Interim Financial Report **2025**

For the six months ended 31 December 2024

CONTENTS

DIRECTORS' REPORT 1
AUDITOR'S INDEPENDENCE DECLARATION 6
INTERIM FINANCIAL REPORT 7
NOTES TO INTERIM FINANCIAL REPORT 11
DIRECTORS' DECLARATION 32
INDEPENDENT AUDITOR'S REVIEW REPORT 33
GLOSSARY 35
CORPORATE DIRECTORY 36

Garda Property Group

Interim Financial Report
For the six months ended 31 December 2024

Comprising the combined consolidated financial reports of

Garda Holdings Limited

ABN 92 636 329 774
Level 21, 12 Creek Street
Brisbane QLD 4000

and

Garda Diversified Property Fund

ARSN 104 391 273

DIRECTORS' REPORT

INTRODUCTION

Garda Property Group (**Garda** or the **Group**) is an ASX-listed real estate investment group comprising Garda Diversified Property Fund (**Fund**) and Garda Holdings Limited (**Company**), and their controlled entities.

Units in the Fund are stapled to shares in the Company on a one-for-one basis to form Garda stapled securities. Fund units and Company shares cannot be traded separately and may only be traded together as stapled securities.

The Directors of the Company and of Garda Capital Limited as responsible entity for the Fund present their report and the consolidated financial statements for the six months ended 31 December 2024 for both:

- the Group - comprising the Company, the Fund and their controlled entities; and
- the Company - comprising only the Company and its controlled entities.

The parent entity of the Group is the Fund.

DIRECTORS

The Directors of the Company and Garda Capital Limited at any time during the six month period and up to the date of this report are listed below. The Directors are also directors of all Group subsidiaries.

Director	Role	Date of Appointment
Matthew Madsen	Executive Chairman	September 2011
Mark Hallett	Executive Director	January 2011
Paul Leitch	Independent Director	March 2020
Oliver Talbot	Non-Executive Director	September 2024
Andrew Thornton	Non-Executive Director	March 2020

COMPANY SECRETARY

The Company Secretary at any time during the six month period and up to the date of this report was:

Company Secretary	Date of Appointment
Lachlan Davidson	July 2016

PRINCIPAL ACTIVITIES

Garda is an internally managed real estate investment, development and funds management group. The Fund owns, manages and develops industrial real estate and also invests in real estate mortgages and loans. The Company, through its subsidiary Garda Capital Limited, acts as the responsible entity of the Fund.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have not been any significant changes in the state of affairs of the Group during the six month period.

OVERVIEW OF OPERATIONS

Property portfolio

As at 31 December 2024, Garda's property portfolio was valued at $408,055,000 and comprised nine industrial properties and the Cairns Corporate Tower. An additional asset, the North Lakes industrial development asset, which is carried in the interim accounts at $104,678,000, is being held for sale.

Transactions

On 20 August 2024, Garda announced that the sale of its industrial development site at 372 Progress Road, Wacol (Pinnacle East) had settled.

On 22 October 2024, Garda announced that it had exchanged a contract for the sale of its 25-hectare industrial development site at North Lakes for $114.0 million. Settlement of the transaction is expected before the end of the FY25 financial year and is only conditional on completion of civil, intersection and road works, titling of the land and minor ground preparation works.

Developments

Practical completion of Garda's new 14,777m^2 industrial facility at 38-56 Peterkin Street, Acacia Ridge occurred in December 2024 and marketing is underway.

With practical completion of Acacia Ridge, sale of Pinnacle East and the imminent completion and settlement of the North Lakes sale, Garda's focus will turn to infill development opportunities at Acacia Ridge and Morningside.

Leasing

Marketing is underway with early engagement with potential tenants at Garda's new industrial facility at 38-56 Peterkin Street, Acacia Ridge and its adjacent property at 69 Peterkin Street. Both buildings are of high quality and located on the Acacia Ridge intermodal and are attracting good interest from potential tenants.

All of Garda's other established industrial properties have 100% occupancy levels and the Cairns Corporate Tower is approximately 93% occupied.

Debt investment

Garda's debt investments, comprising commercial loans to external parties, totalled $27,497,000 at 31 December 2024, up from $26,177,000 at 30 June 2024.

In the six months ended 31 December 2024, Garda advanced to third parties $11,867,000 and had repayments of $13,535,000.

Sustainability

ESG reporting

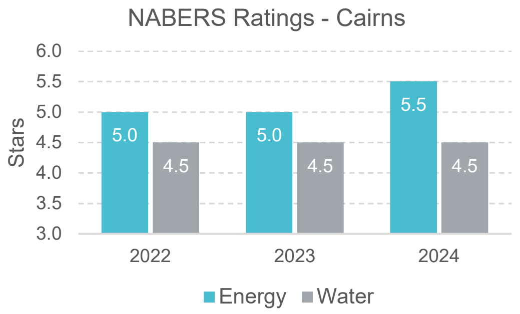
New mandatory climate-related financial disclosures legislation applicable to certain Australian entities commenced on 1 January 2025.

The new legislation does not apply to Garda. Nevertheless, it is Garda's intention to provide sustainability updates, to the extent it is meaningful to do so.

Efficient operations

Following the sale of its Melbourne office portfolio, Garda has only one remaining asset over which it has operational control buildings (as contemplated by the National Greenhouse and Energy Reporting legislative framework): Cairns Corporate Tower.

As disclosed in earlier Sustainability Reports, Garda has invested heavily in Cairns Corporate Tower with the results of that investment reflected in its NABERS energy and water ratings:



Sustainable development

As a member of the Green Building Council Australia, Garda targets a minimum 5-star Green Star rating for new developments.

Following the sale of its North Lakes and Pinnacle East prior to commencement of building construction, the only Garda development subject to Green Star rating is Acacia Ridge (38-56 Peterkin Street).

Garda is working with its construction contractor to finalise the rating, which is expected in the second half of FY25.

FINANCIAL PERFORMANCE

Key metrics

Six months ended 31 December	2024	2023	Change
FFO[1] ($000)	7,368	6,955	413
Distributions ($000)[2]	6,362	6,587	(225)
Payout ratio	86.3%	94.7%	(8.9%)

Funds from operations

Garda recorded a statutory net loss after tax for the six month period of $10,193,000 (31 December 2023: net loss $34,612,000). After adjusting for items which are non-cash in nature, occur infrequently and/or relate to realised or unrealised changes in the values of assets and liabilities, Garda recorded an operating profit or funds from operations (FFO) of $7,368,000 (31 December 2024: $6,955,000).

Six months ended 31 December	2024 $000	2023 $000
Net loss after tax	**(10,193)**	**(34,612)**
Adjustments for non-cash items or one off items:		
Valuations – (deduct increases) / add back decreases:		
Investment properties	13,928	32,997
Derivatives	2,900	3,587
Asset disposals – (deduct gains) / add back losses:		
Investment properties	26	4,048
Other accounting reversals – (deduct income) / add back expenses:		
Security based payments expense	165	1,033
Net lease contract and rental items	537	(103)
Other	5	5
FFO[1]	**7,368**	**6,955**

1 FFO (Funds from Operations) is the Group's earnings from operations. It is determined by adjusting statutory net profit (under Australian Accounting Standards) for certain non-cash and other one-off items. FFO is not recognised or covered by Australian Accounting Standards and has not been audited or reviewed by the auditor of the Group.

2 In addition, the Company paid fully franked dividends of $908,000 during the six month period.

FINANCIAL POSITION

Key Metrics

	31 December 2024	30 June 2024
Net tangible assets (**NTA**) per stapled security	$1.62	$1.71
Gearing[3]	40.0%	36.5%
LVR[4]	46.4%	46.1%

Net tangible assets

Garda recorded a 5.3% decrease in NTA per security in the six month period driven by:

- movements in values of its investment properties; and
- movements in the value of its interest rate swaps.

Borrowings

Garda has a $270,000,000 syndicated debt facility which, at 31 December 2024, had headroom of $34,379,742. Garda's weighted average cost of debt (fully drawn) at 31 December 2024 was approximately 4.69% (FY24: 4.66%) and its gearing 40.0% (FY24: 36.5%).

Derivatives

Garda has in place a $150,000,000 (30 June 2024; $150,000,000) interest rate hedge comprising:

- $50,000,000 of interest rate swaps at a rate of 2.61%, expiring 3 June 2025;
- $10,000,000 of interest rate swaps at a rate of 0.80%, expiring 4 March 2027;
- $60,000,000 interest rate swaps at a rate of 0.82%, expiring 4 March 2027; and
- $30,000,000 interest rate swaps at a rate of 0.98%, expiring 4 March 2030.

These derivatives are currently "in the money" with a valuation at 31 December 2024 of $9,242,000.

Issued Capital

	Stapled Securities
Total Garda issued stapled securities at 31 December 2024	216,801,897
Less:	
Stapled securities issued or transferred under the Garda Employee Security Plan	(14,840,000)
Stapled securities transferred under the Garda Equity Incentive Plan as deferred securities (unvested)	(1,446,562)
Garda stapled securities in accordance with the Australian Accounting Standards	**200,515,335**

During the six month period, 1,993,489 treasury securities were bought-back and cancelled/ redeemed.

Unless otherwise stated, all 'per security' information in this report has been calculated using 200,515,335 stapled securities in accordance with Australian Accounting Standards.

3 Calculated as (total drawn interest-bearing debt less cash) / (total assets less cash).

4 Calculated as (total drawn interest-bearing debt) / (total bank-approved secured property).

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are no matters or circumstances that have arisen since the end of the reporting period that have significantly affected, or may significantly affect, the operations of Garda, the results of those operations, or the state of affairs of Garda, in future periods.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191* and therefore the amounts contained in this report and in the financial report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' Report.

This report is made in accordance with a resolution of Directors made pursuant to section 306(3) of the *Corporations Act 2001.*

On behalf of the Directors

Matthew Madsen
Executive Chairman
6 February 2025

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Brisbane, QLD 4000

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The Directors
Garda Holdings Limited and
Garda Capital Limited (Responsible entity of Garda Diversified Property Fund)
Level 21, 12 Creek Street
Brisbane QLD 4000

Auditor's Independence Declaration

In relation to the independent auditor's review for the half-year ended 31 December 2024, to the best of my knowledge and belief there have been:

(i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Garda Property Group (the stapled entity which comprises Garda Holdings Limited and Garda Diversified Property Fund) and the entities it controlled during the period.

PITCHER PARTNERS

WARWICK FACE
Partner

Brisbane, Queensland
6 February 2025

INTERIM FINANCIAL REPORT

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Garda		Company	
Six months ended 31 December		**2024**	2023	**2024**	2023
	Notes	**$000**	$000	**$000**	$000
Revenue					
Rental revenue	3a	9,729	12,109	-	-
Recoverable rental outgoings	3b	2,345	2,946	-	-
Fund and real estate management revenue	3c	-	-	1,544	1,821
Recoveries and other fees	3d	-	-	776	790
Fee revenue	3e	96	275	1,203	672
Interest and lending business income	3f	2,987	1,378	-	-
Other revenue	3g	392	286	129	136
Revenue before fair value gains		**15,549**	**16,994**	**3,652**	**3,419**
Net gain in fair value of investment properties		-	-	-	661
Revenue and fair value gains		**15,549**	**16,994**	**3,652**	**4,080**
Expenses					
Property expenses		(2,906)	(3,631)	-	-
Administration expenses		(794)	(831)	(449)	(489)
Finance costs	4	(3,140)	(4,004)	(5)	(7)
Employee benefits expense		(1,630)	(1,607)	(2,406)	(2,397)
Security based payments expense	15b	(165)	(1,033)	(165)	(1,033)
Depreciation		(72)	(66)	(72)	(66)
Net loss on sale of investment properties	9d	(26)	(4,048)	-	-
Expenses before fair value losses		**(8,733)**	**(15,220)**	**(3,097)**	**(3,992)**
Net loss in fair value of financial instruments		(2,900)	(3,587)	-	-
Net loss in fair value of investment properties	9b	(13,928)	(32,997)	-	-
Expenses and fair value losses		**(25,561)**	**(51,804)**	**(3,097)**	**(3,992)**
Profit/ (loss) before income tax		**(10,012)**	(34,810)	**555**	88
Income tax (expense) / benefit		(181)	198	(181)	198
Profit/ (loss) after income tax		**(10,193)**	**(34,612)**	**374**	**286**
Other comprehensive income, net of tax		-	-	-	-
Total profit/loss and other comprehensive income		**(10,193)**	**(34,612)**	**374**	**286**
Total profit/ (loss) and other comprehensive income for the period attributable to:					
Securityholders of the Fund		(10,567)	(34,898)	-	-
Shareholders of the Company		374	286	374	286
Total profit/ (loss) and other comprehensive income		**(10,193)**	**(34,612)**	**374**	**286**
Earnings per stapled security:					
Basic earnings per stapled security (cents)	5	(5.1)	(16,6)	0.2	(0.1)
Diluted earnings per stapled security (cents)	5	(5.1)	(16.6)	0.2	(0.1)

The Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at	Notes	Garda 31 December 2024 $000	Garda 30 June 2024 $000	Company 31 December 2024 $000	Company 30 June 2024 $000
ASSETS					
Current assets					
Cash and cash equivalents		14,477	17,002	6,210	6,728
Trade and other receivables		189	150	239	539
Financial assets	8	23,712	26,177	-	-
Investment properties held for sale	10	104,678	13,298	-	-
Other assets	11	2,622	741	370	183
Derivative financial instruments	12	423	922	-	-
Total current assets		**146,101**	**58,290**	**6,819**	**7,450**
Non-current assets					
Financial assets	8	3,785	-	-	-
Investment properties	9	408,055	495,366	-	-
Other assets	11	52	-	52	-
Derivative financial instruments	12	8,819	11,220	-	-
Right-of-use assets		212	284	212	284
Deferred tax assets		263	444	263	444
Total non-current assets		**421,186**	**507,314**	**527**	**728**
Total assets		**567,287**	**565,604**	**7,346**	**8,178**
LIABILITIES					
Current liabilities					
Trade and other payables		1,740	2,092	510	1,325
Contract liabilities		568	253	-	-
Distribution payable	6a	3,181	3,163	-	-
Dividend payable	6b	454	-	454	-
Provisions		139	152	139	152
Lease liabilities		138	133	138	133
Total current liabilities		**6,220**	**5,793**	**1,241**	**1,610**
Non-current liabilities					
Other liabilities		349	347	-	-
Borrowings	13	235,223	216,622	-	-
Provisions		169	140	169	140
Lease liabilities		74	145	74	145
Total non-current liabilities		**235,815**	**217,254**	**243**	**285**
Total liabilities		**242,035**	**223,047**	**1,484**	**1,895**
Net assets		**325,252**	**342,557**	**5,862**	**6,283**
EQUITY					
Contributed equity	14	342,879	342,886	(146)	(99)
Reserves		4,374	4,209	4,374	4,209
(Accumulated losses) / retained earnings		(22,001)	(4,538)	1,634	2,173
Total equity		**325,252**	**342,557**	**5,862**	**6,283**
Comprising:					
Total equity attributable to the Fund		319,390	336,274	-	-
Total equity attributable to the Company		5,862	6,283	5,862	6,283
Total equity		**325,252**	**342,557**	**5,862**	**6,283**

The Consolidated Statements of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Notes	Contributed equity $000	Reserves $000	(Accumulated losses)/ retained earnings $000	Total equity[5] $000
a) Garda					
31 December 2024					
Balance at 1 July 2024		342,886	4,209	(4,538)	342,557
Comprehensive income					
Loss for the six month period		-	-	(10,193)	(10,193)
Other comprehensive income					
Transactions with owners in capacity as owners:					
Distributions paid or payable	6a	-	-	(6,362)	(6,362)
Dividend paid or payable	6b	-	-	(908)	(908)
Securities based payment expense		-	165	-	165
Transaction costs for issue of securities		(7)	-	-	(7)
Balance at 31 December 2024		**342,879**	**4,374**	**(22,001)**	**325,252**
31 December 2023					
Balance at 1 July 2023		354,495	2,541	51,333	408,369
Comprehensive income					
Loss for the six month period		-	-	(34,612)	(34,612)
Other comprehensive income		-	-	-	-
Transactions with owners in capacity as owners:					
Distributions paid or payable	6a	-	-	(6,587)	(6,587)
Securities based payment expense		-	1,019	-	1,019
Sale of treasury stock		14	-	-	14
Buy-back and cancellation of securities		(647)	-	-	(647)
Transaction costs for buy-back of securities		(2)	-	-	(2)
Balance at 31 December 2023		**353,860**	**3,560**	**10,134**	367,554
b) Company					
31 December 2024					
Balance at 1 July 2024		(99)	4,209	2,173	6,283
Comprehensive income					
Profit for the six month period		-	-	374	374
Other comprehensive income		-	-	-	-
Transactions with owners in capacity as owners:					
Dividend paid or payable	6b	-	-	(913)	(913)
Buy-back and cancellation of treasury securities		(43)	-	-	(43)
Securities based payment expense		-	165	-	165
Transaction costs for issue of securities		(4)	-	-	(4)
Balance at 31 December 2024		(146)	4,374	1,634	**5,862**
31 December 2023					
Balance at 1 July 2023		14	-	2,318	2,332
Correction of prior period error[6]		31	2,541	-	2,572
Restated balance at 1 July 2023		45	2,541	2,318	4,904
Comprehensive income					
Loss for the six month period		-	-	(286)	(286)
Other comprehensive income		-	-	-	-
Transactions with owners in capacity as owners:					
Buy-back and cancellation of securities		(4)	-	-	(4)
Securities based payment expense (restated)[6]		-	1,019	-	1,019
Sale of treasury securities (restated) [6]		14	-	-	14
Restated balance at 31 December 2023		**55**	**3,560**	**2,032**	5,647

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

5 Total equity includes equity attributable to the Company, as shown in section b) of the Consolidated Statements of Changes in Equity.

6 Garda incorrectly applied AASB 2 in prior years by attributing the obligation for security-based payments to the Fund rather than the employing entity, the Company. This error, addressed in the FY24 Annual Report in note 18(h) impacted the comparative standalone Statement of Changes in Equity for this HY25 interim financial report. The correction has no impact on the Group's consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Garda		Company	
Six months ended 31 December	**2024**	2023	**2024**	2023
	$000	$000	**$000**	$000
Cash flows from operating activities				
Receipts in the course of operations (incl. GST)	14,473	16,139	4,176	4,718
Payments in the course of operations (incl. GST)	(9,334)	(11,726)	(3,721)	(3,948)
Interest received	374	268	111	118
Finance costs paid	(4,805)	(6,065)	-	-
Net GST refund/ (paid)	310	2,330	(479)	(345)
Litigation proceeds	-	40	-	-
Net cash from operating activities	**1,018**	**986**	**87**	**543**
Cash flows from investing activities				
Proceeds from sale of investment properties	13,500	26,100	-	2,000
Payments for development and capital expenditure on investment properties	(29,875)	(37,006)	-	-
Selling costs of investment properties	(303)	(348)	-	(89)
Payments for leasing fees	(91)	(550)	-	-
Repayment of loans receivable from external parties	13,535	8,973	-	-
Loan advances to external parties	(11,867)	(8,658)	-	-
Net cash (used)/ from investing activities	**(15,101)**	**(11,489)**	**-**	**1,911**
Cash flows from financing activities				
Distributions paid	(6,344)	(7,033)	-	-
Dividends paid	(454)	-	(459)	-
Drawdowns from bank debt facilities	33,000	46,000	-	-
Repayment of bank debt facilities	(14,571)	(23,815)	-	-
Loans advanced to the parent entity	-	-	(33)	-
Payment of lease liabilities	(66)	(80)	(66)	(80)
Payment for buyback of securities	-	(647)	-	-
Payment for buyback transaction costs	-	(2)	-	-
Transaction costs for issue of securities	(7)	-	(4)	-
Treasury securities buy-back and cancellation/redemption	-	-	(43)	-
Net cash from/ (used) in financing activities	**11,558**	**14,423**	**(605)**	**(80)**
Net (decrease)/ increase in cash and cash equivalents	**(2,525)**	**3,920**	**(518)**	**2,374**
Cash and cash equivalents at beginning of the period	17,002	13,164	6,728	6,999
Cash and cash equivalents at end of the period	**14,477**	**17,084**	**6,210**	**9,373**

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

NOTES TO INTERIM FINANCIAL REPORT

NOTE 1 GENERAL INFORMATION

a) Regulatory context

This consolidated interim financial report is for the six months ended 31 December 2024.

The consolidated interim financial report for Garda Property Group (**Garda** or the **Group**), comprising Garda Diversified Property Fund (**Fund**) and Garda Holdings Limited (**Company**), has been jointly presented in accordance with *ASIC Corporations (Financial Reporting by Stapled Entities) Instrument 2023/673*, Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the requirements of the Australian Securities Exchange. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard *IAS 34 Interim Financial Reporting*.

Pursuant to Australian Accounting Standards, the Fund is the deemed parent entity of the Group. The consolidated financial statements and notes represent those of the Fund and its controlled entities, including the Company and its controlled entities, as the deemed acquiror. The consolidated interim report includes separate interim financial statements for:

- the Group, consisting of the Fund, the Company and their controlled entities; and
- the Company, consisting of the Company and its controlled entities.

b) Statement of compliance

The consolidated interim financial report does not include all the notes typically included in an annual financial report and accordingly should be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The notes that have been included in this consolidated interim financial report largely repeat the accounting policy disclosures previously presented in the annual report for the year ended 30 June 2024 for reference.

Unless noted otherwise, the accounting policies adopted in this interim financial report are the same as those applied in the previous financial year and the corresponding interim reporting period.

c) New or amended accounting standards and interpretations

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2024 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

New standards, amendments to standards and/or interpretations effective for reporting periods beginning on or after 1 July 2025 have not been early adopted in preparing these financial statements. None would have had a material effect on the consolidated financial statements.

d) Comparative information

Certain comparative figures have been reclassified to conform with the current six month period reporting presentation and for the accounting policy changes above.

e) Rounding of amounts

Garda is an entity of the kind referred to in A*SIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. Accordingly, amounts contained in this report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

f) Functional and presentation currency

Items included in the consolidated financial statements are measured and presented in Australian dollars which is the functional currency of the Group.

NOTE 2 OPERATING SEGMENTS

a) Operating segments

The Group has identified three core operating segments. These segments are regularly reviewed by the Executive Chairman, who is the Chief Operating Decision Maker, to support decisions about resource allocation and to assess performance. The three operating segments are: direct property investment, debt investments and funds management. The business activities of each of these operating segments are as follows:

Core Operating Segments	Business Activity
Direct investment	Investment in Australian commercial and industrial property.
Debt investment	Investment in mortgages and loans into real estate development.
External funds management	Establishment and management of investment funds for external investors.

In the current period, the external revenue and net profit contribution from the debt investment operating segment met the necessary quantitative thresholds to be considered a separate reportable segment and therefore have been separately disclosed. Comparatives for prior periods have been changed to conform to changes in disclosure.

The external funds management operating segment was dormant during the six month period and does not have any assets or liabilities other than regulatory cash required for Australian Financial Service License purposes. Therefore, this is not a reportable segment and has been excluded from the information below.

b) Segment results

	Direct investment $000	Debt investment $000	Total $000
Six months ended 31 December 2024			
Segment revenue:			
Lease revenue	10,267	-	10,267
Recoverable outgoings	2,345	-	2,345
Interest and lending business income	-	2,987	2,987
Fee revenue	-	96	96
Total segment revenue	12,612	3,083	15,695
Total segment expense	(6,386)	(200)	(6,586)
Segment profit	**6,226**	**2,883**	**9,109**
Six months ended 31 December 2023			
Segment revenue:			
Lease revenue	12,008	-	12,008
Recoverable outgoings	2,946	-	2,946
Interest and lending business income	-	1,378	1,378
Fee revenue	-	275	275
Total segment revenue	14,954	1,653	16,607
Total segment expense	(7,971)	(192)	(8,163)
Segment profit	**6,983**	**1,461**	**8,444**

Segment results include items directly attributable to the segment as well as those that may be allocated on a reasonable basis. They exclude non-segment specific non-cash expenses including fair value adjustments, security-based payments expense and depreciation.

Corporate expenses pertaining to Group level functions such as finance and tax, legal, risk and compliance, company secretarial, marketing and other corporate services are also not allocated to core operation segments. These expenses form part of unallocated revenue and expenses in the reconciliation of segment profit to profit before income tax.

Segment results are net of all internal revenue and expenses.

c) Reconciliation of segment revenues to Group revenue

Six months ended 31 December	2024 $000	2023 $000
Total revenue and other income for segments	**15,695**	**16,607**
Unallocated amounts:		
Lease straight-lining revenue	(338)	310
Lease costs and incentive amortisation	(266)	(350)
Rent free income	66	141
Sundry income	18	18
Non-operating interest income	374	268
Total group revenue and other income	**15,549**	**16,994**

d) Reconciliation of segment profit to Group profit before tax

Six months ended 31 December	2024 $000	2023 $000
Segment profit	**9,109**	**8,444**
Unallocated amounts:		
Revenue:		
Lease straight-lining revenue	(338)	310
Lease costs and incentive amortisation	(266)	(350)
Rent free income	66	141
Sundry income	18	18
Non-operating interest income	374	268
Expenses:		
Finance costs	(5)	(7)
Employee benefit expense	(1,475)	(1,459)
Administration expenses	(404)	(444)
Depreciation	(72)	(66)
Security based payments expense	(165)	(1,033)
Net loss on financial instrument held at fair value through profit and loss	(2,900)	(3,587)
Net loss on sale of investment properties	(26)	(4,048)
Net loss in fair value of investment properties	(13,928)	(32,997)
Group loss before income tax	**(10,012)**	**(34,810)**

e) Segment assets and liabilities

	Direct investment $000	Debt investment $000	Total $000
As at 31 December 2024			
Segment assets	520,716	30,070	550,786
Segment liabilities	(241,214)	-	(241,214)
Net Assets	**279,502**	**30,070**	**309,572**
As at 30 June 2024			
Segment assets	519,049	26,677	545,726
Segment liabilities	(222,181)	(11)	(222,192)
Net Assets	**296,868**	**26,666**	**323,534**

Segment assets and liabilities are net of all internal loan balances.

f) Reconciliation of segment assets to Group assets

	31 December 2024 $000	30 June 2024 $000
Reportable segment assets	**550,786**	**545,726**
Unallocated amounts:		
Cash and cash equivalents[7]	6,210	6,728
Other receivables	574	280
Derivative financial instrument	9,242	12,142
Right-of-use assets	212	284
Deferred tax assets	263	444
Total Group assets	**567,287**	**565,604**

g) Reconciliation of segment liabilities to Group liabilities

	31 December 2024 $000	30 June 2024 $000
Reportable segment liabilities	**241,214**	**222,192**
Unallocated amounts:		
Trade and other payables	301	285
Provisions	308	292
Lease liability	212	278
Total Group liabilities	**242,035**	**223,047**

[7] Includes regulatory cash and on-call deposits of $5,600,000 (30 June 2024: $5,600,000).

NOTE 3 REVENUE

a) Rental revenue

Rental revenue is recognised on a straight-line basis over the lease term for leases with fixed rent review clauses. Rental revenue not received at reporting date is reflected in the Statements of Financial Position as a receivable or, if paid in advance, as contract liabilities. Contingent rents based on the future amount of a factor that changes other than with the passage of time, including turnover rents and CPI linked rental increases, are only recognised when contractually due.

Prospective tenants may be offered incentives to enter into operating leases. The cost of incentives is recognised as a reduction of rental revenue on a straight-line basis from the lease commencement date to the end of the lease term.

	Garda		Company	
Six months ended 31 December	**2024**	2023	**2024**	2023
	$000	$000	**$000**	$000
Revenue recognised under AASB 16 Leases				
Rental revenue	9,995	12,459	-	-
Lease costs and incentive amortisation	(266)	(350)	-	-
Total rental revenue	**9,729**	**12,109**	**-**	**-**

b) Recoverable rental outgoings

Revenue from investment properties also includes the recovery from tenants of operating costs or outgoings such as property management fees, land tax, council rates, utilities and insurance. Recoverable rental outgoings are recognised at a point in time when the Group incurs the operating cost or outgoing.

	Garda		Company	
Six months ended 31 December	**2024**	2023	**2024**	2023
	$000	$000	**$000**	$000
Revenue recognised under AASB 15 Revenue from contracts with customers				
Recoverable rental outgoings	2,345	2,946	-	-

c) Fund and real estate management revenue

The Company, through its subsidiaries, provides funds management and administration services to the Fund in accordance with the Fund's constitution and relevant service agreements. The services are provided on an ongoing basis and revenue is based on agreement terms and recognised over time.

	Garda		Company	
Six months ended 31 December	**2024**	2023	**2024**	2023
	$000	$000	**$000**	$000
Revenue recognised under AASB 15 Revenue from contracts with customers				
Fund and real estate management revenue	-	-	1,544	1,821

d) Recoveries and other fees

Recoveries and other fees represent the reimbursement of expenses by the Fund to the Company in accordance with the Fund's constitution and relevant service agreements. This revenue is recognised over time.

Six months ended 31 December	Garda 2024 $000	Garda 2023 $000	Company 2024 $000	Company 2023 $000
Revenue recognised under AASB 15 Revenue from contracts with customers				
Recoveries and other fees	-	-	776	790

e) Fee revenue

The Group and the Company are entitled to lending fees upon the successful completion of contracts. This revenue is recognised at a point in time.

Six months ended 31 December	Garda 2024 $000	Garda 2023 $000	Company 2024 $000	Company 2023 $000
Revenue recognised under AASB 15 Revenue from contracts with customers				
Fees from lending	96	275	1,203	672

f) Interest and lending business income

As disclosed in Note 8, financial assets consist of commercial loans receivable from external parties measured at either:

- amortised cost; or
- fair value through profit and loss.

Interest from commercial loans measured at amortised cost is recognised as revenue. This measurement uses the effective interest rate method less any allowance under the expected credit loss model. In contrast, interest and fee revenues associated with commercial loans measured at fair value are recognised as fair value gains.

Six months ended 31 December	Garda 2024 $000	Garda 2023 $000	Company 2024 $000	Company 2023 $000
Revenue recognised under AASB 9 Financial Instruments				
Interest on commercial loans measured at amortised cost	1,699	545	-	-
Gain on commercial loans measured at fair value	1,288	833	-	-
Total interest and lending business income	2,987	1,378	-	-

g) Other revenue

Six months ended 31 December	Garda 2024 $000	Garda 2023 $000	Company 2024 $000	Company 2023 $000
Other revenue				
Non-operating interest income	374	268	111	118
Sundry income	18	18	18	18
Total other income	**392**	**286**	**129**	**136**

h) Disaggregation of revenue from contracts with customers

Six months ended 31 December			2024			2023
	Point in Time	Over Time	Total	Point in Time	Over Time	Total
	$000	$000	$000	$000	$000	$000
Garda						
Recoverable rental outgoings	-	2,345	2,345	-	2,946	2,946
Fee revenue	96	-	96	275	-	275
Total	**96**	**2,345**	**2,441**	**275**	**2,946**	**3,221**
Company						
Fund and real estate management revenue	-	1,544	1,544	-	1,821	1,821
Recoveries and other fees	-	776	776	-	790	790
Fee revenue	1,203	-	1,203	672	-	672
Total	**1,203**	**2,320**	**3,523**	**672**	**2,611**	**3,283**

NOTE 4 EXPENSES

Finance costs attributable to qualifying assets are capitalised to the assets. All other finance costs are expensed in the period in which they are incurred. A qualifying asset is an asset under development or construction where such development or construction takes a substantial period of time. To the extent that funds are borrowed to fund development and construction, the amount of borrowing costs to be capitalised to qualifying assets is determined by using an appropriate capitalisation rate. Interest payments in respect of financial instruments classified as liabilities at amortised cost are included in finance costs.

	Garda		Company	
Six months ended 31 December	**2024**	2023	**2024**	2023
	$000	$000	**$000**	$000
Interest on borrowings	4,987	5,765	-	-
Amortisation of borrowing transaction costs	172	171	-	-
Interest expense on lease liabilities	5	7	5	7
Interest capitalised to properties under construction	(2,024)	(1,939)	-	-
Finance costs	**3,140**	**4,004**	**5**	**7**

NOTE 5 EARNINGS PER STAPLED SECURITY

	Garda		Company	
Year ended 31 December	**2024**	2023	**2024**	2023
Profit/(loss) after tax attributable to securityholders ($000)	(10,193)	(34,612)	374	286
Earnings per stapled security				
Basic (cents)	(5.1)	(16.6)	0.2	(0.1)
Diluted (cents)	(5.1)	(16.6)	0.2	(0.1)
Securities at reporting period end				
Basic[8] (number)	200,397,820	208,035,549	200,397,820	208,035,549
WANOS[9] (number)	216,229,231	223,620,632	216,229,231	223,620,632

[8] The basic number of securities is calculated as total issued securities less treasury securities, Garda ESP securities and unvested Garda EIP securities, weighted according to the date and number of securities issued and bought back during the six month period. See Note 14 for further details.

[9] The weighted average number of securities (**WANOS**) is determined as total issued securities, weighted according to the date and number of any securities issued and bought back during the six month period.

NOTE 6 DISTRIBUTIONS AND DIVIDENDS

a) Distributions

Six months ended 31 December	Garda 2024 $000	Garda 2023 $000	Company 2024 $000	Company 2023 $000
September: 1.575 cents per security (2023: 1.575 cents)	3,181	3,283	-	-
December: 1.575 cents per security (2023: 1.575 cents)	3,181	3,304	-	-
Total distribution[10]	**6,362**	6,587	**-**	-

Distributions declared in December 2024 of $3,181,000 but not paid until after the reporting period have been provided for.

b) Dividends

Six months ended 31 December	Garda 2024 $000	Garda 2023 $000	Company 2024 $000	Company 2023 $000
September: 0.225 cents per security (2023: nil)	454	-	459	-
December: 0.225 cents per security (2023: nil)	454	-	454	-
Total dividend[11]	**908**	-	**913**	-

Dividends declared in December 2024 of $454,000 but not paid until after the reporting period have been provided for.

[10] Total distributions excludes distributions paid in respect of treasury securities and securities granted under the Garda ESP.

[11] Total dividends excludes dividends paid in respect of treasury securities and securities granted under the Garda ESP.

NOTE 7 FAIR VALUE DISCLOSURE

a) Accounting policy

Fair value is the price that would be received on sale of an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. It is based on the presumption that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market. The principal or most advantageous market must be accessible to, or by, the Group.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they are acting in their best economic interest.

The fair value measurement of a non-financial asset takes into account the market participant's ability to generate economic benefits by using the asset at its highest and best use, or by selling it to another market participant that would use the asset at its highest and best use. In measuring fair value, the Group uses valuation techniques that maximise the use of observable inputs and minimise the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

There are various methods used in estimating the fair value of a financial instrument:

Level 1: fair value is calculated using quoted prices in active markets;

Level 2: fair value is estimated using inputs that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: fair value is estimated using inputs for the asset or liability that are not based on observable market data.

b) Assets and liabilities measured at fair value

The following table sets out Garda's assets and liabilities that are measured and recognised at fair value in the financial statements.

	Notes	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
31 December 2024					
Assets					
Financial assets (current and non-current)	8	-	-	27,497	27,497
Investment properties held for sale (current)	10	-	-	104,678	104,678
Investment properties (non-current)	9	-	-	408,055	408,055
Derivative financial instruments	12	-	9,242	-	9,242
		-	**9,242**	**540,230**	**549,472**
30 June 2024					
Assets					
Financial assets (current and non-current)	8	-	-	5,104	5,104
Investment properties held for sale (current)	10	-	-	13,298	13,298
Investment properties (non-current)	9	-	-	495,366	495,366
Derivative financial instruments	12	-	12,142	-	12,142
		-	**12,142**	**513,768**	**525,910**

There were no transfers during the six month period between Level 1 and Level 2 for recurring fair value measurements. Garda's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred.

NOTE 8 FINANCIAL ASSETS

a) Accounting policy and critical accounting estimates

Financial assets consist of commercial loans receivable from external parties measured at either:

- amortised cost; or
- fair value through profit and loss.

Financial assets are measured at either amortised cost or fair value through profit and loss on the basis of the Group's business model for managing the financial asset and the contractual cashflow characteristics. Fair value is determined by applying judgement and estimates in contractual cashflows other than principal and interest.

All commercial loans with maturities greater than 12 months after balance date are classified as non-current assets. Commercial loans to external parties are primarily secured by first registered mortgages and general security agreements.

Garda recognises an allowance for expected credit losses on its commercial loans to external parties measured at amortised cost. This allowance is measured using the three-stage model or general approach as per AASB 9 as follows:

- 12-Month Expected Credit Losses: For commercial loans where no significant increase in credit risk has been identified, the allowance reflects credit losses expected from default events that could occur within twelve months after the reporting period.
- Lifetime Expected Credit Losses: For commercial loans where a significant increase in credit risk has been identified, the allowance reflects credit losses expected from all possible default events over the life of the loan.
- Lifetime Expected Credit Losses – Credit Impaired: For commercial loans where there is no reasonable expectation of recovery, the allowance reflects the full amount of the loan to be written off.

Management uses considerable judgment in assessing whether there has been a significant increase in credit risk on commercial loans to external parties. It measures expected credit losses based on its historical credit loss experience, adjusted for factors specific to the commercial loans such as days past due without repayment, recourse available such as the realisability of security, previous transactions with the borrower as well as current and future economic conditions affecting the underlying project for which the commercial loan was initially transacted.

There have been no changes in the estimation techniques or significant assumptions used during the six month period.

b) Commercial loans

As at	Garda 31 December 2024	30 June 2024	Company 31 December 2024	30 June 2024
	$000	$000	$000	$000
Current				
Commercial loans to external parties at amortised cost	18,129	21,073	-	-
Commercial loans to external parties at fair value	5,583	5,104	-	-
	23,712	26,177	-	-
Non-Current				
Commercial loans to external parties at amortised cost	421	-	-	-
Commercial loans to external parties at fair value	3,364	-	-	-
	3,785	-	-	-
Total	**27,497**	**26,177**	-	-
Expected credit loss				
Allowance for expected credit losses	-	-	-	-
	-	-	-	-

Expected credit losses have not been assessed as material based on the profile of Garda's credit exposures, headroom on loan covenants, security received from borrowers and disciplined monitoring and assessment of all actual and potential commercial loan exposures.

NOTE 9 INVESTMENT PROPERTIES

a) Accounting policy

Investment properties comprise properties held for long-term rental yields and/or capital appreciation and properties being constructed or developed for future use as investment properties. Investment properties are initially recognised at cost, including transaction costs.

Subsequently to initial recognition, investment properties are carried at fair value. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date. Changes in fair values are recorded in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Subsequent development and refurbishment costs (other than repairs and maintenance) are capitalised to the investment property when they result in an enhancement in the future economic benefits of the property.

Investment properties under construction are carried at fair value, which may be represented by cost where fair value cannot be reliably determined and the construction is incomplete. Finance costs attributable to these qualifying assets are capitalised as part of the asset. A qualifying asset is an asset under development or construction where such development or construction takes a substantial period of time.

Leasing fees incurred and incentives provided are capitalised and amortised over the lease periods to which they relate.

b) Reconciliation

As at	**Note**	**31 December 2024 $000**	**30 June 2024 $000**
Garda			
Investment properties at independent valuation	9e	161,630	224,100
Investment properties at Directors' valuation	9e	246,425	271,266
		408,055	**495,366**
Movements:			
Opening balance		495,366	488,783
Acquisition of established investment properties	9c	-	-
Sale of investment properties	9d	-	(28,786)
Capital expenditure on properties under construction		30,255	51,766
Capital expenditure on established investment properties		1,490	3,817
Transfer to investment properties held for sale	10	(104,678)	(13,298)
Straight-lining of rental income		(338)	(319)
Net movement in leasing costs and incentives		(112)	472
Net loss in fair value of investment properties		(13,928)	(7,069)
Balance at the end of the six month period		**408,055**	**495,366**

c) Acquisitions

Garda made no acquisitions of investment properties during the six month period.

d) Sale

On 20 August 2024, settlement occurred for the sale of 372 Progress Road Wacol (Pinnacle East) for $13,500,000, excluding transaction costs. The net loss from the sale of the property was $26,000. The property was categorised as a held for sale investment property and as such excluded from the reconciliation in 9(b) and included in the reconciliation in note 10(b).

e) Investment property valuations

Three of Garda's properties have been externally valued for the interim report, with the balance of the portfolio being carried at Directors' valuation.

Development and refurbishment costs (other than repairs and maintenance) are capitalised where they result in an enhancement in the future economic benefits of a property. Where those costs were incurred subsequently to last independent valuation, they are disclosed separately as value accretive expenditure.

As at		Valuation Type	31 December 2024 $000	30 June 2024 $000	Movement $000
Industrial					
Established					
Acacia Ridge	69 Peterkin Street	Directors	22,181	22,120	61
Berrinba	1-9 Kellar Street	Directors	16,000	16,000	-
Heathwood	67 Noosa Street	Directors	16,900	16,900	-
Morningside	326 & 340 Thynne Road	Directors	61,138	61,000	138
Pinkenba	70 - 82 Main Beach Road	Directors	32,200	32,200	-
Richlands	56 - 72 Bandara Street	External	37,500	39,454	(1,954)
Wacol	41 Bivouac Place	Directors	52,500	52,500	-
Wacol	498 Progress Road (Pinnacle West)	Directors	45,506	45,500	6
Value accretive capital expenditure		Directors	-	128	(128)
Developments					
Acacia Ridge[12]	38-56 Peterkin Street	External	44,750	31,073	13,677
North Lakes[13]	109 - 135 Boundary Road	Directors	-	95,411	(95,411)
Total industrial			**328,675**	**412,286**	**(83,611)**
Office					
Cairns	7-19 Lake Street	External	79,380	83,080	(3,700)
Total office			**79,380**	**83,080**	**(3,700)**
Total investment properties			**408,055**	**495,366**	**(87,311)**

The registered titles to all assets of the Fund are held by The Trust Company (Australia) Limited, as custodian. This is an ASIC regulatory requirement.

f) Fair value measurement and critical accounting estimates

Garda's investment properties are at Level 3 in the fair value hierarchy as their fair value is estimated using inputs for the assets that are not based on observable market data.

The following table sets out the valuation techniques used to measure fair value within Level 3, including details of the significant unobservable inputs used and the relationship between unobservable inputs and fair value.

Inputs used to measure fair value	Range of unobservable inputs 31 Dec 2024	Range of unobservable inputs 30 June 2024	Relationship between unobservable inputs and fair value
Discount rate	7.00%-8.75%	7.00%-8.75%	The higher the discount rate, capitalisation rate, terminal yield and expected vacancy rate, the lower the fair value.
Capitalisation rate	5.50%-8.38%	5.25%-7.75%	
Terminal yield	5.63%-8.62%	5.63%-8.00%	
Expected vacancy rate	0%	0%	
Rental growth rate	3.05%-3.54%	3.15%-3.54%	The higher the rental growth, the higher the fair value. Based on Gross Face Rental growth 10-year CAGR.

[12] Practical completion of the Acacia Ridge development was achieved in December 2024.

[13] Classified as an investment property held for sale at 31 December 2024.

Judgement is required in determining the following significant unobservable inputs:

- *Capitalisation rate*: the rate at which market net property income is capitalised to determine the value of a property. The rate is determined with regard to market evidence and the prior external valuation;
- *Discount rate*: the rate of return used to convert cash flows, payable or receivable in the future, into present value. For industrial and office properties, it reflects the opportunity cost of capital, that is, the rate of return the cash can earn if put to other uses having similar risk. The rate is determined with regard to market evidence and the prior external valuation;
- *Terminal yield*: the capitalisation rate used to convert the future market net property income into an indication of the anticipated value of the property at the end of the holding period when carrying out a discounted cash flow calculation. The rate is determined with regard to market evidence and the prior external valuation;
- *Expected vacancy rate:* the proportion of the property not expected to be earning market net property income; and
- *Rental growth rate:* the annual movement in net market rent being the estimated amount for which a property should lease between a lessor and a lessee on appropriate lease terms in an arm's length transaction.

g) Climate considerations

The Group engages independent valuation firms to assist in determining fair value of its investment property assets. As qualified valuers, they are required to follow both the RICS Valuation - Global Standards and the Australian Property Institute's International Valuation Standards, and accordingly their valuations are required to take into account the sustainability features of properties being valued and the implications such factors could have on property values in the short, medium and longer term. Where relevant, the Group's independent valuation firms note in their valuation reports that sustainability features are considered as part of the valuation approach and outline that sustainability features have been influencing value for some time.

h) Contractual payables

Garda's contractual obligations with respect to investment properties at 31 December 2024 were as follows:

Properties	Nature of obligation	$000
North Lakes, 109-135 Boundary Road	Development	6,369
Cairns, 7-19 Lake Street	Capex	435
Morningside, 326 & 340 Thynne Road	Capex	185
Wacol, 41 Bivouac Place	Capex	12
Total contractual obligations		**7,001**

NOTE 10 INVESTMENT PROPERTIES HELD FOR SALE

a) Accounting policy

Investment properties are classified as held for sale if their carrying values are expected to be recovered principally through a sale transaction rather than continuing use, and a sale is considered highly probable.

Investment properties held for sale are presented separately in the Consolidated Statements of Financial Position as current assets and measured at fair value less cost to sell or net realisable value.

The critical accounting estimates underpinning the values of properties held for sale are set out in Note 10b.

b) Investment properties held for sale

At 31 December 2024, the property at 109-135 Boundary Road, North Lakes was classified as an asset held for sale.

As at	**Note**	**31 December 2024 $000**	**30 June 2024 $000**
Garda			
Property at 372 Progress Road, Wacol (Pinnacle East)		-	13,298
Property at 109-135 Boundary Road, North Lakes		104,678	-
		104,678	13,298
Movements during the six month period:			
Opening balance		13,298	111,750
Transfer from investment properties at net realisable value		104,678	13,298
Land sold at 39 Palmer Street, Townsville		-	(1,250)
Capital expenditure		184	1,087
Capital expenditure refund[14]		(259)	-
Straight-line lease income		-	70
Net movement in leasing costs and incentives		-	106
Net loss from fair value adjustments		-	(32,226)
Sale of investment properties	10c	(13,223)	(79,537)
Balance at the end of the six month period		**104,678**	**13,298**

c) Sale

On 20 August 2024, settlement occurred for the sale of 372 Progress Road Wacol (Pinnacle East) for $13,500,000, excluding transaction costs of $277,000. The net loss from the sale of the property was $26,000.

14 The electricity provider refunded the infrastructure payments after the planned development application was withdrawn due to the impending sale of the vacant land at 372 Progress Road.

NOTE 11 OTHER ASSETS

As at	Garda 31 December 2024 $000	Garda 30 June 2024 $000	Company 31 December 2024 $000	Company 30 June 2024 $000
Current				
Prepayments[15]	2,622	741	370	183
Non-Current				
Security deposit – leases	52	-	52	-

NOTE 12 DERIVATIVE FINANCIAL INSTRUMENTS

a) Accounting policy

The Group used derivative financial instruments (interest rate swaps) during the year to manage the risk of movements in variable interest rates on the Group's Australian dollar denominated borrowings.

The net fair value of derivative financial instruments at reporting date is recognised in the Consolidated Statements of Financial Position as a financial asset or financial liability. In accordance with AASB 9, any change in the fair value of a derivative is recognised in profit and loss. Garda does not perform hedge accounting.

b) Fair value measurement and critical accounting estimates

Garda's interest rate swap derivatives are at Level 2 in the in the fair value hierarchy as their fair value is estimated using inputs that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

The fair value of Garda's derivatives has been determined by our banks using pricing models based on observable market data at balance date, including market expectations of future interest and discount rates adjusted for any specific features of the derivatives, counterparty or own credit risk.

$150,000,000 (30 June 2024: $150,000,000) of interest rate hedges are currently in place, comprising:

- $50,000,000 of interest rate swaps at a rate of 2.61%, expiring 3 Jun 2025;
- $10,000,000 of interest rate swaps at a rate of 0.80%, expiring 4 March 2027;
- $60,000,000 interest rate swaps at a rate of 0.82%, expiring 4 March 2027; and
- $30,000,000 interest rate swaps at a rate of 0.98%, expiring 4 March 2030.

These derivatives are currently "in the money" with a valuation at 31 December 2024 of $9,242,000 (30 June 2024 of $12,142,000).

As at	Garda 31 December 2024 $000	Garda 30 June 2024 $000	Company 31 December 2024 $000	Company 30 June 2024 $000
Current				
Interest rate swap contract asset	423	922	-	-
Non-Current				
Interest rate swap contract asset	8,819	11,220	-	-
Total interest rate swap asset	**9,242**	**12,142**	**-**	**-**

15 A significant portion of the Group's prepayments is attributed to the timing of insurance premium payments for properties that began coverage in the final quarter of HY25.

NOTE 13 BORROWINGS

a) Accounting policy

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to the borrowings are capitalised to borrowings and amortised in the Consolidated Statements of Profit or Loss and Comprehensive Income over the expected life of the borrowings.

Fees paid for establishing loan facilities are recognised as transaction costs and amortised over the period to which the facility relates.

All borrowings with contractual maturities greater than 12 months after reporting date are classified as non-current liabilities.

As at	Garda 31 December 2024 $000	Garda 30 June 2024 $000	Company 31 December 2024 $000	Company 30 June 2024 $000
Non-current				
Bank loans (secured)	235,620	217,191	-	-
Less: unamortised transaction costs	(397)	(569)	-	-
	235,223	**216,622**	**-**	**-**

b) Syndicated debt facility

Garda's borrowings comprise a $270,000,000 syndicated debt facility, expiring in March 2026.

Facility	Facility Limit 31 Dec 24 $000	Facility Limit 30 Jun 24 $000	Amount Drawn 31 Dec 24 $000	Amount Drawn 30 Jun 24 $000	Amount Available 31 Dec 24 $000	Amount Available 30 Jun 24 $000
Total facilities	**270,000**	270,000	**235,620**	217,191	**34,380**	52,809

Loan repayments are interest only with a lump sum payment of all amounts outstanding due at maturity. The syndicated bank debt facility is secured by:

a) a first registered general security deed in respect of all assets and undertakings of Garda;

b) a first registered real property mortgage in respect of each property in the Fund portfolio;

c) a first registered general security deed in respect of all assets and undertakings of the Company and its secured subsidiaries; and

d) a specific security agreement over tenant security deposit accounts.

Notwithstanding the terms of the facility, the registered title to all the assets of the Fund, including the properties, are held by The Trust Company (Australia) Limited, as custodian, who holds title for the relevant fund. This is an ASIC regulatory requirement.

Key financial covenants and other metrics under the syndicated bank debt facility include:

a) 1.75 times in FY25 and above 2.00 times in subsequent years;

b) loan to value ratio (LVR) must remain under 50%; and

c) adjusted gearing ratio is to remain under 1.20 times.

The Group complied with its financial covenants throughout the six month period.

Garda's financial undertakings under the syndicated bank facility include the following:

a) aggregate earnings before interest, taxes, depreciation and amortisation (**EBITDA**) of Garda borrowers must represents at least 90% of Group EBITDA; and

b) aggregate total assets of Garda borrowers must represent at least 90% of Group total assets.

The Group complied with these financial undertakings throughout the six month period.

NOTE 14 CONTRIBUTED EQUITY

a) Issued securities

	Garda		Company	
	31 December 2024 Securities	30 June 2024 Securities	31 December 2024 Shares	30 June 2024 Shares
Issued securities as per ASX	**216,801,897**	217,651,293	**216,801,897**	217,651,293
Movements during the six month period				
Balance at beginning of six month period	217,651,293	227,235,712	217,651,293	227,235,712
Securities issued or transferred under Garda EIP	1,144,093	-	1,144,093	-
Buy-back and cancellation/ redemption of treasury securities	(1,993,489)	-	(1,993,489)	-
Buy-back and cancellation of securities	-	(9,584,419)	-	(9,584,419)
Total issued securities as per ASX	**216,801,897**	217,651,293	**216,801,897**	217,651,293
Treasury securities	-	(1,993,489)	-	(1,993,489)
Securities on issue under Garda ESP	(14,840,000)	(14,840,000)	(14,840,000)	(14,840,000)
Securities issued or transferred under Garda EIP	(1,446,562)	(536,260)	(1,446,562)	(536,260)
Total issued securities for financial statements	**200,515,335**	200,281,544	**200,515,335**	200,281,544
Total contributed equity ($000)	**342,879**	342,886	**(146)**	(99)

Garda securities comprise units in the Fund and shares in Company that have been stapled to each other on a one-for-one basis.

Each Garda stapled security ranks equally with all other stapled securities for the purposes of distributions, dividends and corporate matters. Each stapled security also entitles the holder to vote in accordance with the provisions of the Fund and Company constitutions and the *Corporations Act 2001*.

b) Securities buy-back

During the six month period, 1,993,489 treasury securities were selectively bought back and cancelled/ redeemed following approval of securityholders at the Annual General Meeting held on 28 November 2024.

The Group has a current on-market buyback program, but no securities were bought back during the six month period.

c) Garda ESP

At 31 December 2024, 14,840,000 securities had been issued under the Garda ESP, all of which have vested. In accordance with Australian Accounting Standards, all Garda ESP securities (including vested securities) are deducted from equity and excluded from total issued securities, until such time as the underlying limited recourse loans are repaid.

d) Garda EIP

During the six month period, a total of 1,144,093 new stapled securities were issued to employees under the Garda EIP:

- 910,302 issued as deferred security awards;
- 223,435 issued on the exercise of performance rights; and
- 10,356 issued as exempt security awards.

A total of 1,768,310 securities, including those issued or transferred in prior years, remained unvested on 31 December 2024.

In accordance with Australian Accounting Standards, the Garda EIP securities are deducted from equity and excluded from total issued securities until such time the underlying restriction period or service period vesting conditions has ended.

NOTE 15 SECURITY-BASED PAYMENTS

a) Accounting policy and critical accounting estimates

Garda employees may be entitled to incentives in the form of equity instruments issued under the Garda Employee Security Plan (**Garda ESP**) or Garda Equity Incentive Plan (**Garda EIP**). Awards under these incentive plans of stapled securities, performance rights, deferred securities and exempt securities to Garda employees are accounted for in accordance with *AASB 2 Share-based Payment*.

Pursuant to AASB 2, the fair values at grant date for securities granted to employees are determined using the Black and Scholes option pricing model, taking into account exercise price, term of the security, security price at grant date, expected price volatility of the underlying security, expected dividend yield, risk-free interest rate for the term of the security and certain probability assumptions. Once the fair value has been determined, a security-based payment expense is recognised over the vesting period of the equity incentive, with a corresponding movement in a security-based payments reserve.

b) Security-based payment expense

The security-based payment expense for the six month period ended 31 December 2024, by underlying equity security, is set out in the following table:

			Garda		Company	
Six months ended 31 December	**Plan**	**Note**	**2024 $000**	2023 $000	**2024 $000**	2023 $000
Garda ESP securities	ESP	15c	-	90	-	90
Exempt security awards	EIP	15d	12	14	12	14
Performance rights	EIP	15e	70	166	70	166
Deferred security awards	EIP	15f	83	763	83	763
Total Security-based payment expense			**165**	**1,033**	**165**	**1,033**

c) Garda ESP securities

Garda ESP securities are Garda stapled securities that were awarded to employees at market price, with an attaching non-recourse loan for the same amount. A total of 14,840,000 Garda ESP securities have been awarded, with the last award occurring in November 2020, all of which have vested. The limited recourse loans attaching to the Garda ESP securities are not accounted for in the Consolidated Statements of Financial Position.

d) Exempt securities

An award of exempt securities was made to all full time employees (excluding Directors) on 11 October 2024. Each employee was granted $1,000 of stapled securities which, based on five day volume weighted average security price of $1.16, equated to 863 securities each.

Grant date	Securities granted	Security price at grant date	Total
11 Oct 2024	10,356	$1.16	$11,992

e) Performance Rights

Awards of performance rights were made to employees in prior years. No performance rights have been awarded during the six month period. Movements in performance rights during the six month period are summarised below:

Award date	Securities awarded	Balance at 30 June 2024	Vested	Cancelled	Balance at 31 Dec 2024
1 - 15 Dec 2021	670,285	223,435	(223,435)	-	-
19 Sep 2022	643,450	321,748	-	-	321,748
Total performance rights	**1,313,735**	**545,183**	**(223,435)**	**-**	**321,748**

Details of performance rights which vested during the six month period, and the associated Black and Scholes option pricing model inputs, are set out below:

Grant date range	Vesting date	Security price at grant date	Exercise price	Fair value at grant date range	Number of securities	Expected volatility	Dist'n yield	Risk free rate
10 - 15 Dec 2021	31 Aug 2024	1.57 - 1.64	-	$1.39 - $1.46	223,435	13%	4.5%	2%

All performance rights that vested during the six month period were exercised on the vesting date.

f) Deferred securities

Movements in deferred security awards during the six month period are summarised below:

Award date	Securities awarded	Balance at 30 June 2024	Securities awarded	Securities vested	Securities forfeited	Balance at 31 Dec 2024
23 Sept 2024	910,302	-	910,302	-	-	910,302
13 Nov 2023	1,762,000	536,260	-	-	-	536,260
Total deferred security awards	**2,672,302**	**536,260**	**910,302**	**-**	**-**	**1,446,562**

NOTE 16 RELATED PARTY TRANSACTIONS

a) Introduction

Transactions between related parties occurred on standard commercial terms and conditions, unless otherwise stated.

b) Transactions with KMP and their related parties

There have been no transactions with key management personal (KMP) and their related parties during the six month period.

c) Garda ESP securities

The Group did not make any awards of Garda ESP securities during the six month period. Details of the Garda ESP securities awarded to KMP in years prior to the six month period, together with attaching non-recourse loans, are set out in the following table:

KMP	Issue date[16]	Securities granted	Exercise Price	Fair value at grant date	Loan value 31 Dec 2024	Vested[17]
Matthew Madsen	13 Nov 2017	960,000	0.63	0.70	$348,208	13 Nov 2020
	16 Apr 2020	5,000,000	1.00	0.06	$4,757,169	16 Apr 2023
	18 Nov 2020	5,000,000	1.16	0.10	$5,814,269	19 Nov 2023
Mark Hallett	16 Apr 2020	1,000,000	1.00	0.06	$962,491	16 Apr 2023
David Addis	3 Jun 2019	320,000	1.08	0.24	$317,016	3 Jun 2021
	23 Aug 2019	240,000	1.22	0.11	$293,063	23 Aug 2021
	23 Aug 2019	240,000	1.22	0.10	$293,063	23 Aug 2022
Lachlan Davidson	13 Nov 2017	160,000	0.63	0.11	$58,093	13 Nov 2019
	13 Nov 2017	160,000	0.63	0.13	$58,093	29 Nov 2019
	23 Aug 2019	240,000	1.22	0.11	$291,867	23 Aug 2021
Total		**13,320,000**			**$13,193,332**	

16 Garda ESP Securities issued prior to the internalisation transaction on 29 November 2019 were issued under the former Garda Capital Group employee security plan, with the number and exercise price of such securities being adjusted for the internalisation exchange ratio of 1.6x.

17 These securities have vested and are exercisable on repayment of the underlying non-recourse loan.

d) Exempt securities

Details of exempt securities awarded to KMP during the reporting period are set out in the following table:

KMP	Grant date	Securities granted	Value at grant date
David Addis (Chief Operating Officer)	11 Oct 2024	863	$1.16
Lachlan Davidson (General Counsel and Company Secretary)	11 Oct 2024	863	$1.16
Total		**1,726**	

KMP may not sell exempt securities before the earlier of the third anniversary of their grant or the date their employment with Garda ceases.

e) Performance rights

The Group did not make any awards of performance rights during the six month period. The table below shows the LTI grants made to KMP in the form of performance rights in financial years prior to the six month period and the performance rights vested during the six month period:

Tranche	Rights held at 30 June 2024	Rights granted	Rights vested and exercised [18]	Rights forfeited	Rights held at 31 Dec 2024	Grant date	Fair value at grant date	Vesting date
Executive Director								
M Hallett								
FY22 – 3 years	48,262	-	-	-	48,262	19 Sep 22	$1.32	31 Aug 25
Total	48,262	**-**	-	-	48,262			
Chief Operating Officer								
David Addis								
FY21 – 3 years	36,233	-	(36,233)	-	-	10 Dec 21	$1.39	31 Aug 24
FY22 – 3 years	96,525	-	-	-	96,525	19 Sep 22	$1.32	31 Aug 25
Total	**132,758**	**-**	**(36,233)**	**-**	**96,525**			
General Counsel and Company Secretary								
Lachlan Davidson								
FY21 – 3 years	18,117	-	(18,117)	-	-	15 Dec 21	$1.46	31 Aug 24
FY22 – 3 years	48,262	-	-	-	48,262	19 Sep 22	$1.32	31 Aug 25
Total	**66,379**		**(18,117)**	**-**	**48,262**			

f) Deferred securities

Details of deferred securities awarded to KMP are set out in the following table:

Tranche	Securities held at 30 June 2024	Securities granted	Securities vested and exercised [19]	Securities forfeited	Securities held at 31 Dec 2024	Grant date	Fair value at grant date	Vesting date
Chief Operating Officer								
David Addis								
FY24 – 3 years	-	133,215	-	-	133,215	23 Sept 24	$0.99	31 Aug 27
FY23 – 3 years	153,217	-	-	-	153,217	13 Nov 23	$0.85	31 Aug 26
Total	**153,217**	**133,215**	**-**	**-**	**286,432**			
General Counsel and Company Secretary								
Lachlan Davidson								
FY24 – 3 years	-	88,810	-	-	88,810	23 Sept 24	$0.99	31 Aug 27
FY23 – 3 years	102,145	-	-	-	102,145	13 Nov 23	$0.85	31 Aug 26
Total	**102,145**	**88,810**	**-**	**-**	**190,955**			

[18] The exercise price for vested performance rights was $nil.

[19] The exercise price for vested deferred securities was $nil.

NOTE 17 CONTINGENT ASSETS AND LIABILITIES

a) Contingent assets

The Group did not have any material contingent assets as at 31 December 2024 (30 June 2024: nil).

b) Contingent liabilities

The Group did not have any material contingent liabilities as at 31 December 2024 (30 June 2024: nil).

NOTE 18 EVENTS SUBSEQUENT TO THE END OF THE PERIOD

There are no significant matters or circumstances that have arisen since the end of the financial period that have significantly affected, or may significantly affect, the operations of Garda, the results of those operations, or the state of affairs of Garda, in future periods.

DIRECTORS' DECLARATION

In the opinion of the Directors of Garda Property Group:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, Accounting Standard *AASB 134 Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the six month period ended on that date; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors

Matthew Madsen
Executive Chairman
6 February 2025

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Independent Auditor's Review Report to the Stapled Holders of Garda Property Group and Garda Holdings Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Garda Property Group and Garda Holdings Limited, and its controlled entities "the Group", which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

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 Financial Report section of our report. We are independent of the Company 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, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of the Group 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 Responsibility for the Review of the Financial Report

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

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.

PITCHER PARTNERS

WARWICK FACE
Partner

Brisbane, Queensland
6 February 2025

GLOSSARY

AASB	Australian Accounting Standards Board
Company	Garda Holdings Limited (ACN 636 329 774)
EIP	Garda Equity Incentive Plan
ESP or Garda ESP	Garda Employee Security Plan
FFO	Funds from operations are the Group’s underlying and recurring earnings from its operations. It is determined by adjusting statutory net profit (under AIFRS) for certain non-cash and other one-off items. FFO is not recognised or covered by Australian Accounting Standards and has not been audited or reviewed by the auditor of the Group.
Fund	Garda Diversified Property Fund (ARSN 104 391 273)
Garda	Garda Property Group
Gearing	(Total drawn interesting-bearing debt less cash) / (total assets less cash)
Group	Garda Property Group
GST	Goods and Services Tax
KMP	Key management personnel
LVR	(Total drawn interest-bearing debt) / (total bank-approved secured property)
NTA	Net tangible assets
Pinnacle East	Industrial development site located at 372-402 Progress Rd, Wacol (QLD
Pinnacle West	Industrial estate at 498 Progress Rd, Wacol (QLD
WANOS	Weighted average number of securities

GARDA

CORPORATE DIRECTORY

DIRECTORS

Matthew Madsen
Executive Chairman and Managing Director

Mark Hallett
Executive Director

Paul Leitch
Independent Director

Oliver Talbot
Non-executive Director

Andrew Thornton
Non-executive Director

COMPANY SECRETARY

Lachlan Davidson
General Counsel and Company Secretary

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STOCK EXCHANGE LISTING

Garda Property Group is listed as a stapled security on the Australian Securities Exchange Limited (ASX: GDF)

GARDA

GARDA PROPERTY GROUP