year or from time to time during the half-year.

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

- Giving a true and fair view of the Group's and the Trust's financial position as at 31 December 2024 and of their performance for the half-year ended on that date; and
- 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*. 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 and the Trust 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.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company or the directors of the Responsible Entity of the Trust, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company and the directors of the Responsible Entity of the Trust 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.

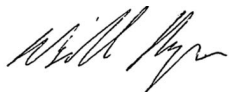
Auditor's Responsibilities for the Review of the Half-year Financial Report

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 and the Trust'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*.

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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Nicholas Rozario
Partner
Chartered Accountants

Sydney, 27 February 2025