Mirvac Group

1H25 Interim Report

mirvac

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About this report

This Interim Report 2025 is a consolidated summary of Mirvac Group's operational and financial performance for the half year ended 31 December 2024. In this report, unless otherwise stated, references to 'Mirvac', 'Group', 'company', 'parent entity', 'we', 'us' and 'our' refer to Mirvac Limited and its controlled entities as a whole. Mirvac comprises Mirvac Limited (parent entity) and its controlled entities, which include Mirvac Property Trust and its controlled entities. References to a 'half year' relates to the period between 1 July 2024 and 31 December 2024. All dollar figures are expressed in Australian dollars (AUD) unless otherwise stated. The consolidated financial statements included in this report were authorised for issue by the Directors on 14 February 2025. The Directors have the power to amend and reissue the financial statements. This Interim Report does not include all the information and disclosures usually included in an annual financial report. Accordingly, this report should be read in conjunction with the Annual Report FY24 and any public announcements made by Mirvac during the interim reporting period. Mirvac's Interim Report can be viewed on or downloaded from Mirvac's website, www.mirvac.com.

About Mirvac

Mirvac is an Australian Securities Exchange (ASX) top 100 listed company, with an integrated asset creation and curation capability. We own and manage assets across office, retail, industrial and the living sectors in our investment portfolio, with approximately $22bn of assets under management. Our development activities span commercial and mixed-use and residential, with a development pipeline of approximately $29bn. We focus on delivering high-quality, innovative and sustainable real estate for our customers, while driving long-term value for our securityholders.

Our integrated approach means we influence every stage of a project – from site acquisition, design and development through to leasing, management and long-term ownership. Our integrated platform also ensures we maintain an appropriate balance of passive and active capital, enabling us to be agile and respond to fluctuations in the property cycle.

Located in Australia's key cities of Sydney, Melbourne, Brisbane, Canberra and Perth, we have an unmatched reputation for delivering superior products and services across our businesses.

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Review of operations and activities

1H25 results and performance summary

Mirvac delivered a solid result for the six months to 31 December 2024 (1H25), underpinned by a continued focus on executing our strategy and positioning the business for the future. Our operating profit after tax was $236m for the period, or 6.0 cents per stapled security (cpss), and our distribution was 4.5cpss, representing a 75 per cent payout ratio.

Our operating earnings were driven by strong growth in the living sector, with the completion of LIV Aston, Melbourne in our build to rent portfolio and an increased contribution from land lease, offset by lost income due to the disciplined execution of our non-core asset disposal program. Despite a subdued level of activity in the broader transactional market, we welcomed new capital partners across three flagship projects in our residential business, unlocking value and releasing capital for future growth initiatives.

Our statutory profit for the period was $1m (1H24: $201m statutory loss), largely attributable to the reduced impact of asset devaluations across our office portfolio.

Key achievements in the first half of the financial year:

- progressed our non-core asset sales program, with unconditional exchanges on 10-20 Bond Street, Sydney[1] and 75 George Street, Parramatta[2]
- maintained high occupancy of 96.2 per cent across our Investment portfolio
- reached practical completion of LIV Aston, Melbourne (474 lots), taking our build to rent portfolio to 1,279 operational lots
- achieved 209 land lease settlements and secured three new land lease communities
- reached practical completion of our second and third warehouses at Aspect Industrial Estate, Sydney, which are both 100 per cent leased
- achieved 685 residential lot settlements
- exchanged 947 residential lots across apartments and masterplanned communities (MPC), including the successful launch of Harbourside Residences, Sydney, taking pre-sales to $1.9bn
- established Mirvac Masterplanned Communities Venture (MMPCV) with an existing capital partner, seeded by Cobbitty and Mulgoa in Sydney, and secured Sumitomo as a partner at Highforest, Sydney
- progressed construction across our Commercial and Mixed-Use (CMU) development pipeline, including Aspect Industrial Estate, 55 Pitt Street and Harbourside in Sydney, and 7 Spencer Street in Melbourne.

Financial Performance

	1H25 ($m)	1H24 ($m)	Movement
Investment	**302**	309	(7)
Funds	**14**	16	(2)
Development	**81**	86	(5)
Segment EBIT	**397**	411	(14)
Unallocated overheads	**(36)**	(39)	3
Group operating EBIT	**361**	**372**	**(11)**
Operating profit after tax	**236**	**252**	**(16)**
Development revaluation (loss)/gain	**(33)**	13	(46)
Investment property revaluation loss	**(139)**	(396)	257
Other non-operating items	**(63)**	(70)	7
Statutory profit attributable to stapled securityholders	**1**	**(201)**	**202**

Key Performance Metrics

	1H25	1H24	Movement
EPS (cpss)[3]	**6.0**	6.4	(0.4)
DPS (cpss)	**4.5**	4.5	—
Net Tangible Assets ($ per security)[4]	**2.31**	**2.56**	**(0.25)**

1. Settled on 15 January 2025.
2. Expected to settle in 2H25.
3. Calculated on operating profit after tax.
4. NTA per stapled security excludes intangibles, right-of-use assets and deferred tax assets, based on ordinary securities, including Employee Incentive Scheme (EIS) securities.

Review of operations and activities

Group cash flow

The Group's operating cash flow in 1H25 of $297m was up $270m on 1H24, driven by successful capital partnering at Cobbitty, Mulgoa and Highforest in Sydney, and supported by lower development expenditure compared to prior period.

Investing cash outflows of ($238m) decreased by $339m on 1H24, primarily driven by higher proceeds from non-core asset sales in the prior corresponding period offsetting development spend. Financing cash outflows of ($318m) were primarily comprised of distributions paid ($236m) and net debt repayments of ($77m).

	1H25 ($m)	1H24 ($m)	Movement
Operating cash flow	**297**	27	270
Investing cash flow	**(238)**	101	(339)
Financing cash flow	**(318)**	(23)	(295)

Capital management

Our prudent approach to capital management in 1H25 ensured we continued to maintain sufficient liquidity and financial flexibility to manage through a challenging operating environment and take advantage of future growth opportunities as they emerged. Despite the volatility in markets, our capital position and balance sheet remain strong, supported by non-core asset sales and capital partnering initiatives, and we continue to focus on having diversified sources of capital and a maturity profile that limits the concentration of debt expiries in any one year.

Key outcomes of our capital management approach in 1H25 included:

> a well-diversified maturity profile and a weighted average debt maturity of 4.5 years, with $454m of drawn debt facilities due for repayment over the next 12 months

> $991m of cash and undrawn debt facilities as at 31 December 2024

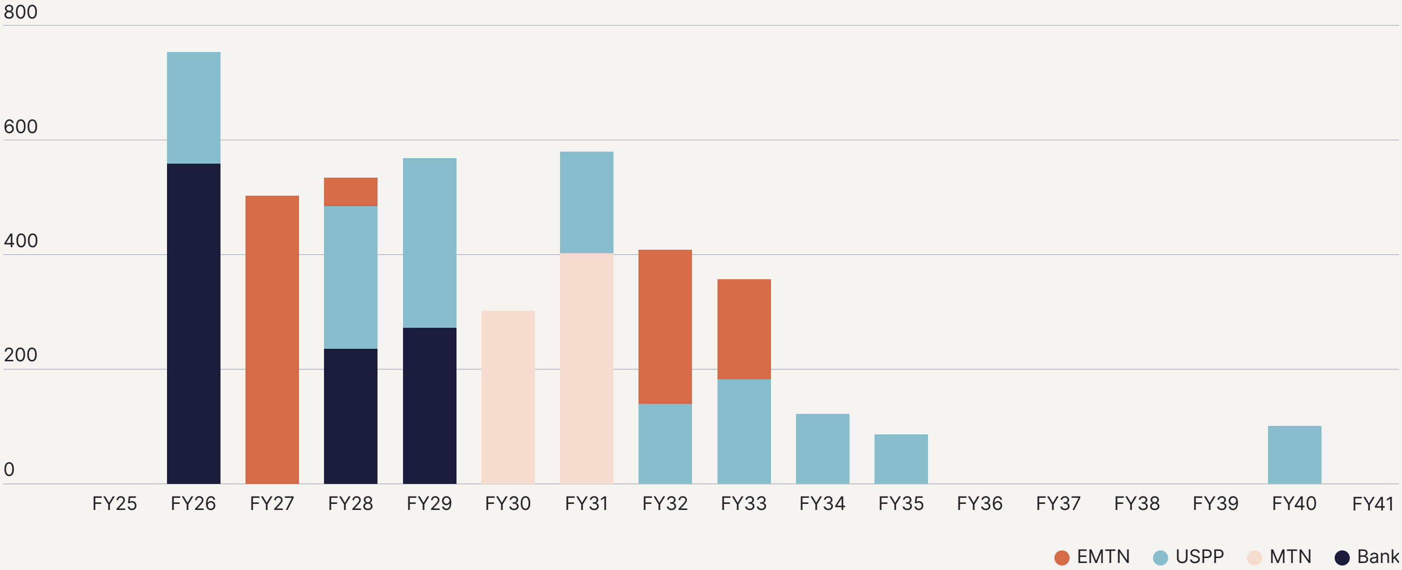
> a $AU400m 6.5-year green bond issuance, with all new or refinanced debt facilities in the period certified as green loans. Our total debt portfolio comprises 44 per cent of green loans

> pro forma headline gearing at 26.3 per cent[1] and pro forma look-through gearing at 28.8 per cent[1], within our target range of 20 to 30 per cent

> A- and A3 credit ratings, with stable outlooks from Fitch Ratings and Moody's Investor Services maintained.

	1H25	FY24	Movement
Headline gearing (%)[2]	**27.6**	26.7	0.9
Look-through gearing (%)	**30.0**	28.5	1.5
Liquidity ($m)	**991**	1,388	(397)
Weighted average debt maturity (years)	**4.5**	4.4	0.1
Net debt ($m)	**4,228**	4,045	183
Average borrowing rate (% per annum as at 31 December)	**5.7**	5.6	0.1
Credit rating (Fitch Ratings/Moody's Investor Services)	**A-/A3**	A-/A3	—

Drawn debt maturities as at 31 December 2024



1. Adjusted for the sale of 10-20 Bond Street, Sydney, which completed on 15 January 2025.
2. Net debt (at foreign exchange hedged rate) / tangible assets – cash.

Review of operations and activities

Group outlook[1]

Mirvac is well positioned to capitalise on a market recovery across all our operating business units, supported by falling inflation and signs that interest rates will ease in the near term. We continue to focus on maintaining a strong balance sheet and capital position, and delivering strong cash flows, sustainable distributions and attractive returns for our securityholders, supported by our integrated model.

For the balance of FY25, we remain focused on progressing our development pipeline, securing capital partners across a number of development projects, and divesting non-core assets.

Subject to no material change in the operating environment, we have reaffirmed operating earnings of between 12.0 and 12.3cpss in FY25, along with a distribution of 9.0cpss.

Investment

Our Investment portfolio comprises assets across office, industrial, retail and the living sectors, with approximately $10.3bn of assets on our balance sheet.

In 1H25, the Investment portfolio delivered EBIT of $302m, down 2 per cent on 1H24. This was driven by the impact of non-core asset sales on earnings, with approximately $1bn of assets sold over the past 18 months. The impact of non-core asset sales was offset by:

> income from our 48 per cent interest in Serenitas
> income from completed developments in living and industrial, including LIV Aston, Melbourne, Switchyard, Auburn and the first three warehouses at Aspect Industrial Estate, Kemps Creek, Sydney.

Although the volume of property transactions increased, higher interest rates continued to impact asset valuations in 1H25, with softening capitalisation rates resulting in asset devaluations of $139m.

	1H25 $m	1H24 $m	Movement
Net operating income			
Office	**184**	201	(17)
Industrial	**36**	32	4
Retail	**63**	80	(17)
Living	**26**	2	24
Management and administration expenses	**(7)**	(6)	(1)
Investment EBIT	**302**	309	(7)
Investment property revaluation[2]	**(139)**	(396)	257
Total Investment return	**163**	**(87)**	**250**

Portfolio Metrics	1H25	1H24	Movement
Investment portfolio value[3] ($m)	**10,345**	11,214	(869)
Weighted average capitalisation rate (%)[4]	**5.89**	5.48	0.41
Occupancy (%)[5]	**96.2**	96.9	(0.7)
Weighted average lease expiry (years)[6]	**5.2**	5.2	—
Leasing (sqm)[4]	**45,209**	89,782	(44,573)

1. These statements are future looking and based on our reasonable belief at the time they were made. They include possible outlooks for our operating environments but are subject to external factors outside Mirvac's control.
2. Excludes investment properties under construction (IPUC).
3. Includes co-investment equity values, assets held for sale and assets held for development, and excludes IPUC and gross up of lease liability under AASB 16.
4. Excludes co-investments.
5. By area, excluding co-investments.
6. By income, excluding co-investments.

Review of operations and activities

Investment outlook[1]

Office

There are signs of renewed optimism in the office sector, as debt markets flatten and capital market activity returns, particularly from international investors and local funds. Valuations for Premium-grade, core assets appear to be stabilising, with these assets continuing to benefit from the bifurcation of tenant and capital demand, as well as a restricted supply outlook in our key markets. This is demonstrated by lower vacancy, stronger rental growth and improved liquidity. Our office portfolio, which is 100 per cent weighted to Prime-grade assets, has an average age of less than nine years and a limited lease expiry profile, is well placed to benefit from these trends.

Industrial

Tenant demand for industrial assets in Sydney has started to moderate, however, fundamental drivers for the sector remain largely positive, supported by lower vacancy levels, population growth, and an improvement in e-commerce penetration levels. Rental growth, while moderating, remains positive, and Prime-grade yields have stabilised in all markets. Our Sydney-based industrial portfolio, which is 96.3 per cent occupied and has a weighted average lease expiry of 5.8 years, is expected to benefit from strong capital demand for high-quality and well-located industrial assets and low vacancy levels. Future income growth will also be supported by upcoming development completions and positive rent reversion across the portfolio.

Retail

Sales activity across our retail portfolio has remained positive, supported by population growth in our catchment areas, along with resilient consumer sentiment. The level of investment activity in the retail sector continued to grow over 1H25, with several higher value transactions and increased interest from institutional capital resulting in more stable capitalisation rates. Our urban-based retail portfolio, with high specialty sales productivity, low occupancy costs and exposure to affluent urban catchments, is well placed to benefit from strong population growth and low unemployment, as well as improved economic conditions.

Living

Australia's population growth and low residential supply is driving strong demand in housing, as well as historically low rental vacancy rates. The higher interest rate environment continues to create affordability challenges for first home buyers and homeowners, while at the same time, Australia's ageing population continues to grow. Our living portfolio, underpinned by established platforms across build to rent and land lease, is well placed to benefit from these macroeconomic conditions, further supported by a deep development pipeline and growing customer demand. The build to rent sector is also expected to benefit from recent tax concessions relating to eligible MIT investments, along with more favourable capital works deductions for build to rent developments.

Funds management

We have $16bn in third-party capital under management with domestic and international partners, which includes funds, mandates and joint ventures. Key to our funds management strategy is our continued engagement with aligned capital partners to cater for future mutual growth ambitions, including through the delivery of our multi-sector development pipeline.

In 1H25, we delivered Funds EBIT of $14m (1H24: $16m), driven by the impact of lower asset valuations reducing fee income.

Funds management

Our $12bn funds management platform continues to grow through development completions and experience strong leasing success.

Within the $6bn Mirvac Wholesale Office Fund (MWOF), we achieved approximately 66,000sqm of leasing during the period, with occupancy increasing to 92.1 per cent. MWOF recorded a positive total return of 0.7 per cent for the quarter ending 31 December 2024, pointing to improving capital market sentiment for office assets.

Within the Mirvac Industrial Venture (MIV), we achieved good development and leasing progress at Aspect Industrial Estate, Kemps Creek, Sydney. MIV is 51 per cent owned by Mirvac, with the remaining 49 per cent held by our strategic partner, Australian Retirement Trust.

Within our Build to Rent Venture (the Venture), we reached practical completion at LIV Aston, Melbourne, which was 66 per cent leased as at 11 February 2025. Construction progressed across the remainder of our build to rent development pipeline, which includes LIV Albert, Melbourne and LIV Anura, Brisbane. The Venture has approximately 2,200 lots in its secured pipeline and an expected end value of $1.8bn. The Venture supports our vision to increase our exposure to the build to rent sector and grow our portfolio to at least 5,000 apartments in the medium term, and plays a key role in helping solve the housing and rental shortfall in Australia. Mirvac provides investment management, property management, development management and construction services to the Venture.

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Review of operations and activities

Asset management

We have approximately $22bn of assets under management, which includes assets owned by Mirvac as well as assets that sit within our third-party funds. Our Asset Management team provides quality real estate operations, leasing services, and portfolio management to all assets under management, and supports our development team with pre-leasing at our new commercial assets, as well as providing operational expertise throughout the asset creation phase.

Having a separate Asset Management function ensures we can deliver best-in-class service to all of our stakeholders, with governance in place to manage any potential conflicts of interest.

	1H25 $m	1H24 $m	Movement
Funds Management EBIT	**10**	13	(3)
Asset Management EBIT	**21**	17	4
Management and administration expenses	**(17)**	(14)	(3)
Funds EBIT	**14**	**16**	**(2)**

Funds outlook[1]

Our third-party capital under management is expected to increase, with embedded growth in recently launched vehicles. Our quality established platforms are in sectors that are aligned with our broader strategy and we see opportunities to expand these platforms further. We see significant opportunity in the living sectors, where we can leverage our integrated model and our more than 50 years of experience as a residential developer. With a growing number of investors focused on generating a positive impact for people and the planet alongside financial returns, we will look at integrating investment strategies with social and environmental considerations in our next phase of growth.

Development

Our Development business combines our Commercial & Mixed-Use (CMU) and Residential development activities, with a total pipeline value of approximately $29bn. Our unique in-house design and development capability provides future income, development value creation and funds management opportunities to the Group.

Through our CMU business, we deliver world-class office, industrial, build to rent and urban renewal projects designed to support the growth and evolution of our cities. Within our Residential business, we have approximately 28,000 lots under control across apartments and masterplanned communities (MPC), and a reputation for care and quality in everything we do.

	1H25 $m	1H24 $m	Movement
Commercial & Mixed-Use EBIT	**8**	19	(11)
Residential EBIT	**101**	94	7
Management and administration expenses	**(28)**	(27)	(1)
Development EBIT	**81**	**86**	**(5)**

Commercial & mixed-use development (CMU)

In 1H25, CMU EBIT was down 58 per cent, primarily due to earnings being higher in 1H24 as a result of our industrial development, Switchyard, Auburn, Sydney, completing in the prior period. In addition, build to rent earnings were impacted by subcontractor insolvencies and productivity challenges at LIV Anura, Brisbane. Projects under construction, including 55 Pitt Street, Sydney and 7 Spencer Street, Melbourne, continue to deliver development management and construction services earnings as they progress. Development returns were impacted by a revaluation loss at 7 Spencer Street, Melbourne due to alignment with market capitalisation rates.

Our CMU development pipeline is diverse and flexible, comprising projects at various stages of the development lifecycle. Our pipeline value was lower in 1H25, primarily due to the completion of LIV Aston, Melbourne and the first three warehouses at Aspect Industrial Estate, Kemps Creek, Sydney.

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Review of operations and activities

Commercial & mixed-use development project updates

Office and mixed use

> Harbourside, Sydney: completed civil works and launched the residential component, which is over 80 per cent pre-sold[1]. Pre-leasing within the retail and office component increased to 18 per cent.[2]

> 55 Pitt Street, Sydney: progressed structural works and achieved further leasing success, with the 63,000sqm office building 35 per cent pre-committed.

> 7 Spencer Street, Melbourne: progressed construction on the 46,500sqm office building, which is on track for completion in FY26. Pre-leasing increased to 16 per cent[2] during the period.

> Waterloo Metro Quarter, Sydney: progressed construction on the Southern Precinct, which is expected to complete in CY25.

Industrial

> Aspect Industrial Estate, Kemps Creek, Sydney: completed our second warehouse at Aspect North, which is 100 per cent leased to Winnings, and completed the third warehouse, which is 100 per cent leased to B Dynamic. The 244,000sqm estate is approximately 67 per cent pre-leased[2], with strong tenant engagement for the remaining space.

> SEED, Badgerys Creek, Sydney: progressed assessment of the initial development application.

Build to rent

> achieved practical completion at LIV Aston, Melbourne (474 apartments)

> progressed construction at LIV Anura in Newstead, Brisbane (396 apartments), which is expected to complete in 2H25

> progressed construction at LIV Albert, Melbourne (498 apartments), which is expected to complete in CY25.

	1H25	1H24	Movement
Commercial & Mixed-Use EBIT	**8**	19	(11)
Development revaluation gain/(loss)	**(33)**	13	(46)
Total Commercial & Mixed-Use Return	**(25)**	**32**	**(57)**
Commercial & Mixed-Use Key Metrics			
Total development pipeline[3] ($m)	**9,478**	11,247	(1,769)
Committed development pipeline ($m)	**6,056**	2,806	3,250
Invested capital	**1,461**	1,501	(40)

Residential

Residential EBIT was up 7 per cent in 1H25, which included residential lot settlements, along with the contribution from the selldown of three projects into joint venture arrangements: Highforest, Cobbitty, and Mulgoa, all in Sydney. Our MPC projects were the main contributors to settlements, including Smiths Lane, Woodlea and Olivine in Melbourne, Everleigh in Brisbane, Menangle in Sydney, Googong in NSW, and Iluma and Baldivis in Perth, which contributed 87 per cent of total settlements. Apartment projects at Charlton House at Ascot Green and Waterfront Quay in Brisbane were pushed into 2H25, impacted by continued subcontractor insolvencies and productivity challenges. A higher weighting towards land settlements, in addition to the contribution from project selldowns, resulted in a gross margin of 19 per cent.

Sales activity during the period improved by 51 per cent on 1H24, driven by the highly successful launch of Harbourside Residences in Sydney, continued strong demand for our masterplanned communities in Brisbane and Perth, and support for quality middle ring developments in Sydney, such as Highforest. Our secured pre-sales increased by 30 per cent to $1.9bn during the period, providing good visibility of earnings. Our default rate of 2.6 per cent remains in line with our long-term average, driven by MPC projects in NSW and Victoria.

	1H25	1H24	Movement
Residential EBIT ($m)	**101**	94	7
Lots released	**1,139**	902	237
Lots exchanged	**947**	629	318
Lots settled	**685**	1,131	(446)
Pre-sales secured ($m)	**1,936**	1,488	448
Defaults (%)	**2.6**	0.7	1.9
Gross development margin (%)	**19**	18[4]	1
Pipeline lots	**27,803**	29,763	(1,960)
Invested capital ($m)	**1,999**	2,150	(151)

1. By number of units released.
2. Includes heads of agreement and agreements for lease.
3. Represents 100 per cent of expected end value/revenue, subject to various factors outside of Mirvac's control.
4. Restated from 17 per cent due to reclass of total costs.

Review of operations and activities

Development outlook[1]

Commercial & mixed-use

Office & mixed-use

There has been an increase in transaction activity in the office sector as sentiment improves. Tenant pre-commitments continue to take longer to convert, however tenants remain attracted to well-located, modern office buildings that offer the latest in sustainability, wellness and technology, and facilitate collaboration. Our secured office and mixed-use development pipeline is well placed to benefit from this trend in the medium term.

Industrial

We continue to see strong customer and capital demand for our Sydney-based industrial developments in a market with very low vacancy. This demand supports the continued execution of our industrial development pipeline, secured on attractive terms, including Aspect Industrial Estate, Kemps Creek and SEED, Badgerys Creek, which is expected to benefit from the opening of the Western Sydney Airport in 2026.

Build to rent

Metropolitan rental markets continue to demonstrate strong fundamentals, being well timed to match the delivery of our secured pipeline of build to rent projects into FY26. These fundamentals are supported by low unemployment rates, historically low rental vacancy, increased migration, and population growth in cities, with broader apartment supply expected to moderate.

Residential

While the overall residential market remains subdued ahead of an anticipated 2H25 rate cut, underlying fundamentals remain strong, and we expect a continued improvement in demand in 2H25. Favourable demand drivers include low unemployment, population growth and strong household balance sheets. We anticipate demand will trend back to long-term average levels, especially among downsizers, with strong potential for increasing investor demand. The outlook for residential is further supported by an ongoing undersupply of housing, with established listings below long-term benchmarks, approvals of new supply continuing to languish, commencements challenged by an elevated cost environment, and rental vacancies at historical lows.

We continue to experience solid demand from owner-occupiers focused on high-quality, well-located product with good amenity and certainty of outcome, backed by a credible brand. Our anticipated launches and releases through the balance of FY25, underpinned by significant restocking in MPC, include:

- a new MPC project at the former Western Sydney University site at Milperra, Sydney
- further releases at middle-ring Sydney projects, Highforest and Riverlands
- ongoing MPC lot releases in our established markets in NSW, Vic, WA and Qld
- the launch of two new MPC projects — Mulgoa, Sydney and Monarch Glen, Brisbane — in mid-2025.

This launch and release profile is expected to support pre-sales and a return to normalised gross margins in the coming years, and contribute to future residential earnings.

Risk and risk management

The Mirvac Board is responsible for ensuring the effectiveness of Mirvac's risk management framework. This framework outlines our governance, risk appetite, accountability for risk management, and operational resilience, and is consistent with the Australian and New Zealand standard on risk management (ISO 31000:2018). The Board has charged our leadership team with the responsibility for managing risk across the Group and implementing mitigation strategies under the direction of the Group CEO & Managing Director, supported by other senior executives. Each business unit is responsible for identifying and managing their risks. An enterprise-wide risk management system is in place to drive consistency in risk recording and reporting.

The Group Risk function is responsible for embedding the risk management framework, advising business units on risk management plans, and consolidating risk reporting to senior executives, the Audit, Risk & Compliance Committee, and the Board. A strong risk management culture is the key element underpinning the risk management framework.

The Risk Management Policy is available on our website: www.mirvac.com/about/corporate-governance.

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Review of operations and activities

Risk and risk management continued

Our principal risks and opportunities

A number of the risks and opportunities we face in delivering our strategic plan are set out in the table below. They are largely related to our portfolio of assets and are typical of a property group. These are not the only risks associated with Mirvac. The risks are grouped by theme, rather than order of importance.

Related pillar of value	Key risks and opportunities	How we're addressing them	How risk has changed since FY24
Performance Place	**Investment and development performance** Our business is impacted by the value of our property portfolio and our ability to deliver modern, high-quality, sustainable assets. This can be influenced by external factors outside our direct control, including the health of the economy and the strength of the property sector and capital markets, along with internal factors, including our investment decisions and group structure.	We collaborate with aligned investors to leverage capability and develop recurring income streams. Prudent capital decisions are based on due diligence and market research to ensure investor confidence is retained. Buying and selling at the right time in the property cycle has enabled us to deliver sustainable returns to our securityholders. We have a disciplined approach to acquisitions and are mindful of the fundamentals needed to maintain growth through our sustainable and diversified urban-focused business model.	→ The operating environment remains challenging, characterised by increasing costs, capitalisation rate expansion and difficult capital markets, which have continued to impact financial performance. However, sentiment is improving, and we continue to see demand from capital for well-located, modern and sustainable assets.
Performance Place	**Macro-environment** Mirvac is impacted by changing domestic and international economic and macroprudential and regulatory measures, which impact access to capital, investor activity and foreign investment.	We monitor a wide range of macro-economic, property market and capital market indicators and use trend analysis to assess macroeconomic changes, and we are attentive to these shifts. We maintain a robust balance sheet and appropriate gearing to ensure we can respond to unforeseen economic shocks.	→ There is continued uncertainty and volatility as interest rates remain high, productivity remains challenged, and inflation continues to impact the economy.
Performance Place	**Capital management** Maintaining a diversified capital structure to support the delivery of stable investor returns and maintain access to equity and debt funding.	We have a capital management framework that is approved and monitored by the Board. The framework aims to address market, credit and liquidity risks, while also meeting the Group's strategic objectives. We seek to maintain an investment-grade credit rating of A-/A3 to reduce the cost of capital and diversify our sources of debt capital. Our target gearing ratio is between 20 and 30 per cent.	→ The cost of capital remains high, and asset valuation movements and transaction activity are expected to have an impact on gearing. Access to equity and debt funding remains challenged, however, capital markets continue to provide access to finance for high-quality projects, such as those within our development pipeline.
Performance Place Partners	**Key partners** Our partners play a vital role in our business, and our sustained success and the execution of our development pipeline is driven by engagement with targeted and strategically aligned partners. It is crucial that we build long-term relationships that are driven by trust, transparency and shared values.	Our partner relationships are based on delivering mutual benefits to all parties. Our value creation model has a focus on committed partners and enables the delivery of our strategy through the partner lens. Fit-for-purpose governance frameworks are in place to manage our capital partnerships. Our Asset Management team services both our Investment and Funds divisions, which removes any conflicts of interest in our business structure, and provides independent service and support to both Mirvac and its third-party capital partners.	→ There was no material change in our key partner risk profile during the reporting period. While access to capital remains challenging, the quality of our projects has enabled us to continue to attract key capital partners to our business.

Review of operations and activities

Related pillar of value	Key risks and opportunities	How we're addressing them	How risk has changed since FY24
Place People Partners Planet	**Business resilience** It is crucial that we have the capability and capacity to effectively manage and recover from a major incident in a timely and efficient manner, and to adapt to changes in our operating markets.	We have an embedded organisational resilience program that enables the business to effectively manage and continue business-critical processes and operations during a business-impacting event. This includes breaches to our information systems and/or damage to physical assets, which could significantly impact our business and reputation.	→ There was no material change in our organisational resilience and business continuity management risk profile during the reporting period.
Place Partners	**Cyber risk** Cyber security and information privacy are an increasing risk for our business given the dynamic nature of these threats. Safeguarding our intellectual property, information and operational technology systems, contractual agreements, and employee and customer information is critical to ensure ongoing business continuity and the safety of our people, assets and customers.	We have a technology and cyber security strategy and framework (aligned to the National Institute of Standards and Technology Cyber Security Framework), which includes a disaster recovery plan and a comprehensive cyber security incident response plan, to prevent and detect cyber threats and respond and recover from cyber-related incidents. This includes data governance and information security frameworks to safeguard the privacy of information in accordance with applicable privacy regulations. Cyber security frameworks are tested frequently, and remedial action is monitored by ELT and the Board.	→ There was no material change in our cyber risk profile during the reporting period. Cyber threats continue to become increasingly more sophisticated, aided by artificial intelligence. The geopolitical risk landscape continues to underpin the potential threat.
Place Partners	**Digital disruption** Technology is changing our world at a rapid pace. It is important we embrace new digitally enabled ways of working and customer experiences to maintain relevance and continue to innovate.	A core element of our risk strategy is understanding and preparing for disruption and building a resilient business. We are committed to ensuring that we have the right people, processes and systems to take advantage of disruption and to create a competitive advantage. Our innovation program, Hatch, ensures that we continue to innovate in a meaningful way. We also continue to invest in people and technology to ensure that digital experiences are continually evolving.	→ There was no material change in our innovation and digital disruption risk profile during the reporting period. We have developed an Artificial Intelligence strategy to leverage the opportunities this emerging technology provides.
Partners	**Supply chain** With a broad range of suppliers providing an equally diverse range of goods and services, our stakeholders can be directly and indirectly impacted by the practices of our suppliers, and the materials they are supplying.	We have well-established process and oversight bodies to manage key areas, such as modern slavery, worker exploitation, material import risk, high-risk materials and cyber security. We continue to enhance our controls to identify and mitigate our exposure to these risks and ensure full compliance with emerging legislation. Supply chain disruption, geopolitical tensions, stagnating productivity, and the impact of cost-escalation and labour shortages in the construction industry are actively managed through supply continuity plans and alternative supply arrangements.	→ Supply chain constraints persist, with skilled labour shortages, subcontractor and developer insolvencies, and productivity having the potential to impact on cost and delivery schedules.

Review of operations and activities

Related pillar of value	Key risks and opportunities	How we're addressing them	How risk has changed since FY24
Partners Planet	**Social responsibility** In an Australian context of low institutional trust, we must maintain and enhance trust and reputation to retain a social licence to operate.	We provide consistent, high-quality communication and transparent and responsible reporting. We have a coordinated and consistent stakeholder engagement framework to instil a considered approach to stakeholder and community engagement. We have committed to proactively sharing our progress as a business to help us earn and retain trust. We provide good earnings visibility, guidance and full disclosure to our securityholders so they can make informed choices.	→ There was no material change in our corporate social responsibility and stakeholder engagement risk profile during the reporting period.
Partners Planet	**Planning and regulation** Our activities can be affected by government policies in many ways, from local decisions regarding zoning and developments, right through to the national position on immigration.	We have proactive and constructive engagements with all levels of government on policy changes that may impact our business and projects, and we ensure we are prepared to respond to changing community expectations. Approval timeframes are built into project delivery plans and are actively managed to minimise the impact on returns.	→ There was no material change in our compliance and regulatory risk profile during the reporting period, however, Mirvac has experienced some delays in obtaining planning approvals, which has impacted project delivery schedules.
People Partners Planet	**Health and safety** Maintaining the health, safety and wellbeing of our people is our most important duty of care obligation and is critical to our ongoing success. We must safeguard the integrity of our operations, assets and the environment, and enable our people to thrive in order to deliver an enhanced safety performance in a high-growth and complex landscape.	We continue to pursue safety excellence and to improve the overall wellbeing of our employees, our suppliers, our community and the environment. We also recognise that psychological health and safety and psychosocial hazards require a greater level of capability, solutions and leadership going forward.	→ There was no material change in our health and safety risk profile during the reporting period.
People	**People & culture** We require an engaged, motivated and high-performing workforce with the capability and capacity to deliver our business strategy and maintain our desired culture.	We focus on having the right culture and capabilities so that our people are engaged and enabled to deliver on our strategy. We have a range of programs aimed at creating great leaders, growing and retaining key talent, and fostering a diverse and inclusive workplace, and we have been defining, measuring and curating our desired culture for some time. Our remuneration strategy is designed to attract the best talent and motivate and retain individuals, while aligning to the interests of executives, securityholders and community expectations.	→ High retention level of key talent, low voluntary turnover, and our overall employee engagement score continue to indicate effective talent and change management, and the prioritisation and protection of our culture.
Planet	**Impacts of climate change** Climate change has the potential to affect our assets and our business operations. It is vital that we respond to the implications of climate change by implementing appropriate adaptation and mitigation strategies for the portfolio, as well as building resilience throughout the business.	We regularly assess our portfolio for climate risk and resilience. We report under the Task Force on Climate related Financial Disclosures (TCFD) recommendations. We strive to design developments and major renovations to a high standard for green building and community certifications, as well as energy and water performance ratings.	→ There was no material change in our sustainability and ESG risk profile during the period. We remain proactive in managing our ESG risks and we are highly focused on sustainability outcomes, particularly with respect to climate risks and disclosures.

Review of operations and activities

Environmental, social and governance (ESG)

Mirvac's sustainability strategy, This Changes Everything, prioritises the initiatives that benefit the planet, our customers and partners, our employees, and the neighbourhoods where we operate.

Key updates for the half year ended 31 December 2024:

Environment

> reaffirmed our decarbonisation target to be Net Positive in Scope 1, 2, and 3 emissions by FY30 and submitted our Science-Based Target to the Science Based Target initiative (SBTi)
> achieved a 5.4 star NABERS Energy portfolio performance average for our office portfolio, along with a 4.5 star average NABERS water rating. We continue to have one of the greenest office portfolios in Australia, with 17 office assets rated 5 star NABERS Energy or higher
> progressed electrification studies in line with our carbon emissions target. This included trialling lowering hot water temperatures across our offices and retail portfolios to determine the size of hot water systems required
> progressed towards Climate Active Carbon Neutral Certification for our industrial assets, with carbon offsets purchased for emissions associated with the construction of Aspect Industrial Estate Kemps Creek and Switchyard Auburn, both in Sydney
> achieved Green Star Homes certification for our second home at Georges Cove, NSW from the Green Building Council of Australia. We are also targeting our first 5 Star Green Star Buildings rating for a build-to-sell residential project at Harbourside Residences, Sydney
> MWOF achieved a 5 Star GRESB rating, with a score of 91 for our last reporting year, 2023.

Social

> released our social performance report, Force for Good, which provides a snapshot of our social performance indicators
> named the winner of the 2024 Social Traders Game Changer Awards (NSW and ACT), together with our social enterprise partner, Green Connect, which enables environmental solutions for asset waste
> selected six social enterprises to participate in the second year of our Supplier Development Program, provided in partnership with Social Traders to help socially responsible businesses secure contracts with Mirvac and other major companies
> acknowledged by Good Company as one of the best workplaces to give back for the third year in a row (ranked #3), and recognised as one of Australia's leading community givers in the 2024 Strive Philanthropy GivingLarge report (ranked #26)
> announced three new scholarships through The Pinnacle Foundation, supporting LGBTQ+ students in property and construction
> partnered with Reconciliation Australia to progress authorisation of our third Reconciliation Action Plan.

Governance

> released our sixth Climate Resilience (TCFD) report, and lodged our fifth Modern Slavery Statement with the Australian Attorney-General's Department.
> maintained high governance credentials, including UN Principles for Responsible Investment, corporate governance 5 stars; Sustainalytics: Low ESG risk rating and ESG Top-Rated Companies List 2025; MSCI: A rating
> improved employee engagement to 77 per cent, up 1 per cent on FY24 year and just below the top quartile
> recognised with the inaugural 100% Human at Work Award by CEO Magazine
> appointed Rosemary Hartnett as a non-executive director, as part of our Board renewal program
> received 96 per cent support from securityholders for our FY24 remuneration report
> maintained a zero gender pay gap for like-for-like roles.

Directors' report

The Directors of Mirvac Limited present their report, together with the consolidated financial report of Mirvac Group (Mirvac or Group) for the half year ended 31 December 2024. Mirvac comprises Mirvac Limited (parent entity) and its controlled entities, which include Mirvac Property Trust and its controlled entities.

Principal activities

The principal continuing activities of Mirvac consist of real estate investment, third-party capital management, property asset management and development across three segments: Investment, Funds and Development.

Directors

The following persons were Directors of Mirvac Limited during the half year and up to the date of this report, unless otherwise stated:

- Robert Sindel, Chair
- Campbell Hanan, CEO/MD
- Christine Bartlett
- James Cain
- Damian Frawley
- Rosemary Hartnett [1]
- Jane Hewitt
- Peter Nash

Review of operations

A review of the operations of the Group during the half year and the results of those operations are detailed in the Review of operations and activities on pages 2 to 12.

Significant changes in the state of affairs

Details of the state of affairs of the Group are disclosed on pages 2-12. Other than those matters disclosed, there were no significant changes to the state of affairs during the half year under review that are not otherwise disclosed in this Interim Report.

Matters subsequent to the end of the half year

On 15 January 2025, the Group settled on the sale of 10-20 Bond St, Sydney NSW, which was classified as held for sale for the half year ended 31 December 2024.

Additionally, on 31 January 2025, a joint venture partner for Serenitas exercised a call option to acquire a further 8 per cent of the units in Serenitas. Settlement is expected to occur on 14 February 2025, and following this, the Group's interest in Serenitas will decrease from 48 per cent to 40 per cent.

No other events have occurred since the end of the half year which have significantly affected or may significantly affect Mirvac's operations, the results of those operations, or Mirvac's state of affairs in future years.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 14 and forms part of the Directors' report.

Rounding of amounts

The amounts in the consolidated financial statements have been rounded off to the nearest million (m) dollars in accordance with *ASIC Corporations Instrument 2016/191*.

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

Campbell Hanan
Director

Sydney
14 February 2025

1. Rosemary Hartnett was appointed as a Director effective 2 December 2024.

Auditor's independence declaration

Auditor's Independence Declaration

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

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Mirvac Limited and the entities it controlled during the period.

V. Papageorgiou

Voula Papageorgiou
Partner
PricewaterhouseCoopers

Sydney
14 February 2025

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, BARANGAROO NSW 2000, GPO BOX 2650 SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, PARRAMATTA NSW 2150, PO Box 1155 PARRAMATTA NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

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Consolidated statement of comprehensive income

For the half year ended 31 December 2024

	Note	**31 December 2024 $m**	31 December 2023 $m
Revenue		**1,131**	1,251
Other income			
Share of net profit of joint ventures and associates	C3	**74**	—
Gain on sale of assets		**61**	—
Revaluation gain on financial instruments		**18**	10
Total revenue and other income	B1	**1,284**	1,261
Development expenses		**713**	739
Cost of goods sold interest	B3	**17**	16
Impairment of inventory and other assets		**32**	—
Selling and marketing expenses		**19**	19
Net revaluation loss on investment properties	C1	**158**	260
Share of net losses of joint ventures and associates		**—**	69
Loss on disposal of assets		**2**	2
Investment property expenses and outgoings	B3	**92**	93
Depreciation and amortisation expenses		**35**	36
Employee expenses	B3	**62**	48
Finance costs	B3	**90**	93
Revaluation loss on financial instruments		**9**	29
Other expenses	B3	**48**	54
Profit/(loss) before income tax		**7**	(197)
Income tax expense		**6**	4
Profit/(loss) from continuing operations attributable to stapled securityholders	B1	**1**	(201)
Other comprehensive loss that may be reclassified to profit or loss			
Changes in the fair value of cash flow hedges		**(3)**	(3)
Share of other comprehensive losses of joint ventures and associates		**(2)**	—
Other comprehensive loss for the half year		**(5)**	(3)
Total comprehensive loss for the half year attributable to stapled securityholders		**(4)**	(204)

		Cents	Cents
Earnings per stapled security (EPS) attributable to stapled securityholders			
Basic EPS	B2	**—**	(5.1)
Diluted EPS	B2	**—**	(5.1)

The above consolidated statement of comprehensive income (SoCI) should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 31 December 2024

	Note	31 December 2024 $m	30 June 2024 $m
Current assets			
Cash and cash equivalents		**76**	335
Receivables	F1	**444**	407
Inventories	C4	**1,152**	1,349
Derivative financial assets	D2	**74**	61
Current tax asset		**—**	30
Other financial assets		**3**	—
Other assets		**64**	48
Assets classified as held for sale	C1	**337**	300
Total current assets		**2,150**	2,530
Non-current assets			
Receivables	F1	**132**	12
Inventories	C4	**1,320**	1,310
Investment properties	C2	**8,333**	8,737
Investments in joint ventures and associates	C3	**3,031**	2,545
Derivative financial assets	D2	**253**	164
Other financial assets	D2	**68**	65
Other assets		**33**	95
Property, plant and equipment		**7**	7
Right-of-use assets		**43**	16
Intangible assets		**74**	75
Total non-current assets		**13,294**	13,026
Total assets		**15,444**	15,556
Current liabilities			
Payables		**812**	1,149
Deferred revenue		**18**	16
Borrowings	D1	**460**	181
Derivative financial liabilities	D2	**65**	12
Other financial liabilities		**76**	—
Lease liabilities		**6**	9
Provisions		**235**	317
Total current liabilities		**1,672**	1,684
Non-current liabilities			
Payables		**380**	6
Deferred revenue		**1**	20
Borrowings	D1	**4,038**	4,243
Lease liabilities		**77**	47
Derivative financial liabilities	D2	**50**	155
Provisions		**13**	10
Deferred tax liabilities		**45**	40
Total non-current liabilities		**4,604**	4,521
Total liabilities		**6,276**	6,205
Net assets		**9,168**	9,351
Equity			
Contributed equity	E2	**7,534**	7,534
Reserves		**50**	56
Retained earnings		**1,584**	1,761
Total equity attributable to the stapled securityholders		**9,168**	9,351

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

Consolidated statement of changes in equity

For the half year ended 31 December 2024

	Note	Attributable to stapled securityholders			
		Contributed equity $m	Reserves $m	Retained earnings $m	Total equity $m
Balance 30 June 2023		7,533	23	3,001	10,557
Loss for the half year		—	—	(201)	(201)
Other comprehensive loss for the half year		—	(3)	—	(3)
Total comprehensive loss for the half year		—	(3)	(201)	(204)
Transactions with owners of the Group					
Security-based payments					
Expense recognised – Employee Exemption Plan (EEP)		—	1	—	1
Expense recognised – LTP and STI		—	6	—	6
LTP vested		—	(9)	—	(9)
STI vested		—	(2)	—	(2)
Legacy schemes vested	E2	1	—	—	1
Distributions	E1	—	—	(178)	(178)
Transfer to cash flow hedge reserve		—	21	(21)	—
Total transactions with owners of the Group		1	17	(199)	(181)
Balance 31 December 2023		7,534	37	2,601	10,172
Balance 30 June 2024		**7,534**	**56**	**1,761**	**9,351**
Income for the half year		**—**	**—**	**1**	**1**
Other comprehensive loss for the half year		**—**	**(5)**	**—**	**(5)**
Total comprehensive (loss)/income for the half year		**—**	**(5)**	**1**	**(4)**
Transactions with owners of the Group					
Security-based payments					
Expense recognised – Employee Exemption Plan (EEP)		**—**	**1**	**—**	**1**
Expense recognised – LTP and STI		**—**	**3**	**—**	**3**
LTP vested		**—**	**(3)**	**—**	**(3)**
STI vested		**—**	**(2)**	**—**	**(2)**
Distributions	E1	**—**	**—**	**(178)**	**(178)**
Transfer to cash flow hedge reserve		**—**	**—**	**—**	**—**
Total transactions with owners of the Group		**—**	**(1)**	**(178)**	**(179)**
Balance 31 December 2024		**7,534**	**50**	**1,584**	**9,168**

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

Consolidated statement of cash flows

For the half year ended 31 December 2024

	31 December 2024 $m	31 December 2023 $m
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	**1,553**	1,465
Payments to suppliers and employees (inclusive of GST)	**(1,211)**	(1,358)
Net receipts in the course of operations	**342**	107
Interest received	**2**	6
Distributions received from joint ventures and associates	**55**	56
Other distributions received	**1**	—
Interest paid	**(133)**	(134)
Income tax refund/(paid)	**30**	(8)
Net cash inflows from operating activities	**297**	27
Cash flows from investing activities		
Payments for investment properties	**(178)**	(269)
Proceeds from sale of investment properties	**77**	384
Proceeds from loans to unrelated parties	**50**	141
Payments of loans to unrelated parties	**(49)**	(90)
Payments for property, plant and equipment	**(1)**	(1)
Contributions to joint ventures and associates	**(132)**	(72)
Proceeds from joint ventures and associates	**—**	8
Payments for investments	**(5)**	—
Net cash (outflows)/inflows from investing activities	**(238)**	101
Cash flows from financing activities		
Proceeds from borrowings	**3,489**	3,050
Repayments of borrowings	**(3,566)**	(2,860)
Distributions paid	**(236)**	(209)
Principal element of lease payments	**(5)**	(4)
Net cash outflows from financing activities	**(318)**	(23)
Net (decrease)/increase in cash and cash equivalents	**(259)**	105
Cash and cash equivalents at the beginning of the half year	**335**	122
Cash and cash equivalents at the end of the half year	**76**	227

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

Notes to the consolidated financial statements

A Basis of preparation

Mirvac Group – stapled securities

A Mirvac Group stapled security comprises one Mirvac Limited share 'stapled' to one unit in Mirvac Property Trust (MPT) to create a single listed security traded on the ASX. The stapled securities cannot be traded or dealt with separately.

Mirvac Limited and MPT remain separate legal entities in accordance with the *Corporations Act 2001*. For accounting purposes, Mirvac Limited has been deemed the parent entity of MPT.

Statement of compliance

The interim financial report for the half year ended 31 December 2024 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim financial report does not include all the information and disclosures normally included in an annual financial report. Accordingly, this report should be read in conjunction with the Annual Report for the year ended 30 June 2024 and any public announcements made by Mirvac Group during the interim reporting period.

Basis of preparation

The accounting policies adopted are consistent with those adopted in the financial statements for the year ended 30 June 2024 except for the adoption of new and amended accounting standards. Refer to the below sections on new and amended standards adopted by the Group.

These financial statements have been prepared on a going concern basis, using historical cost conventions except for investment properties, investment properties under construction (IPUC), assets classified as held for sale, derivative financial instruments and other financial assets and financial liabilities that have been measured at fair value.

All figures in the financial statements are presented in Australian dollars (AUD) and have been rounded to the nearest million (m) dollars in accordance with *ASIC Corporations Instrument 2016/191*, unless otherwise indicated.

Comparative information

Where necessary, comparative information has been restated to conform to the current period's disclosures.

Critical accounting estimates and judgements

The preparation of the interim financial statements requires estimation and judgement. The areas involving a higher degree of estimation or judgement were the same as those applied in the financial statements for the year ended 30 June 2024, with the exception of the new and amended standards as set out below.

New and amended standards adopted by the Group

Amended standards and interpretations adopted by the Group for the half year ended 31 December 2024 have not had a significant impact on the current period or prior periods and are not likely to have a significant impact on future periods. These are listed below:

> AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* [AASB 101]
> AASB 2022-5 *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback* [AASB 16]
> AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants* [AASB 101 and AASB Practice Statement 2].

Notes to the consolidated financial statements

B Results for the half year

This section explains the results and performance of the Group, including segmental analysis and detailed breakdowns.

B1 Segment information

The Group identifies its operating segments based on the internal reporting provided to the Executive Leadership Team, who are the Group's chief operating decision-makers.

The Group's operating segments are as follows:

Investment
Passive portfolio, through which income is derived from directly owned assets, co-investment stakes in funds, and investments in joint ventures and associates alongside capital partners. The portfolio spans office, industrial, retail, build to rent and land lease.

Funds
Includes both funds management and asset management operations, earning fees from the provision of investment management, property management, leasing, and capital expenditure delivery services to the balance sheet portfolio and third-party partners.

Development
Spans commercial and mixed-use, build to rent and residential projects. Profits are derived from development of assets for institutional investors as well as the Group's balance sheet, and through building homes and communities for residential customers.

Geographically, the Group operates in major urban areas across Australia.

During the period, the Group recognised $321m of revenue from one external customer. This revenue represents 27 per cent of total revenue and was attributed to the Development segment. No other single customer in the current or comparative period provided more than 10 per cent of the Group's revenue.

Presented below are the key profit metrics, a breakdown of revenue by function and other required information for each segment:

Key profit metrics

Half year ended 31 December	**2024 $m**	2023 $m
Investment	**302**	309
Funds	**14**	16
Development	**81**	86
Segment EBIT [1]	**397**	411
Unallocated overheads	**(36)**	(39)
Group EBIT	**361**	372
Net financing costs [2]	**(110)**	(109)
Operating income tax expense	**(15)**	(11)
Operating profit after tax	**236**	252
Development revaluation (loss)/gain [3]	**(33)**	13
Net investment property revaluation loss	**(139)**	(396)
Other non-operating items	**(63)**	(70)
Statutory profit/(loss) attributable to stapled securityholders	**1**	(201)

1. Segment EBIT includes share of EBIT of joint ventures and associates.
2. Includes cost of goods sold interest of $7m (December 2023: $16m), interest revenue of $3m (December 2023: $5m), and the Group's share of JVA net financing costs of $16m (December 2023: $5m).
3. Relates to the fair value movement on IPUC.

Notes to the consolidated financial statements

B Results for the half year continued

Revenue by function

	Segments									
	Investment		Funds		Development		Unallocated		Total	
Half year ended 31 December	**2024 $m**	2023 $m	**2024 $m**	2023 $m	**2024 $m**	2023 $m	**2024 $m**	2023 $m	**2024 $m**	2023 $m
Property rental revenue	**322**	353	**5**	7	**—**	—	**—**	—	**327**	360
Development revenue [1]	**—**	—	**—**	—	**772**	846	**—**	—	**772**	846
Asset and funds management revenue [2]	**—**	—	**39**	35	**—**	—	**—**	—	**39**	35
Other revenue	**1**	4	**6**	8	**2**	8	**2**	5	**11**	25
Total operating revenue	**323**	357	**50**	50	**774**	854	**2**	5	**1,149**	1,266
Share of net profit of joint ventures and associates [3]	**63**	—	**—**	—	**22**	—	**—**	—	**85**	—
Gain on sale of assets	**—**	—	**—**	—	**61**	—	**—**	—	**61**	—
Other income	**63**	—	**—**	—	**83**	—	**—**	—	**146**	—
Total operating revenue and other income	**386**	357	**50**	50	**857**	854	**2**	5	**1,295**	1,266
Non-operating items	**(26)**	(14)	**—**	—	**—**	—	**15**	9	**(11)**	(5)
Total statutory revenue and other income	**360**	343	**50**	50	**857**	854	**17**	14	**1,284**	1,261

1. Includes development management fees.
2. Investment property management revenue incurred on the Group's investment properties of $8m (December 2023: $8m) has been eliminated on consolidation.
3. Other income excludes non-operating items.

Segment assets and liabilities

	Segments									
	Investment		Funds		Development		Unallocated		Total	
	31 December 2024 $m	30 June 2024 $m	**31 December 2024 $m**	30 June 2024 $m	**31 December 2024 $m**	30 June 2024 $m	**31 December 2024 $m**	30 June 2024 $m	**31 December 2024 $m**	30 June 2024 $m
Assets										
Investment properties	**7,517**	7,956	**—**	—	**816**	781	**—**	—	**8,333**	8,737
Inventories	**—**	—	**—**	—	**2,472**	2,659	**—**	—	**2,472**	2,659
Assets held for sale	**337**	300	**—**	—	**—**	—	**—**	—	**337**	300
Indirect investments [1]	**2,572**	2,354	**35**	36	**596**	377	**15**	21	**3,218**	2,788
Other assets	**146**	58	**48**	50	**417**	330	**473**	634	**1,084**	1,072
Total assets	**10,572**	10,668	**83**	86	**4,301**	4,147	**488**	655	**15,444**	15,556
Total liabilities	**254**	403	**28**	33	**1,051**	799	**4,943**	4,970	**6,276**	6,205
Net assets	**10,318**	10,265	**55**	53	**3,250**	3,348	**(4,455)**	(4,315)	**9,168**	9,351

1. Includes carrying value of investments in joint ventures and associates, and other indirect investments.

Notes to the consolidated financial statements

B Results for the half year continued

Other segment information

	Segments									
	Investment		Funds		Development		Unallocated		Total	
Half year ended 31 December	**2024 $m**	2023 $m	**2024 $m**	2023 $m	**2024 $m**	2023 $m	**2024 $m**	2023 $m	**2024 $m**	2023 $m
Share of net profit/(losses) of joint ventures and associates	**52**	(88)	**—**	—	**22**	19	**—**	—	**74**	(69)
Depreciation and amortisation expenses	**29**	28	**—**	2	**—**	—	**6**	6	**35**	36
Additions of investment properties and PPE	**66**	84	**—**	—	**69**	83	**2**	1	**137**	168
Additions of investments in joint ventures and associates	**97**	54	**—**	—	**35**	18	**—**	—	**132**	72

Reconciliation of statutory profit to operating profit after tax

The following table shows how profit for the half year attributable to stapled securityholders reconciles to operating profit after tax:

	Segments					
	Investment $m	Funds $m	Development $m	Unallocated $m	**31 December 2024 Total $m**	31 December 2023 Total $m
Profit/(loss) for the half year attributable to stapled securityholders	**104**	**14**	**(14)**	**(103)**	**1**	(201)
Exclude specific non-cash items						
Revaluation of investment properties [1]	125	—	33	—	**158**	260
Net (gain)/loss on financial instruments	(2)	—	—	(7)	**(9)**	19
Depreciation of right-of-use assets	—	—	—	4	**4**	4
Straight-lining of lease revenue [2]	1	—	—	—	**1**	(3)
Amortisation of lease incentives and leasing costs [3]	44	—	—	—	**44**	45
Amortisation of management rights	—	—	—	—	**—**	1
Share of net profit of joint ventures and associates relating to movement of non-cash items [4]	11	—	—	—	**11**	135
AASB 16 Leases – net movement	—	—	—	(4)	**(4)**	(4)
Exclude other non-operating items						
Loss on disposal of assets	2	—	—	—	**2**	2
Impairment of inventory and other assets [5]	—	—	31	—	**31**	—
Reversal of impairment of other assets [2]	—	—	—	—	**—**	(4)
Transaction costs	—	—	5	—	**5**	4
Tax effect						
Tax effect of non-operating adjustments [6]	—	—	—	(8)	**(8)**	(6)
Operating (loss)/profit after tax	**285**	**14**	**55**	**(118)**	**236**	252
Software-as-a-Service (SaaS) implementation costs	—	5	—	6	**11**	13
Funds From Operations (FFO)	**285**	**19**	**55**	**(112)**	**247**	265

1. Includes development revaluation gain and revaluation loss on assets classified as held for sale and excludes Mirvac's share in the joint ventures and associates revaluation of investment properties, which is included within Share of net profit/(losses) of joint ventures and associates.
2. Included within Revenue.
3. Includes amortisation of lease incentives and leasing costs incurred during the period on assets classified as held for sale.
4. Included within Share of net profit/(losses) of joint ventures and associates.
5. Excludes impairment of inventory classified as operating profit.
6. Included within Income tax expense.

Notes to the consolidated financial statements

B Results for the half year continued

B2 Earnings per stapled security

Basic earnings per stapled security (EPS) is calculated by dividing:

> the profit attributable to stapled securityholders by
> the weighted average number of ordinary securities (WANOS) outstanding during the half year.

Diluted EPS adjusts the WANOS to take into account the dilutive potential of ordinary securities from security-based payments.

	31 December 2024	31 December 2023
Profit/(loss) attributable to stapled securityholders used to calculate basic and diluted EPS ($m)	**1**	(201)
WANOS used in calculating basic EPS (m)	**3,945**	3,945
WANOS used in calculating diluted EPS (m)	**3,946**	3,946
Basic and diluted EPS (cents)	**—**	(5.1)

B3 Expenses

Profit before income tax includes the following specific expenses	**31 December 2024 $m**	31 December 2023 $m
Total investment property expenses and outgoings		
Statutory levies	**21**	22
Insurance	**3**	4
Power and gas	**13**	14
Property maintenance	**23**	22
Other	**32**	31
Total investment property expenses and outgoings	**92**	93
Total employee expenses		
Employee benefits expenses	**59**	41
Security-based payments expense	**3**	7
Total employee expenses	**62**	48
Interest and borrowing costs		
Interest paid/payable	**128**	132
Interest on lease liabilities	**—**	—
Interest capitalised	**(40)**	(41)
Borrowing costs amortised	**2**	2
Total finance costs	**90**	93
Add: cost of goods sold interest [1]	**17**	16
Total interest and borrowing costs	**107**	109
Total other expenses		
Compliance, consulting and professional fees	**8**	9
Office and administration expenses	**7**	8
IT infrastructure [2]	**22**	24
Transaction costs	**5**	4
Other expenses	**6**	9
Total other expenses	**48**	54

1. Relates to interest capitalised when initially incurred and expensed in the current period on settlement.
2. Includes employee benefits expenses $3m (December 2023: $4m) relating to the implementation of SaaS arrangements.

Notes to the consolidated financial statements

B Results for the half year continued

B4 Events occurring after the end of the half year

On 15 January 2025, the Group settled on the sale of 10-20 Bond St, Sydney NSW, which was classified as held for sale for the half year ended 31 December 2024.

Additionally, on 31 January 2025, a joint venture partner for Serenitas exercised a call option to acquire a further 8 per cent of the units in Serenitas. Settlement is expected to occur on 14 February 2025, and following this, the Group's interest in Serenitas will decrease from 48 per cent to 40 per cent.

No other events have occurred since the end of the half year which have significantly affected or may significantly affect Mirvac's operations, the results of those operations, or Mirvac's state of affairs in future years.

B5 Income tax

This section includes the Group's tax accounting policies and details of the income tax expense and deferred tax balances.

Accounting for income tax

Most of the Group's profit is earned by Mirvac Property Trust and its sub-trusts, which are not subject to taxation, provided that the stapled securityholders of the Group are attributed the taxable income of the Mirvac Property Trust. Stapled securityholders are liable to pay tax at their effective tax rate on the amounts attributed.

Income tax expense for Mirvac Limited and its wholly owned controlled entities is calculated at the applicable tax rate (currently 30 per cent in Australia). This is recognised in the profit for the half year, unless it relates to other comprehensive income or transactions recognised directly in equity.

The tax expense comprises both current and deferred tax. Broadly, current tax represents the tax expense paid or payable for the current year.

Accounting income is not always the same as taxable income, creating temporary differences. These differences usually reverse over time. Until they reverse, a deferred tax asset or liability is recognised on the consolidated SoFP. Deferred tax is not recognised on the initial recognition of goodwill. Deferred tax assets, including those arising from tax losses, are only recognised to the extent it is probable that sufficient taxable profits will be available to utilise the losses in the foreseeable future.

The Group estimates future taxable profits based on approved budgets and forecasts extending five years. Future taxable profits are influenced by a variety of general economic and business conditions, which are outside the control of the Group. A change in any of these assumptions could have an impact on the future profitability of the Group and may affect the recovery of deferred tax assets.

As at 31 December 2024, the Group had $236m (June 2024: $236m) of unrecognised capital losses.

Tax consolidation legislation

Mirvac Limited and its wholly owned controlled entities are in a tax consolidated group. The entities in the tax consolidated group have entered into a tax sharing agreement that, in the opinion of the Directors, limits the joint and several liabilities of the wholly owned entities in the case of a default by the head entity, Mirvac Limited. Accordingly, the deferred tax assets and deferred tax liabilities are permitted to be offset in the consolidated SoFP.

The entities in the tax consolidated group are also parties to a tax funding agreement which makes provision for Mirvac Limited as head entity to be funded by its subsidiaries for any group liability payable by Mirvac Limited.

Notes to the consolidated financial statements

C Property and development assets

This section includes investment properties, investments in joint ventures and associates (JVAs) and inventories. They represent the core assets of the business and drive the value of the Group.

C1 Property portfolio

Mirvac holds a property portfolio for long-term rental yields and capital appreciation. Depending on the specific arrangements for each property, they are classified as investment properties or properties held through JVAs.

A detailed listing of Mirvac's property portfolio assets can be located in the Property Compendium (unaudited), which is available on Mirvac's website: https://www.mirvac.com/investor-centre/results-and-announcements/asx-announcements.

Judgements in fair value estimation

Fair value is the price that would be received on selling an asset in an orderly transaction between market participants.

For all investment property that is measured at fair value, the existing use of the property is considered the highest and best use.

The Group assesses its property portfolio for environmental risks and incorporates sustainability initiatives, where appropriate, in determining the fair value of investment properties.

The fair values of properties are calculated using a combination of market sales comparisons, discounted cash flows and capitalisation rates.

To assist with calculating reliable estimates, Mirvac uses independent valuers on a rotational basis. Approximately 25 per cent of the portfolio is independently valued every six months, with management internally estimating the fair value of the remaining properties using estimation techniques by suitably qualified personnel. As at 31 December 2024, the Group undertook independent valuations covering 26 per cent of its investment property portfolio, by value, excluding IPUC.

The fair values are a best estimate but may differ from the actual sales price if the properties were to be sold. The key judgements for each valuation method are explained below:

Discounted cash flow (DCF): Projects a series of cash flows over the property's life and a terminal value, discounted using a discount rate to give the present value.

The projected cash flows incorporate expected rental income (based on contracts or market rates), operating costs, lease incentives, lease fees, capital expenditure, and a terminal value from selling the property. The terminal value is calculated by applying the terminal yield to the net market income. The discount rate is a market rate reflecting the risk associated with the cash flows, the nature, location, and tenancy profile of the property relative to comparable investment properties and other asset classes.

Capitalisation rate: The rate or yield at which the annual net income from an investment is capitalised to ascertain its capital value at a given date. The annual net income is based on contracted rents, market rents, operating costs and future income on vacant space. The capitalisation rate reflects the nature, location and tenancy profile of the property together with current market evidence and sales of comparable properties.

Direct comparison approach: Utilises recent sales of comparable properties adjusted for any differences, including the nature, location, town planning/zoning, flooding and environmental impediments.

Investment properties under construction: There generally is not an active market for IPUC. Due to the inherent difficulty in valuing IPUC, fair value will typically be capitalised costs to date. Where a valuation is performed, fair value is measured using the capitalisation rate, DCF or residual valuations. Capitalisation rate and DCF valuations for IPUC are as described above, but also consider the costs and risks of completing construction and letting the property.

Residual: Estimates the value of the completed project, less the remaining development costs which include construction, finance costs and an allowance for the developer's risk and profit. This valuation is then discounted back to the present value.

Note C2 explains the key inputs in the measurement of fair value of investment properties.

Notes to the consolidated financial statements

C Property and development assets continued

Property portfolio as at 31 December 2024

The composition of the Group's investment property portfolio includes:

	Note	Office $m	Industrial $m	Retail $m	Living $m	**31 December 2024 Total $m**	30 June 2024 Total $m
Investment properties		4,000	1,304	2,213	—	**7,517**	7,956
Investment properties under construction		406	169	241	—	**816**	781
Total investment properties	C2	**4,406**	**1,473**	**2,454**	**—**	**8,333**	8,737
Investments in JVA[1]		1,552	447	—	1,174	**3,173**	2,984
Assets classified as held for sale		337	—	—	—	**337**	300
Total property portfolio		**6,295**	**1,920**	**2,454**	**1,174**	**11,843**	12,021

1. Represents Mirvac's share of the JVA's investment properties, which is included within the carrying value of investments in JVA.

Revaluation of investment properties	**31 December 2024 $m**	31 December 2023 $m
Office	**(245)**	(255)
Industrial	**83**	(35)
Retail	**4**	30
Net revaluation loss from fair value adjustments	**(158)**	(260)

C2 Investment properties

Investment properties, including investment properties under construction, are held at fair value. Revaluation gains are recognised as Other income and revaluation losses are recognised as an expense. The fair value movements are non-cash and do not affect the Group's distributable income.

Movements in investment properties	Office $m	Industrial $m	Retail $m	**31 December 2024 Total $m**	30 June 2024 Total $m
Balance 1 July	4,950	1,385	2,402	**8,737**	9,753
Expenditure capitalised	70	9	56	**135**	426
Disposals	—	—	—	**—**	(243)
Net revaluation (loss)/gain from fair value adjustments	(245)	83	4	**(158)**	(715)
Transfer to assets classified as held for sale	(337)	—	—	**(337)**	(88)
Transfer to inventories	—	—	—	**—**	(101)
Transfer to joint ventures and associates	—	—	—	**—**	(202)
Amortisation expense	(32)	(4)	(8)	**(44)**	(93)
Closing balance	**4,406**	**1,473**	**2,454**	**8,333**	8,737

Notes to the consolidated financial statements

C Property and development assets continued

Fair value measurement and valuation basis

Investment properties are measured as Level 3 financial instruments. Refer to note D2 for explanation of the levels of fair value measurement.

The discounted cash flow, capitalisation rate, residual valuation and direct comparison methods all use unobservable inputs in determining fair value; ranges of the inputs are included below per asset class:

		Inputs used to measure fair value				
	Level 3 fair value $m	Net market income $/sqm	10-year compound annual growth rate %	Capitalisation rate %	Terminal yield %	Discount rate %
31 December 2024						
Office	**4,406**	**350 – 1,370**	**3.42 – 3.92**	**5.50 – 7.88**	**5.75 – 8.13**	**6.63 – 8.00**
Industrial	**1,473**	**172 – 488**	**3.27 – 3.47**	**5.25 – 6.25**	**5.50 – 6.50**	**6.50 – 7.50**
Retail	**2,454**	**358 – 774**	**3.03 – 4.00**	**5.25 – 8.75**	**5.50 – 9.00**	**6.50 – 10.00**
Total investment properties	**8,333**	**—**	**—**	**—**	**—**	**—**
30 June 2024						
Office	4,950	350 – 1,367	3.45 – 3.95	5.25 – 8.00	5.50 – 8.25	6.50 – 8.00
Industrial	1,385	170 – 480	3.27 – 3.40	5.13 – 5.75	5.38 – 6.13	6.75 – 7.43
Retail	2,402	353 – 744	2.99 – 4.10	5.00 – 8.75	5.25 – 9.00	6.50 – 10.00
Total investment properties	8,737	—	—	—	—	—

Sensitivity analysis

Due to the judgement required to assess the fair value of the Group's investment properties, a sensitivity analysis was undertaken to further stress test the Group's assessment of fair value as at 31 December 2024.

The following sensitivity analysis is based on upward and downward movement scenarios of 25 bps and 50 bps on the movement of capitalisation rates, discount rates and terminal yields per asset class compared to the capitalisation rates, discount rates and terminal yields adopted by the Group as at 31 December 2024. These are considered to be the key unobservable inputs that would be expected to have the most material impact on the fair values adopted if they moved. Valuations use a blended capitalisation rate and DCF approach whereby the current market income and the cash flow of the investment property are considered to determine the final fair value. Varying the capitalisation rates alone will only impact the valuations derived through the capitalisation method and has no impact on the DCF analysis. A change in discount rate and terminal capitalisation rate will only impact the DCF valuation. Accordingly, all three metrics need to be moved proportionately to ensure a consistent methodology when performing the sensitivity analysis.

Presented below is the outcome of the sensitivity analysis as the decrement or increment to the fair value of each asset class of the Group's investment property portfolio (including assets classified as held for sale, office JVs, and industrial JVs, but excluding all other JVAs and IPUC) should the unobservable inputs increase or decrease by 25 bps or 50 bps. For example, an increase of 25 bps of the capitalisation rate, discount rate and terminal yield in the Group's office portfolio would have resulted in a decrement of $213m in addition to the fair value presented as at 31 December 2024.

	Capitalisation rate, discount rate and terminal yield movement by			
Investment properties at fair value assessed using DCF, market capitalisation and capitalisation rate	↑ 25 bps $m	↑ 50 bps $m	↓ 25 bps $m	↓ 50 bps $m
Office	(213)	(428)	235	494
Industrial	(81)	(155)	89	187
Retail	(97)	(186)	106	222
Total	**(391)**	**(769)**	**430**	**903**

For investment properties at fair value assessed using the direct comparison approach, a sensitivity analysis was performed. Using an increase of 5 per cent in the rate per square metre and a decrease of 5 per cent in the rate per square metre, the impact to the fair value presented as at 31 December 2024 was not material.

Ground leases

As at 31 December 2024, $37m of lease liabilities for ground leases has been recognised in the consolidated SoFP (June 2024: $37m).

Notes to the consolidated financial statements

C Property and development assets continued

C3 Investments in joint ventures and associates

A joint venture is a joint arrangement where Mirvac has joint control over the activities and joint rights to the net assets. An associate is an entity over which Mirvac has significant influence, and that is neither a subsidiary nor an interest in a joint venture. Refer to note F3 for the Group's joint venture and associate entities and ownership percentages.

All JVAs are established or incorporated in Australia. The movements in the carrying amount of the JVAs are as follows:

Movements in the carrying amount of JVA	**31 December 2024 Total $m**	30 June 2024 Total $m
Balance 1 July	**2,545**	2,302
Share of profit/(losses)[1]	**74**	(237)
Share of other comprehensive losses	**(2)**	—
Equity acquired	**132**	453
Transfers from inventories	**262**	—
Transfers from investment properties	**—**	202
Transfers from other assets	**60**	—
Joint venture acquisitions and disposals[2]	**—**	2
Impairment of investment	**—**	(42)
Return of capital	**—**	(16)
Distributions received/receivable	**(59)**	(114)
Other movements	**19**	(5)
Closing balance	**3,031**	2,545

1. No impairment losses have been recognised on JVAs in the current period. The prior year includes $51m impairment losses on JVAs.
2. Represents the net liabilities (excluding inventories and investment properties which are disclosed separately) of entities that were formerly wholly owned subsidiaries and transferred to JVAs during the period.

The table below lists JVAs that are significant to the Group:

JVA	Principal activities	**31 December 2024 Interest %**	**31 December 2024 Carrying value $m**	30 June 2024 Interest %	30 June 2024 Carrying value $m
LIV Mirvac Property Trust	Property investment	**44**	**434**	44	386
The George Street Trust	Property investment	**50**	**430**	50	442
Mirvac Wholesale Office Fund	Property investment	**9**	**349**	8	359
Serenitas[1]	Property investment	**48**	**286**	48	235
Mirvac (Old Treasury) Trust	Property investment	**50**	**227**	50	231
Mirvac 8 Chifley Trust	Property investment	**50**	**194**	50	196
Mirvac Locomotive Trust	Property investment	**51**	**178**	51	184
Cobbitty Trust[2]	Property investment	**50**	**179**	—	—
MIV Switchyard Trust	Property investment	**51**	**173**	51	175
Other JVAs	Various	**—**	**581**	—	337
Closing balance			**3,031**		2,545

1. Comprised of Poolroom Bid Trust and Poolroom HoldCo Pty Ltd, collectively referred to as Serenitas.
2. This entity became a JVA on 20 December 2024.

Capital expenditure commitments

As at 31 December 2024, the Group's share of its JVAs capital commitments that have been approved but not yet provided for was $168m (June 2024: $259m).

Notes to the consolidated financial statements

C Property and development assets continued

C4 Inventories

The Group develops residential, commercial and mixed-use properties for sale in the ordinary course of business. Inventories are classified as current if they are expected to be settled within 12 months. Otherwise, they are classified as non-current.

Judgement in calculating net realisable value (NRV) of inventories

NRV is the estimated selling price in the ordinary course of business less the estimated costs to complete and sell the development. NRV is estimated using the most reliable evidence available at the time, including expected fluctuations in selling price and estimated costs to complete and sell.

The key assumptions used in the project forecasts for the Group's NRV assessments include:

Key assumption	Details of key assumption
Sales rates/ volumes	The rate at which lots are sold over a given period.
Sales price	The price for which a given lot or asset is sold.
Sales incentives	Recognised as a percentage of purchase price, which is allocated to either direct or indirect expenditure to induce the sale of a lot.
Settlement volumes	The number of lot settlements achievable over a given period.
Cost to complete	All remaining costs to complete the program of works and sell unsold stock, measured at reporting date.
Program duration	The duration of a project from commencement to completion of all stages; a project program generally extends from the approval to purchase through to the final settlement of lots and may extend over many years.

	Residential			Commercial & Mixed Use	**31 December 2024**	30 June 2024
	MPC $m	Apartments $m	Total $m	Total $m	**Total $m**	Total $m
Inventory represented by						
Current inventory	257	653	910	297	**1,207**	1,388
Provision for impairment	(1)	(47)	(48)	(7)	**(55)**	(39)
Total current inventory	**256**	**606**	**862**	**290**	**1,152**	1,349
Non-current inventory	541	537	1,078	248	**1,326**	1,323
Provision for impairment	(1)	(5)	(6)	—	**(6)**	(13)
Total non-current inventory	**540**	**532**	**1,072**	**248**	**1,320**	1,310
Total inventories	**796**	**1,138**	**1,934**	**538**	**2,472**	2,659
Movements in inventories						
Balance 1 July	1,056	1,154	2,210	449	**2,659**	3,239
Costs incurred	352	175	527	161	**688**	1,047
Settlements	(373)	(145)	(518)	(64)	**(582)**	(1,693)
Provision for impairment of inventories	(17)	(14)	(31)	—	**(31)**	—
Release of provision for impairment of inventories	—	—	—	—	**—**	9
Inventory costs written off	—	(1)	(1)	—	**(1)**	(7)
Transfer from investment properties	—	—	—	—	**—**	101
Transfer to JVAs	(231)	(31)	(262)	—	**(262)**	—
Transfer from other assets	9	—	9	—	**9**	—
Transfer to receivables	—	—	—	(8)	**(8)**	(37)
Closing balance	**796**	**1,138**	**1,934**	**538**	**2,472**	2,659

Notes to the consolidated financial statements

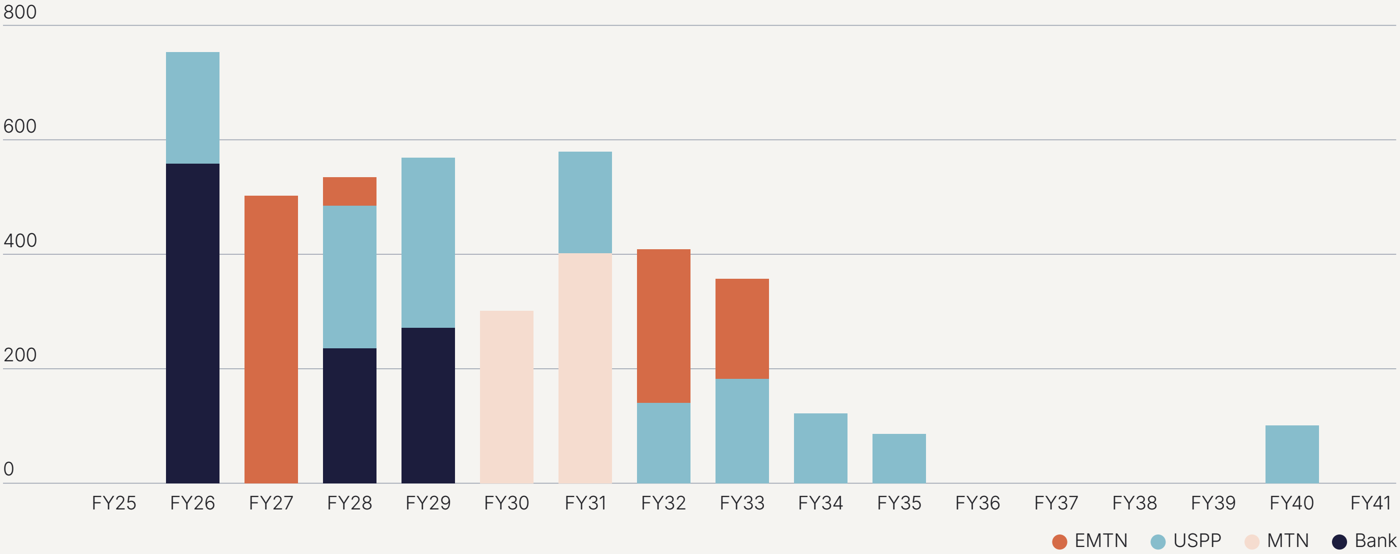
D Capital structure and risks

Capital comprises stapled securityholders' equity and net debt.

D1 Borrowings and liquidity

The Group enters into borrowings at both fixed and floating interest rates and also uses interest rate derivatives to reduce interest rate risks. As at 31 December 2024, the Group had $991m (June 2024: $1,388m) of cash and committed undrawn facilities available.

Drawn debt sources and expiries as at 31 December 2024



Borrowings

Borrowings are initially recognised at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest rate method. Under the amortised cost method, any difference between the initial amount recognised and the redemption amount is recognised in the consolidated SoCI over the period of the borrowings using the effective interest rate method.

	31 December 2024				30 June 2024			
	Current $m	**Non-current $m**	**Total carrying amount $m**	**Total fair value $m**	Current $m	Non-current $m	Total carrying amount $m	Total fair value $m
Unsecured facilities								
Bank loans	**258**	**805**	**1,063**	**1,063**	—	1,403	1,403	1,403
Bonds	**202**	**3,244**	**3,446**	**3,505**	181	2,850	3,031	3,048
Total unsecured borrowings	**460**	**4,049**	**4,509**	**4,568**	181	4,253	4,434	4,451
Prepaid borrowing costs	**—**	**(11)**	**(11)**	**(11)**	—	(10)	(10)	(10)
Total borrowings	**460**	**4,038**	**4,498**	**4,557**	181	4,243	4,424	4,441
Undrawn facilities			**915**				1,053	
Other								
Lease liabilities	**6**	**77**	**83**	**83**	9	47	56	56

The fair value of bank loans is considered to approximate their carrying amount. The fair value of bonds is calculated as the expected future cash flows discounted by the relevant current market rates.

Notes to the consolidated financial statements

D Capital structure and risks continued

D2 Fair value measurement of financial instruments

Mirvac measures various financial assets and liabilities at fair value, which in some cases, may be subjective and depend on the inputs used in the calculations. The different levels of measurement are described below:

> **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities
> **Level 2:** not traded in an active market but calculated with significant inputs coming from observable market data
> **Level 3:** significant inputs to the calculation that are not based on observable market data (unobservable inputs).

Mirvac holds no Level 1 financial instruments.

The methods and assumptions used to estimate the fair value of Mirvac's financial instruments are as follows:

Derivative financial instruments

Mirvac's derivative financial instruments are classified as Level 2, as the fair values are calculated based on observable market interest rates and foreign exchange rates. The fair values of interest rate derivatives are calculated as the present value of the estimated future cash flows based on observable yield curves.

Other financial assets

Other financial assets include units in unlisted entities and convertible notes issued by unrelated parties. The carrying value of other financial assets is equal to the fair value. Other financial assets are classified as Level 3, as the fair values are not based on observable market data.

Investments in unlisted entities are traded in inactive markets and the fair value is determined by the unit or share price as advised by the trustee of the unlisted entity, based on the value of the underlying assets. The unlisted entity's assets are subject to regular external valuations. The valuation methods used by the external valuers have not changed since 30 June 2024.

There were no transfers between the fair value hierarchy levels during the half year. The following table presents a reconciliation of the carrying value of Level 3 instruments held by the Group (excluding investment properties):

Investments in unlisted equities	**31 December 2024 $m**	30 June 2024 $m
Balance 1 July	**65**	74
Acquisitions	**3**	—
Net loss recognised in revaluation loss on financial instruments	**—**	(9)
Closing balance	**68**	65

Refer to note C2 for a reconciliation of the carrying value of investment properties, also classified as Level 3.

Notes to the consolidated financial statements

E Equity

This section includes details of distributions, stapled securityholders' equity and reserves. It represents how the Group raises equity from its stapled securityholders in order to finance the Group's activities both now and in the future.

E1 Distributions

Half yearly ordinary distributions	CPSS	Amount payable/paid $m	Date payable/paid
31 December 2024	**4.5**	**178**	**27 February 2025**
31 December 2023	4.5	178	29 February 2024

All distributions in the current and prior periods were unfranked. Franking credits available for future years, based on a tax rate of 30 per cent, total $28m (June 2024: $58m).

E2 Contributed equity

Mirvac's contributed equity includes ordinary shares in Mirvac Limited and ordinary units in MPT, which are stapled to create stapled securities.

Each ordinary security entitles the holder to receive distributions when declared, to one vote at securityholders' meetings and in polls, and to a proportional share of proceeds on the winding up of Mirvac.

Contributed equity	**31 December 2024**		30 June 2024	
	No. securities m	**Securities $m**	No. securities m	Securities $m
Mirvac Limited – ordinary shares issued	**3,945**	**2,166**	3,945	2,166
MPT – ordinary units issued	**3,945**	**5,368**	3,945	5,368
Total contributed equity		**7,534**		7,534

The total number of stapled securities issued as listed on the ASX as at 31 December 2024 was 3,946m (June 2024: 3,946m), which included 1m of stapled securities issued under the LTP plan and EIS (June 2024: 1m). Securities issued to employees under the Mirvac employee LTP plan and EIS are accounted for as options and are recognised in the security-based payments reserve, not in contributed equity.

Movements in paid up equity	**31 December 2024**		30 June 2024	
	No. securities	**Securities $m**	No. securities	Securities $m
Balance 1 July	**3,944,796,577**	**7,534**	3,944,597,806	7,533
Legacy schemes vested	**28,049**	**—**	198,771	1
Closing balance	**3,944,824,626**	**7,534**	3,944,796,577	7,534

Notes to the consolidated financial statements

F Other disclosures

This section provides additional required disclosures that are not covered in the previous sections.

F1 Receivables

	31 December 2024			30 June 2024		
	Gross $m	**Loss allowance $m**	**Net $m**	Gross $m	Loss allowance $m	Net $m
Current receivables						
Trade receivables	**257**	**(5)**	**252**	69	(5)	64
Contract assets [1]	**—**	**—**	**—**	1	—	1
Loans to unrelated parties	**10**	**—**	**10**	10	—	10
Other receivables	**182**	**—**	**182**	332	—	332
Total current receivables	**449**	**(5)**	**444**	412	(5)	407
Non-current receivables						
Loans to unrelated parties	**11**	**—**	**11**	7	—	7
Other receivables	**121**	**—**	**121**	5	—	5
Total non-current receivables	**132**	**—**	**132**	12	—	12
Total receivables	**581**	**(5)**	**576**	424	(5)	419

1. Contract assets are receivables where the right to receive payment from customers remains conditional.

Movements in loss allowance	**31 December 2024 $m**	30 June 2024 $m
Balance 1 July	**(5)**	(10)
Loss allowance recognised	**(2)**	(3)
Loss allowance released	**2**	5
Amounts utilised for write-off of receivables	**—**	3
Closing balance	**(5)**	(5)

Notes to the consolidated financial statements

F Other disclosures continued

F1 Receivables continued

Ageing

	Not past due $m	Days past due 1 – 30 $m	31 – 60 $m	61 – 90 $m	91 – 120 $m	Over 120 $m	Total $m
Trade receivables	**205**	**30**	**6**	**3**	**3**	**10**	**257**
Contract assets	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Loans	**21**	**—**	**—**	**—**	**—**	**—**	**21**
Other receivables	**269**	**23**	**—**	**—**	**—**	**11**	**303**
Loss allowance	**—**	**—**	**—**	**—**	**—**	**(5)**	**(5)**
Balance 31 December 2024	**495**	**53**	**6**	**3**	**3**	**16**	**576**
Trade receivables	51	6	5	2	1	4	69
Contract assets	1	—	—	—	—	—	1
Loans	17	—	—	—	—	—	17
Other receivables	312	10	8	6	—	1	337
Loss allowance	—	—	—	(1)	(1)	(3)	(5)
Balance 30 June 2024	381	16	13	7	—	2	419

The Group does not have any significant credit risk exposure to a single customer. The Group holds collateral of $97m (June 2024: $121m). The quantum, terms and conditions of collateral are outlined in the lease agreements. However, generally as lessor, the Group has the right to call upon the collateral if a lessee breaches their lease. For further details regarding the Group's exposure to and management of credit risk, refer to the 30 June 2024 Annual Report.

F2 Joint venture acquisitions and disposals

During the period, the Group disposed of interests in three previously controlled and consolidated subsidiaries.

	Cobbitty Trust	Highforest Trust	Mulgoa Trust
Principal activity of the entity	Development of masterplanned community in Cobbitty, NSW.	Development of masterplanned community in West Pennant Hills, NSW.	Development of masterplanned community in Mulgoa, NSW.
Date of unit sale	20 December 2024	13 December 2024	20 December 2024
Per cent of units sold	50	50	50
Per cent of units owned by Group after sale	50	50	50
Accounting treatment of entity after sale	Investment in joint venture	Investment in joint venture	Investment in joint venture
Revenue and other income recognition	$172m, treated as sale of inventory in the ordinary course of business and recognised as revenue during the period.	$85m, treated as sale of inventory in the ordinary course of business and recognised as revenue during the period.	$73m, treated as sale of inventory and a gain on sale of assets in the ordinary course of business and recognised as revenue and other income during the period.
Cash and cash equivalents at time of sale	—	—	—

Notes to the consolidated financial statements

F Other disclosures continued

F3 Interests in joint ventures and associates

This table shows details of Mirvac's interests in joint ventures and associates.

	Ownership %	
	31 December 2024	30 June 2024
Barangaroo EDH Pty Ltd	**33**	33
BuildAI Pty Ltd	**37**	37
Cobbitty Trust [1]	**50**	—
Domaine Investments Management Pty Ltd	**50**	50
Googong Township Pty Ltd	**50**	50
Googong Township Unit Trust	**50**	50
Harold Park Real Estate Trust	**50**	50
Highforest Trust [2]	**50**	—
HPRE Pty Ltd	**50**	50
Leakes Road Rockbank Pty Ltd	**50**	50
Leakes Road Rockbank Unit Trust	**50**	50
LIV Mirvac Property Trust	**44**	44
LIV Mirvac Services Trust	**44**	44
Mirvac (Old Treasury) Pty Limited	**50**	50
Mirvac (Old Treasury) Trust	**50**	50
Mirvac 8 Chifley Pty Ltd	**50**	50
Mirvac 8 Chifley Trust	**50**	50
Mirvac Locomotive Trust	**51**	51
Mirvac Mattfam Real Estate Unit Trust	**50**	50
Mirvac Wholesale Office Fund	**9**	8
MIV Aspect North Trust	**51**	51
MIV Aspect South Trust	**51**	51
MIV Switchyards Trust	**51**	51
Mulgoa Trust [1]	**50**	—
MVIC Finance 2 Pty Ltd	**50**	50
Serenitas [3]	**48**	48
The George Street Trust	**50**	50
Tucker Box Hotel Group [4]	**50**	50
WL Developer Pty Ltd	**50**	50
WL Developer Trust	**50**	50

1. This entity became a JVA on 20 December 2024.
2. This entity became a JVA on 13 December 2024.
3. Comprised of Poolroom Bid Trust and Poolroom HoldCo Pty Ltd, collectively referred to as Serenitas.
4. This entity consisted of Tucker Box Hotel Trust and Tucker Box Hotel Company Pty Limited, which were stapled to form Tucker Box Hotel Group. On 30 April 2024, Tucker Box Hotel Trust was terminated by resolution of its trustee. Tucker Box Hotel Company Pty Limited is currently in the process of liquidation.

Notes to the consolidated financial statements

F Other disclosures continued

F4 Commitments

Capital expenditure commitments

As at 31 December 2024, capital commitments on Mirvac's investment property portfolio were $467m (June 2024: $178m). There were no investment properties pledged as security by the Group (June 2024: nil).

Lease commitments

Lease revenue from investment properties is accounted for as operating lease revenue. The revenue from leases is recognised in the consolidated SoCI on a straight-line basis over the lease term.

Future receipts are shown as undiscounted contractual cash flows.

Future operating lease receipts as a lessor due:	**31 December 2024 $m**	30 June 2024 $m
Within one year	**346**	446
Between one and five years	**1,362**	1,440
Later than five years	**902**	1,005
Total future operating lease receipts	**2,610**	2,891

Other commitments

Mulgoa

In the prior period, the Group exercised call options and paid deposits to acquire multiple lots in Mulgoa, NSW. Settlement on these lots is contracted to occur over time, prior to 30 June 2026. When settlement occurs, the Group will be required to pay the outstanding purchase price (net the deposits already paid) on the lots, which is a total of $109m across the various lots.

Directors' declaration

In the Directors' opinion:

a) the financial statements and the notes set out on pages 15 to 37 are in accordance with the *Corporations Act 2001*, including:
   i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
   ii) giving a true and fair view of the consolidated entity's financial position at 31 December 2024 and of its performance for the financial half year ended on that date; and

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

The Directors have been given the declarations by the CEO & Managing Director and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

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

Campbell Hanan
Director
Sydney
14 February 2025

Independent auditor's report

Independent auditor's review report to the stapled securityholders of Mirvac Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Mirvac Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

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

1. 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

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

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

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

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, BARANGAROO NSW 2000, GPO BOX 2650 SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, PARRAMATTA NSW 2150, PO Box 1155 PARRAMATTA NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

Independent auditor's report

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

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and of 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.

PricewaterhouseCoopers

PricewaterhouseCoopers

V. Papageorgiou

Voula Papageorgiou
Partner

Joe Sheeran

Joe Sheeran
Partner

Sydney
14 February 2025

Glossary

ASX	Australian Securities Exchange
CPSS	Cents per stapled security
DCF	Discount cash flow
EBIT	Earnings before interest and tax
EIS	Employee Incentive Scheme
EEP	Employee Exemption Plan
EPS	Earnings per stapled security
FFO	Funds From Operations
IPUC	Investment properties under construction
JVA	Joint ventures and associates
LTP	Long-term performance
MPC	Masterplanned communities
MPT	Mirvac Property Trust
NRV	Net realisable value
SaaS	Software-as-a-Service
SBP	Security-based payment
SoCE	Statement of changes in equity
SoCI	Statement of comprehensive income
SoCF	Statement of cash flows
SoFP	Statement of financial position
STI	Short-term incentives

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