

Appendix 4D

For the Six Months Ended 31 December 2023

1. Details of the reporting period

This report details the consolidated results of Finbar Group Limited and its controlled entities for the six months ended 31 December 2023. Comparatives are for the six months ended 31 December 2022.

2. Results for announcement to the market

	31-Dec-23	31-Dec-22	Change %
2.1 Revenue from ordinary activities	6,494,000	18,239,000	-64.39%
2.2 Profit from ordinary activities after tax attributable to members	1,485,000	(412,000)	460.44%
2.3 Net Profit for the period attributable to members	1,309,000	(765,000)	271.11%
2.4 Final 2023 Dividend per share, fully franked	0.0 cents	2.0 cents	-100.00%
Declared Interim 2024 Dividend per share, fully franked	0.0 cents	0.0 cents	0.00%
 Earnings per Share (Cents per Share)	 0.55	 (0.15)	 466.67%
2.5 Record date for dividend	Not Applicable		
2.6 Explanation	Refer to Company Announcement		

3. Net tangible assets per share

	31-Dec-23	31-Dec-22
Net tangible assets per share (Cents per Share)	88.70	86.92

4. Details of entities over which control has been gained or lost during the period

Lot 1 to 10 Whatley Crescent Pty Ltd (Subsidiary) - Deregistered
647 Murray Street Pty Ltd (Equity Accounted Investees) - Deregistered
Axis Linkit Pty Ltd (Equity Accounted Investees) - Deregistered

5. Details of dividends

No dividend has been proposed after balance date.

Appendix 4D (continued)

For the Six Months Ended 31 December 2023

6. Details of subsidiaries	Ownership
1 Mends Street Pty Ltd	100%
2 Homelea Court Springs Pty Ltd	100%
31 Rowe Avenue Pty Ltd	100%
32 Riversdale Road Pty Ltd	100%
36 Chester Avenue Pty Ltd	100%
43 McGregor Road Pty Ltd	100%
5-7 Harper Terrace Pty Ltd	100%
63 Adelaide Terrace Pty Ltd	100%
88 Terrace Road Pty Ltd	100%
175 Adelaide Terrace Pty Ltd	100%
239 Great Eastern Highway Pty Ltd	100%
241 Railway Parade Pty Ltd	100%
Finbar Applecross Pty Ltd	100%
Finbar Finance Pty Ltd	100%
Finbar Fund Pty Ltd	100%
Finbar Karratha Pty Ltd	100%
Finbar Port Hedland Pty Ltd	100%
Finbar Project Management Pty Ltd	100%
Finbar Sub 104 Pty Ltd	100%
Finbar To Rent Pty Ltd	100%
Finbar Executive Rentals Pty Ltd	100%
Finbar Commercial Pty Ltd	100%
Finbar Sales Pty Ltd	100%

7. Details of equity accounted investees	Ownership
240 Adelaide Terrace Pty Ltd	50%
Finbar Sub 5050 Pty Ltd	50%
Lot 1001 - 1003 Rowe Avenue Pty Ltd	50%
Rowe Avenue Pty Ltd	50%
Garden Towers East Perth Pty Ltd	50%

8. Foreign entities

Not Applicable.

9. Auditor's review report

No dispute or qualification exists in the auditor's review report.



FINBAR GROUP LIMITED AND
ITS CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT

For the Six Months Ended
31 December 2023

ABN 97 009 113 473
ACN 009 113 473

Aurora (artist impression)

INTERIM FINANCIAL REPORT

For the Six Months Ended 31 December 2023
FINBAR GROUP LIMITED AND ITS CONTROLLED ENTITIES

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DIRECTORS' REPORT

For the Six Months Ended 31 December 2023

1. Directors

The Directors present their report together with the consolidated financial report of Finbar Group Limited ('the Company') for the six months ended 31 December 2023 and the auditor's review report thereon.

The Directors of the Company at any time during or since the end of the six months ended 31 December 2023:

Executive Director and Chairman

John CHAN - BSc, MBA, MAICD

Director since 27 April 1995
Chairman since 15 July 2010

Managing Director

Darren John PATEMAN - EMBA, GradDipACG, ACSA, AGIA, MAICD, AFAIM

Director since 6 November 2008
Managing Director since 15 July 2010

Executive Director and Chief Operations Officer

Ronald CHAN

Director since 24 February 2017

Non-executive Directors

Terence Siong Woon PEH - B.Comm, M.Comm

Director since 24 April 2018

Eldon WAN - B Acc, FCA

Director since 31 January 2023

Non-executive (Independent) Director

Lee VERIOS - LLB, MAICD

Director since 6 December 2011 to 18 October 2023

2. Company Secretary

Edward Guy BANK - B Bus, ASCPA

Company Secretary since 2 December 2016

3. Principal Activities

The principal activities of the consolidated group during the course of the six months ended 31 December 2023 continued to be property development and investment.

The Group's focus is the development of medium to high-density residential buildings and commercial developments in Western Australia by way of direct ownership, ownership through fully owned Subsidiaries or by equity accounted investees (through companies registered specifically to conduct the development).

The Group holds rental property in East Perth, South Perth and Karratha.

There were no significant changes in the nature of the activities of the consolidated group during the financial half-year.

4. Operating Results

Total comprehensive profit/(loss) attributable to owners of the group amounted to \$1,309,000 (2022: (\$765,000)).

DIRECTORS' REPORT (Continued)

For the Six Months Ended 31 December 2023

5. Review of Operations

Completed Projects

Dianella Apartments - 36 Chester Avenue, Dianella: 1 residential unit has settled in the reporting period. The 128 unit development is now fully settled.

Reva - 5 Harper Terrace, South Perth: No commercial units have settled in the reporting period and 1 commercial unit settled post the reporting period. 3 commercial units remain for sale in the 59 unit development.

AT238 - 238 Adelaide Terrace, Perth: 12 units have settled in the reporting period and 4 units settled post the reporting period. 27 units remain for sale in the 121 unit development.

Currently Under Construction

Civic Heart - 1 Mends Street, South Perth: Construction works continue to progress, with completion expected during financial year ending 30 June 2024. To date 240 residential sales and 23 commercial sales have been achieved in the development of 309 residential and 26 commercial units.

Aurora Applecross - 3 Kintail Road, Applecross (Stage 2): Construction works continue to progress, with completion expected during the financial year ending 30 June 2025. To date 61 residential sales have been achieved in the development of 118 residential and 3 commercial units.

The Point - 31 Rowe Avenue, Rivervale: Construction works continue to progress, with completion expected during financial year ending 30 June 2025. To date 144 residential sales and 2 commercial sales have been achieved in the development of 167 residential and 9 commercial units.

Future Projects

Garden Towers East Perth - 101 Hay Street, East Perth: Marketing of the Garden Towers project continues to progress, with construction expected to commence in the financial year ending 30 June 2024. To date 194 residential sales and 6 commercial sales have been achieved in the development of 331 residential and 13 commercial units.

912 Canning Highway, Applecross (Stage 3): Development Approval has been received for 151 residential and 3 commercial units.

Palmyra West Apartments - 43 McGregor Road, Palmyra (Stage 2): Development Approval has been received for 130 residential units.

239 Great Eastern Highway, Belmont: Development Approval has been received for a development of 194 residential and 2 commercial units.

Springs Commercial - 2 Hawksburn Road, Rivervale: Development options are currently being explored.

2 Homelea Court, Rivervale: Development options are currently being explored.

Lot 1000 - 32 Riversdale Road, Rivervale: Development Approval has been received for 143 residential units.

187 Adelaide Terrace, East Perth: Development options are currently being explored.

Investment Property

Fairlanes - 175 Adelaide Terrace, East Perth: The Fairlanes property has been valued during the reporting period. The valuation resulted in a \$1,248,000 decrease to the value of the property. The company continues to benefit from the investment income generated from the leased property. The property is currently 56% leased. The company continues to actively market the remaining tenancies for rental.

Pelago Commercial - 23 & 26 Sharpe Avenue, Karratha: The Pelago commercial property has been revalued during the reporting period. The valuation resulted in a \$145,000 decrease to the value of the property. The company continues to benefit from the investment income generated from the leased property. The property is currently 71% leased. The company continues to actively market the remaining tenancies for rental.

Pelago Residential - 23 & 26 Sharpe Avenue, Karratha: The Pelago residential property has been revalued during the reporting period. The valuation resulted in a \$5,020,000 increase to the value of the property. The company continues to benefit from the investment income generated from the leased property. The property is currently 95% leased. The company continues to actively market tenancies for rental as they become available.

Vue Tower Commercial - 63 Adelaide Terrace, East Perth: Lot 2 at Vue Tower is being marketed for rental. Lot 4 at Vue Tower continues to be leased to a non-profit organisation at \$1 per annum until 13 June 2029.

Aurelia Commercial - 96 Mill Point Road, South Perth: The Directors confirm that there is no change to the valuation undertaken in June 2023 for the current reporting period. The company continues to benefit from the investment income generated from the leased property. The company continues to actively market the remaining tenancies for rental as they become available.

DIRECTORS' REPORT (Continued)

For the Six Months Ended 31 December 2023

6. Dividends

There were no dividends paid or declared by the Company to members since the end of the previous financial year.

7. Events Subsequent to Reporting Date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

8. Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration is set out on Page 18 and forms part of the Directors' Report for the six months ended 31 December 2023.

Signed in accordance with a resolution of the Board of Directors:



Darren Pateman
Managing Director

Dated at Perth this 22nd day of February 2024.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months Ended 31 December 2023

	Note	31-Dec-23 \$'000	31-Dec-22 \$'000
Revenue		6,494	18,239
Cost of sales		(694)	(11,607)
Gross Profit		5,800	6,632
Other income	8	154	411
Administrative expenses		(3,884)	(3,634)
Advertising expenses		(26)	(79)
Revaluation increase/(decrease) of investment property		3,627	(813)
Revaluation increase of property, plant and equipment		135	55
Rental expenses		(2,316)	(2,746)
Loss on disposal of investment properties		(61)	-
Results from Operating Activities		3,429	(174)
Finance income		557	445
Finance costs		(1,580)	(530)
Net Finance Cost		(1,023)	(85)
Share of loss of Equity Accounted Investees (net of income tax)		(151)	(237)
Profit/(Loss) before Income Tax		2,255	(496)
Income tax (expense)/refund	9	(770)	84
Profit/(Loss) for the period		1,485	(412)
Other comprehensive loss			
Items which will not be reclassified to profit or loss:			
Revaluation of property, plant and equipment		(252)	(504)
Income tax relating to components of other comprehensive loss		76	151
Other comprehensive loss for the period, net of income tax		(176)	(353)
Total comprehensive income/(loss) for the period		1,309	(765)
Earnings per Share:			
Basic earnings per share (cents per share)		0.55	(0.15)
Diluted earnings per share (cents per share)		0.55	(0.15)
Dividends per share (cents per share)	12	-	2.00

The condensed notes on pages 9 to 14 are an integral part of these Condensed Consolidated Interim Financial Statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Six Months Ended 31 December 2023

	Note	Share Capital \$'000	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Total Equity \$'000
Balance as at 1 July 2022		194,484	47,719	529	242,732
Total comprehensive loss for the period					
Loss		-	(412)	-	(412)
Other comprehensive loss		-	-	(353)	(353)
Transactions with owners, recognised directly in equity					
Dividends to shareholders	12	-	(5,442)	-	(5,442)
Balance as at 31 December 2022		194,484	41,865	176	236,525

Balance as at 1 July 2023		194,484	45,412	176	240,072
Total comprehensive income for the period					
Profit		-	1,485	-	1,485
Other comprehensive loss		-	-	(176)	(176)
Transactions with owners, recognised directly in equity					
Dividends to shareholders	12	-	-	-	-
Balance as at 31 December 2023		194,484	46,897	-	241,381

Amounts are stated net of tax

The condensed notes on pages 9 to 14 are an integral part of these Condensed Consolidated Interim Financial Statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	31-Dec-23 \$'000	30-Jun-23 \$'000
Current Assets			
Cash and cash equivalents		20,984	18,176
Trade and other receivables		24,938	20,486
Inventories	10	271,230	145,883
Prepayments		915	716
Investments in equity accounted investees		12	2
Investment property	11	2,400	2,050
Other assets		54	51
Total Current Assets		320,533	187,364
Non-current Assets			
Trade and other receivables		15,630	19,917
Inventories	10	93,686	114,878
Investment property	11	101,096	98,902
Prepayments		-	115
Investments in equity accounted investees		1,607	1,767
Property, plant and equipment		9,250	9,486
Deferred tax assets		8,286	8,053
Other assets		73	83
Total Non-current Assets		229,628	253,201
Total Assets		550,161	440,565
Current Liabilities			
Trade and other payables		19,832	15,086
Loans and borrowings	13	274,802	162,337
Current tax payable		69	1,882
Employee benefits		855	807
Total Current Liabilities		295,558	180,112
Non-current Liabilities			
Trade and other payables		118	257
Loans and borrowings	13	7,370	14,803
Deferred tax liabilities		5,707	5,310
Employee benefits		27	11
Total Non-current Liabilities		13,222	20,381
Total Liabilities		308,780	200,493
Net Assets		241,381	240,072
Equity			
Share capital		194,484	194,484
Retained earnings		46,897	45,412
Reserves		-	176
Total Equity		241,381	240,072

The condensed notes on pages 9 to 14 are an integral part of these Condensed Consolidated Interim Financial Statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the Six Months Ended 31 December 2023

	31-Dec-23 \$'000	31-Dec-22 \$'000
Cash Flows from Operating Activities		
Cash receipts from customers	6,746	19,189
Cash paid to suppliers and employees	(104,064)	(67,194)
Cash used in Operating Activities before tax and interest paid	(97,318)	(48,005)
Interest paid	(3,640)	(221)
Income tax paid	(1,945)	(388)
Net Cash used in Operating Activities	(102,903)	(48,614)
Cash Flows from Investing Activities		
Proceeds from sales of investments	1,054	961
Interest received	423	358
Dividends received from equity accounted investees	-	589
Acquisition of property, plant and equipment	(31)	(193)
Proceeds from sale of property, plant and equipment	14	-
Acquisition of investment property	-	(716)
Loans to related party	-	(1,674)
Loans to equity accounted investees	(2,581)	(1,174)
Proceeds from loans to equity accounted investees	2,034	7,925
Net Cash provided by Investing Activities	913	6,076
Cash Flows from Financing Activities		
Proceeds from borrowings	106,774	41,169
Repayment of borrowings	(1,976)	(750)
Dividends paid	-	(5,442)
Net Cash generated from Financing Activities	104,798	34,977
Net increase/(decrease) in cash and cash equivalents	2,808	(7,561)
Cash and cash equivalents at 1 July	18,176	33,202
Cash and Cash Equivalents at 31 December	20,984	25,641

The condensed notes on pages 9 to 14 are an integral part of these Condensed Consolidated Interim Financial Statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Six Months Ended 31 December 2023

1. Reporting Entity

Finbar Group Limited (the 'Company') is a public company domiciled in Australia. These condensed consolidated interim financial statements of the Group as at and for the six months ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in equity accounted investees. The Group is primarily involved in property development and investment.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2023 are available on request from the Company's registered office at Level 6, 181 Adelaide Terrace, East Perth WA 6004 or can be downloaded from the Company's website at www.finbar.com.au.

2. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001, and with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2023. The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Group as at and for the year ended 30 June 2023.

The condensed consolidated interim financial statements were approved by the Board of Directors on 22nd day of February 2024.

3. Significant Accounting Policies

The accounting policies applied by the Group in these condensed interim financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 30 June 2023. A number of new standards are effective from 1 July 2023 but they do not have a material effect on the Group's financial statements.

4. Judgements and Estimates

In preparing these condensed interim financial statements management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 30 June 2023.

5. Financial Risk Management

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2023.

6. Changes in Accounting Policies

The Group's accounting policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2023.

7. Operating Segments

The Group operates predominantly in the property development sector and has identified four reportable segments, as described below, which are the Group's three strategic business units, as well as the Corporate office. The strategic business units offer different products, and are managed separately because they require different technology, marketing strategies and have different types of customers. For each of the strategic business units, the Chief Operating Decision Maker (CODM) reviews internal management reports on a regular basis. The following describes the operations in each of the Group's reportable segments:

- Residential apartment development in Western Australia;
- Commercial office/retail development in Western Australia;
- Rental of property in Western Australia; and
- Corporate and overheads represents Finbar Group Limited (parent entity) and business units which generates project management fees, property management fees and sales commission. This also includes net assets attributable to the corporate offices and other administrative expenses.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the Six Months Ended 31 December 2023

7. Operating Segments (continued)

Information about Reportable Segments For the Six Months ended 31 December 2023	Residential Apartment Development \$'000	Commercial Office/Retail Development \$'000	Rental of Property \$'000	Corporate and Overheads \$'000	Total \$'000
External Revenues - Company and Subsidiaries	1,017	2	4,701	928	6,648
External Revenues - Equity Accounted Investees	5,346	-	-	-	5,346
External Revenues - Total	6,363	2	4,701	928	11,994
Reportable Segment Profit before Income Tax - Company and Subsidiaries	152	(83)	4,670	(2,333)	2,406
Reportable Segment Profit before Income Tax - Equity Accounted Investees	(255)	(3)	-	42	(216)
Reportable Segment Profit before Income Tax - Total	(103)	(86)	4,670	(2,291)	2,190
Information about Reportable Segments as at 31 December 2023					
Reportable Segment Assets - Company and Subsidiaries	348,506	28,114	104,009	27,173	507,802
Reportable Segment Assets - Equity Accounted Investees	27,858	2,707	-	-	30,565
Reportable Segment Liabilities - Company and Subsidiaries	236,627	15,376	39,967	11,034	303,004
Reportable Segment Liabilities - Equity Accounted Investees*	23,843	665	-	2	24,510
Capital Expenditure	-	-	-	31	31

Information about Reportable Segments For the Six Months ended 31 December 2022	Residential Apartment Development \$'000	Commercial Office/Retail Development \$'000	Rental of Property \$'000	Corporate and Overheads \$'000	Total \$'000
External Revenues - Company and Subsidiaries	10,390	3,137	4,713	410	18,650
External Revenues - Equity Accounted Investees	11	-	-	-	11
External Revenues - Total	10,401	3,137	4,713	410	18,661
Reportable Segment Profit before Income Tax - Company and Subsidiaries	1,031	(19)	1,967	1,239	4,218
Reportable Segment Profit before Income Tax - Equity Accounted Investees	(327)	(15)	-	3	(339)
Reportable Segment Profit before Income Tax - Total	704	(34)	1,967	1,242	3,879

Information about Reportable Segments as at 31 December 2022	Residential Apartment Development \$'000	Commercial Office/Retail Development \$'000	Rental of Property \$'000	Corporate and Overheads \$'000	Total \$'000
Reportable Segment Assets - Company and Subsidiaries	183,143	17,594	102,932	27,911	331,580
Reportable Segment Assets - Equity Accounted Investees	44,806	3,244	-	-	48,050
Reportable Segment Liabilities - Company and Subsidiaries	83,682	4,811	46,385	1,033	135,911
Reportable Segment Liabilities - Equity Accounted Investees*	39,220	1,126	-	2	40,348
Capital Expenditure	-	-	-	193	193

* Excludes liabilities payable to Finbar Group.

The Group's share of revenues from equity accounted investees are reported in this table as they are managed by Finbar and reported to the CODM. Revenues from equity accounted investees are not reported in the statement of profit or loss and other comprehensive income.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the Six Months Ended 31 December 2023

	31-Dec-23 \$'000	31-Dec-22 \$'000
7. Operating Segments (continued)		
Reconciliation of Reportable Segment Revenues, Profit or Loss, Assets and Liabilities		
Revenues including Other Income		
Total revenue for development reportable segments	1,019	13,527
Total revenue for rental segments	4,701	4,713
Total revenue for other reportable segments	928	410
Consolidated Revenue including Other Income	6,648	18,650
Total revenue for development reportable segments - Equity Accounted Investees	5,346	11
Total Reportable Segments Revenue including Other Income	11,994	18,661
Profit or Loss		
Total profit or loss for reportable segments	2,190	3,879
Finance income - Company and Subsidiaries	-	445
Finance costs - Company and Subsidiaries	-	(530)
Unallocated amounts:		
Administrative expenses	-	(3,634)
Revaluation of investment property	-	(813)
Revaluation of property, plant and equipment	-	55
Income tax applicable to share of profit of equity accounted investees	65	102
Consolidated Profit before Income Tax	2,255	(496)
Assets		
Total assets for reportable segments	507,802	401,647
Cash and cash equivalents	20,984	18,176
Investments in equity accounted investees	1,619	1,769
Other assets*	19,756	18,973
Consolidated Total Assets	550,161	440,565
Liabilities		
Total liabilities for reportable segments	303,004	193,302
Other liabilities	5,776	7,191
Consolidated Total Liabilities	308,780	200,493

* Includes receivables due to Finbar Group Limited from equity accounted investees.

Geographical Segments

The Group operates predominantly in the one geographical segment of Western Australia.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the Six Months Ended 31 December 2023

	31-Dec-23 \$'000	31-Dec-22 \$'000
8. Other Income		
Sales commission income	129	-
Administration fees	16	-
Other	9	411
Total Other Income	154	411

9. Income Tax Expense

The Group's consolidated effective tax rate in respect of continuing operations (excluding equity accounted investees) for the six months ended 31 December 2023 was 32.2% (2022: 30.8%). After adjusting for the write off of previously recognised tax assets, non deductible expenses, non recoverable amounts and amounts over provided in prior years, the underlying tax rate is 29.9% (2022: 30.2%).

	31-Dec-23 \$'000	30-Jun-23 \$'000
10. Inventories		
Current		
Work in progress	269,314	143,199
Completed stock	1,916	2,684
Total Current Inventories	271,230	145,883
Non-current		
Work in progress	93,686	114,878
Total Non-current Inventories	93,686	114,878

11. Investment Property

In accordance with the Company's policy, independent valuations were undertaken in December 2023 on Pelago in Karratha and Fairlanes in East Perth and in June 2023 for Aurelia in South Perth.

All investment properties of the Group have been categorised on a Level 3 fair value basis under AASB 13 Fair Value Measurement, as some of the inputs required to value the properties are not based on "observable market data". The updated significant unobservable inputs for the discounted cash flow and capitalisation of income valuation techniques as at 31 December 2023 are detailed below.

Discounted cash flows:

- Expected market rental growth 2.00% - 4.00%, weighted average 3.15%;
- Void periods (average 7.5 months after the end of each lease);
- Occupancy Rate 73.87%;
- Risk-adjusted discounted rates (weighted average 8.00%).

Capitalisation of income valuation:

- Capitalisation Rate 7.75% - 12.00%;
- Occupancy Rate 56.18% - 94.00%;
- Rent free period 27 months.

Commercial investment property at Aurelia worth \$2,400,000 has been contracted for sale with settlement pending, hence, classified as current assets.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the Six Months Ended 31 December 2023

12. Capital and Reserves	Company Ordinary shares	
	31-Dec-23	31-Dec-22
Share Capital		
On issue at 1 July	272,123,142	272,123,142
On Issue at 31 December - Fully Paid	272,123,142	272,123,142

Dividends

There were no dividends paid or declared by the Company to members since the end of the previous financial year.

	Cents per Share	Total Amount \$'000	Franked / Unfranked	Date of Payment
Dividend Paid during the six months ended 31 December 2022				
Final 2022 ordinary	2.00	5,442	Franked	9 September 2022
Total Amount		5,442		

13. Loans and Borrowings

Terms and debt repayment schedule

Terms and conditions of outstanding loans are as follows:

			31-Dec-23	30-Jun-23
	Nominal Interest Rate	Financial Year of Maturity	Carrying Amount \$'000	Carrying Amount \$'000
Current				
Commercial bills (Secured)	BBSY+2.00%	2024	21,090	21,840
Commercial bills (Secured)	BBSY+2.40%	2024	21,840	21,840
Commercial bills (Secured)	BBSY+1.60%	2024	117,398	53,638
Commercial bills (Secured)	BBSY+1.50%	2025	17,985	413
Commercial bills (Secured)	BBSY+1.60%	2025	18,842	-
Investor loans (Unsecured)*	BBSY+1.50%	2025	5,608	-
Investor loans (Unsecured)*	BBSY+3.00%	2025	2,180	-
Investor loans to subsidiaries (Unsecured)**		2025	53,859	53,674
Investor loans to subsidiaries (Unsecured)**		2025	14,000	10,000
Investor loans to subsidiaries (Unsecured)**		2025	2,000	-
Investor loans (Secured)*	BBSY+1.50%	2024	-	932
Total Current Loans and Borrowings			274,802	162,337
Non-current				
Investor loans to subsidiaries (Unsecured)**		2025	1,815	-
Investor loans to subsidiaries (Unsecured)**		2025	1,750	-
Investor loans to subsidiaries (Unsecured)**		2025	3,805	5,805
Commercial bills (Secured)	BBSY+1.60%	2025	-	1,450
Investor loans (Unsecured)*	BBSY+1.50%	2025	-	5,446
Investor loans (Unsecured)*	BBSY+3.00%	2025	-	2,102
Total Non-current Loans and Borrowings			7,370	14,803

* These are loans from related parties.

** These are loans from landowners which are non interest bearing.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the Six Months Ended 31 December 2023

	31-Dec-23 \$'000	30-Jun-23 \$'000
14. Capital and Other Commitments		
Commitments and Contingent Liabilities		
Property Development		
Contracted but not provided for and payable:		
Within one year	66,566	130,497
Later than one year	-	7,384
Total Property Development Commitments	66,566	137,881
Property Development - Equity Accounted Investees		
Contracted but not provided for and payable:		
Within one year	-	-
Later than one year	-	-
Total Property Development Commitments - Equity Accounted Investees	-	-
Group's Share of Property Development - Equity Accounted Investees		
Contracted but not provided for and payable:		
Within one year	-	-
Later than one year	-	-
Total Share of Property Development Commitments - Equity Accounted Investees	-	-
Group's Total Property Development Commitments including Equity Accounted Investees		
Contracted but not provided for and payable:		
Within one year	66,566	130,497
Later than one year	-	7,384
Group's Total Property Development Commitments including Equity Accounted Investees	66,566	137,881

15. Contingencies

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

Guarantees

Finbar Group Limited guaranteed commercial bill over investment property in Karratha (Pelago)	21,090	21,840
Finbar Group Limited guaranteed commercial bill over investment property in East Perth (Fairlanes)	2,184	2,184
Total Guarantees	23,274	24,024

16. Related Parties

Arrangements with related parties continue to be in place on the same basis as at 30 June 2023. For full disclosure of transactions refer to 30 June 2023 annual financial report.

17. Subsequent Events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

DIRECTORS' DECLARATION

In the opinion of the Directors of Finbar Group Limited ('the Company'):

1. The Condensed Consolidated Interim Financial Statements and notes that are contained in Pages 5 to 14 are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the six month period ended on that date; and
 - ii) complying with Australian Accounting Standards AASB134 Interim Financial Reporting and the Corporations Regulations 2001; and
2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Dated at Perth this 22nd day of February 2024.

Signed in accordance with a resolution of the Directors:



Darren Pateman
Managing Director



Independent Auditor's Review Report

To the shareholders of Finbar Group Limited

Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Finbar Group Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Finbar Group Limited does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the **Group's** financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- Complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises

- Condensed consolidated statement of financial position as at 31 December 2023;
- Condensed consolidated interim statement of profit or loss and other comprehensive income, Condensed consolidated interim statement of changes in equity and Condensed consolidated interim statement of cash flows for the half-year ended on that date;
- Notes 1 to 17 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Finbar Group Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half-year.

Basis for conclusion

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

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



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- The preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- Such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim 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 Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of the Interim 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.

KPMG

Glenn Brooks

Partner

Perth

22 February 2024



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Finbar Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Finbar Group Limited for the half-year ended 31 December 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink that reads 'KPMG'.

KPMG

A handwritten signature in blue ink that reads 'Glenn Brooks'.

Glenn Brooks

Partner

Perth

22 February 2024



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