

DEVELOPING BETTER LIFESTYLES SINCE 1995

2023

ANNUAL REPORT



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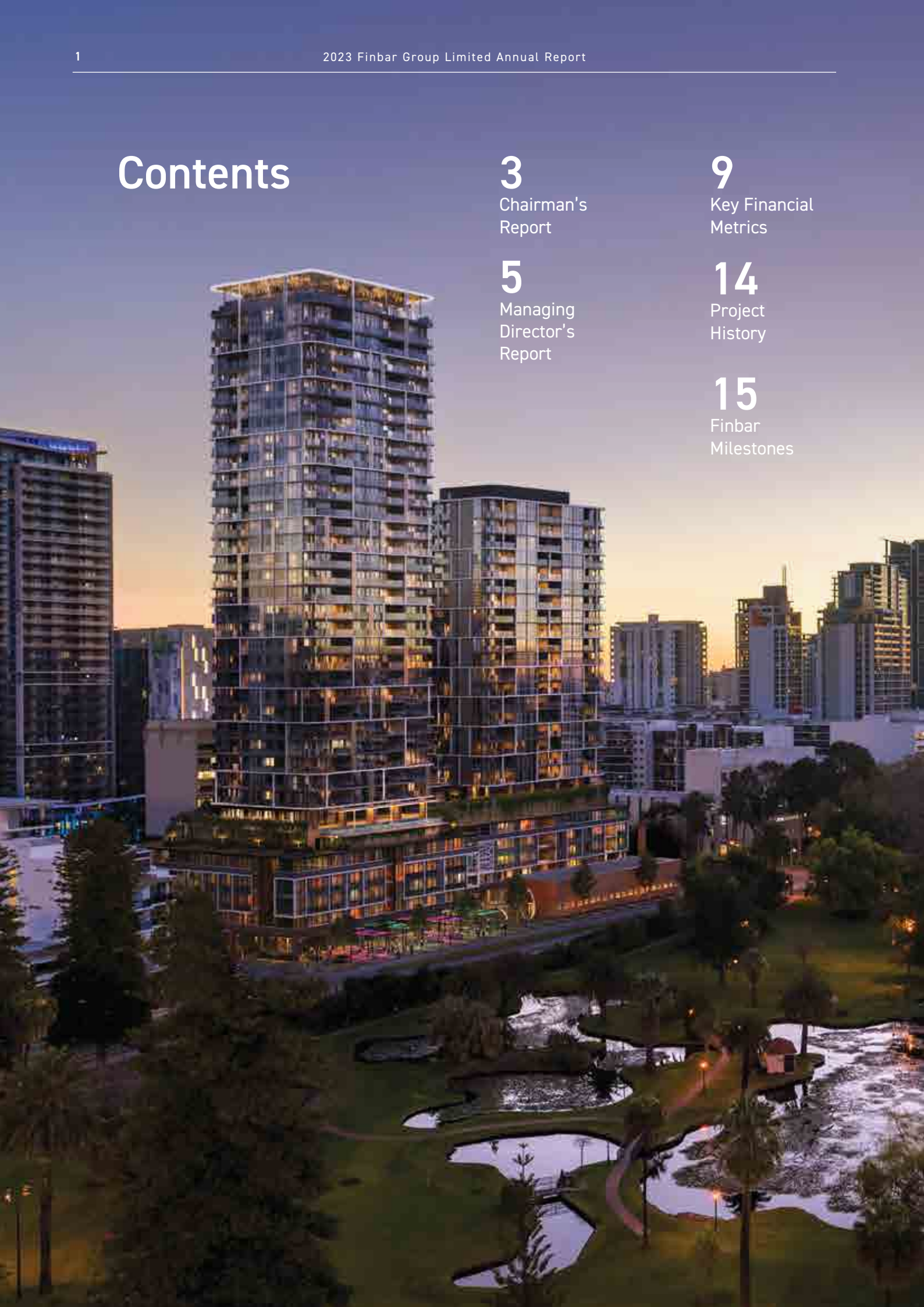
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Finbar and Perth - rising together.

For 28 years, the Finbar story has grown with the people of Perth. With every new address, every new apartment, every new innovation, we're rewriting the narrative on what it means to call this beautiful city home – and our best is yet to come.

Chairman's Report



“ Finbar was holding \$18.2 million in cash which combined with the cash commitments from joint venture partners for our joint venture projects, means we are adequately capitalised to fulfil all working capital commitments and contingency provisions for all the projects we currently have under construction. ”

JOHN CHAN

Dear Shareholder,

It is my privilege to present Finbar Group's Annual Report for the 2023 financial year.

Finbar has reported a net profit after tax of \$2.78 million for the 12 months to June 30 2023, compared with \$10.98 million the previous year.

Revenue of \$34 million was well down on the previous year, as Finbar focused on the completion of the AT238 project in Perth's CBD and the continuing construction activities at Civic Heart in South Perth, Aurora in Applecross and The Point in Rivervale.

Finbar has successfully sold the limited remaining stock at the Dianella Apartments development, which was completed in the 2022 financial year, and settled \$46.8 million in sales at the AT238 complex during the 2023 financial year. Sales at AT238 have been steady in the early stages of this financial year and Finbar has adjusted prices at the project to mitigate the impact of higher than forecast construction costs.

Finbar also recorded a \$3 million impairment on its Fairlanes commercial property brought about by pressure on commercial property capitalisation. However, Finbar's Pelago development continues to hold value, receiving a \$1.68 million increase in valuation.

At June 30, Finbar was holding \$18.2 million in cash which combined with the cash commitments from joint venture partners for our joint venture projects, means we are adequately capitalised to fulfil all working capital commitments and contingency provisions for all the projects we currently have under construction. We also do not hold any balance sheet debt relating to our development/pipeline land.

Finbar has good working relationships with its joint venture partners and I wish to thank them for their support and for the trust they have given Finbar.

The Board has made the decision to suspend dividend payments to shareholders to help protect the balance sheet strength that has enabled Finbar to continue to fund construction and

development during this difficult cycle. The Board is investigating the best options for returning capital to our patient shareholders upon completion and settlement of the current major apartment projects.

In almost 30 years as a listed development company, Finbar has experienced a range of different trading conditions, but I think none have ever been as challenging as the years following the COVID pandemic.

Rapidly rising costs of construction materials, coupled with a tight labour market and disrupted supply chains has meant project costs have soared.

Finbar is in a position where it will be able to deliver new stock to the market later this financial year and into the 2025 financial year.



Despite record low vacancy rates in the rental market, growing immigration and a chronic lack of new supply of apartments, prices of new apartments have not risen commensurately.

Finbar has taken the decision to continue to develop projects through the current cycle, despite the challenges faced with increasing construction costs, operating costs, and continued monetary policy tightening.

For many years, Finbar has exclusively partnered with construction company Hanssen to build its apartment developments. At a time when

numerous construction firms have failed, Hanssen has consistently worked with Finbar to facilitate the delivery of quality accommodation to Western Australia.

This symbiotic relationship has served both companies well and has enabled Finbar to continue to develop major apartment towers at a time when many of its competitors have been unable, or unwilling, to commit to commencing construction of their own projects.

I would like to thank Gerry Hanssen for his continued support and for his ongoing relationship with Finbar.

As a result, Finbar is in a position where it will be able to deliver new stock to the market later this financial year and into the 2025 financial year. With interest rates stabilising and a shortage of new residential stock, and with increasing population, low unemployment and a strong local economy, I feel that residential prices in Perth and Western Australia must increase.

Finally, I would like to inform shareholders that Non-Executive Director, Lee Verios, has advised me of his intention to retire later this year and as such will be retiring as Director of the Company at the close of the Company's annual general meeting in October. I am personally grateful for Lee's contribution to the Board since his appointment in 2011 and extend thanks on behalf of all shareholders for this, and wish him the very best in his retirement.

In closing, I would like to take the opportunity to acknowledge our Executive team and Finbar staff for their hard work and efforts during the year. I would also like to give thanks to all of our shareholders for their ongoing support.

John Chan
Chairman

Managing Director's Report



“ Finbar has sales of \$226 million at Civic Heart and – based on current pricing – approximately \$202 million remaining for the market. ”

DARREN PATEMAN

Finbar has reported a net profit after tax for the 2023 financial year of \$2.78 million as residential development companies continue to face challenging trading conditions.

The Company had limited completed residential lots available for sale during the year with the Dianella Apartments project being sold out and revenue for the sold apartments in the AT238 development occurring in the second half of the financial year.

The 50/50 joint venture with Ventrade Australia was completed in April and provided a timely boost to Finbar's completed stock available for sale, with the remainder of settlements expected in the current financial year.

The profit was also impacted by a decrease in the holding value of its Fairlanes commercial investment by \$3 million due to pressure on commercial property capitalisation rates caused by the higher cost of funds in the commercial sector. Finbar's other investment property, the Pelago apartment complex in Karratha, continues

to perform well. It is 98% per cent occupied and generated rental income in FY2023 of \$6.0 million.

Karratha is at the epicentre of WA's mineral resources and energy sectors, and the Pelago apartments are considered to be the town's highest quality accommodation, with little or no likelihood of being replicated in the near future given the current construction cost environment and the challenges of building in regional towns.

Finbar has approximately \$680 million in project value under construction, which we expect to complete and deliver to the market later this financial year and in the first half of FY2025. We remain well capitalised to meet our funding commitments for all projects currently under construction.

The company continues to face challenging trading conditions, primarily due to construction cost impacts in the building sector which are finally stabilising but not expected to reduce significantly. Additionally, the current environment of a rapid upward movement

in interest rates have dampened sales activity as anticipated, although there are indications that interest rates are at, or very near, their expected highs based on recent encouraging inflation numbers.

I want to acknowledge and thank Finbar's joint venture partners for their contributions, Commonwealth Bank for its support of the Civic Heart Project and Westpac for its support at The Point and Aurora projects. It is only with the support and confidence of our investment and funding partners that we have been in a position to commence and progress major projects at a time when many other developers in Perth and across Australia have delayed and cancelled their proposed developments.

Our company will be conducting a capital management review on the completion of Civic Heart and Aurora with a view to returning profits to our valued and patient shareholders through the most appropriate means.

It is also important to note that we continue to work closely with building firm Hanssen to ensure ongoing viability of construction at our future projects.

Our company will be conducting a capital management review on the completion of Civic Heart and Aurora with a view to returning profits to our valued and patient shareholders through the most appropriate means.



In the current economic and business environment of increased material costs, a tight labour market, and with some lingering supply chain constraints, the practice of fixed price construction agreements has all but disappeared and developers will need to work closely with a reduced pool of builders to share risk and ensure the ongoing viability of projects through these unusual construction environment times.

Finbar has worked with Hanssen to mitigate the risks of rising construction costs where possible, but also to ensure that these major projects are able to proceed, and be completed in a timely manner and acceptable rates of return.

Construction at our biggest and most complex development Civic Heart, in South Perth, remains on track for structural completion by Christmas with practical completion and settlements on track to occur in the second half of this financial year. Finbar has sales of \$226 million at Civic Heart and – based on current pricing – approximately \$202 million remaining for the market.

Aurora in Applecross, is also due to be completed in the second half of FY2024. Sales of \$55 million have been completed with a further \$91 million in value remaining for sale.

Although apartment prices have not risen significantly in Western Australia in recent years, we are confident that these two completed projects will be well received by the market, with the chronic shortage of accommodation in Perth, combined with population growth and interest rate stability expected to drive demand and, inevitably, sustainable increases in prices for new apartments.

Additionally, we are encouraged by the current recognition and focus from

all tiers of government on the issues of affordability and supply of housing and apartments. The WA Government in particular has looked to streamline development approval processes and has offered stamp duty relief to buyers who have pre-purchased apartments off the plan ahead of construction.

We are looking forward to a more typical 12-18 months for Finbar as we focus on the most important completion of new apartment stock being delivered later in the second half and into the following financial year.

I will close by thanking my management team and staff for their continued hard work and support.

Darren Pateman
Managing Director

Finbar has been a shining light in the Perth property scene for decades. Reliable. Steadfast. Dependable. We're proud to have led the way, staying the course when we could have rushed, pushing boundaries when we could have played it safe. Through it all, our commitment has never wavered, and never will – high quality residences, built in Perth's best locations. Over 6,000 new apartments says it all, an enviable track record that will continue to drive our financial strength and stability as we reward investors for their confidence in us.

\$679.3m

of apartments under construction.

204 apartments sold

during the year with a total value of

\$176m

Finbar has this year delivered a net profit after tax of

\$2.78m



100% delivery on
6,776 apartments over
76 landmark developments.

Over 70%
of buyers say the reputation of the developer
is critical when choosing an apartment.
Our reputation is everything to us.

84%
of our customers rated
buying 'off the plan' easy.

Consistently achieving
8-star
NatHERS rating
★ ★ ★ ★ ★ ★ ★ ★

89% of customers would
recommend Finbar to a friend.
Word of mouth is our strongest asset.

28 years
on the ASX

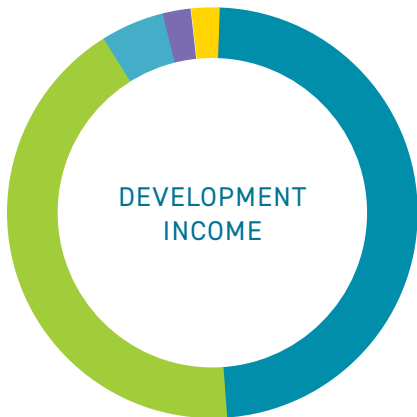


Key Financial Metrics

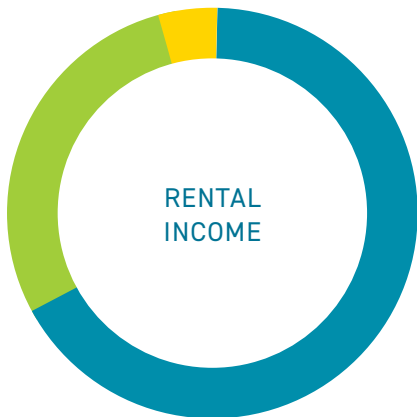
SOURCE OF EARNINGS



- Development income **77%**
- Rental Income **16%**
- Other **7%**



- AT238 **49%**
- Dianella Apartments **42%**
- Reva **5%**
- Vue Tower **2%**
- One Kennedy **2%**



- Pelago **67%**
- Fairlaines **29%**
- Other **4%**

\$176m
FY23 Sales

\$2.78m
after tax profit

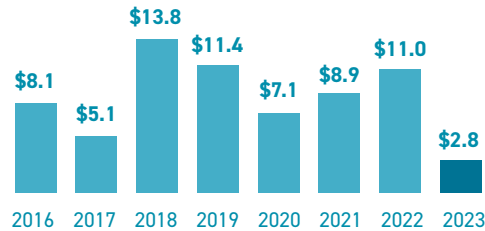
\$12.2m
average sales of off-the-plan
apartments per month

\$2.72m
average sales of completed
apartments per month

Key Financial Metrics (continued)

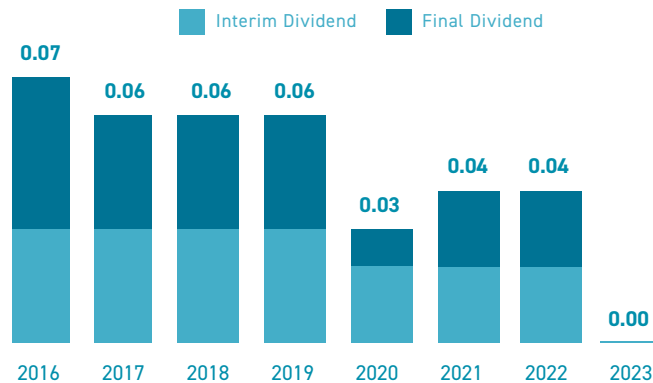
NET PROFIT AFTER TAX

\$MILLION



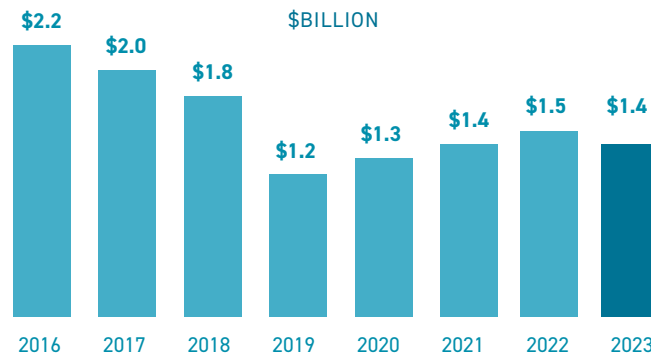
FULLY FRANKED DIVIDEND

CENTS



PROJECT PIPELINE VALUE

\$BILLION

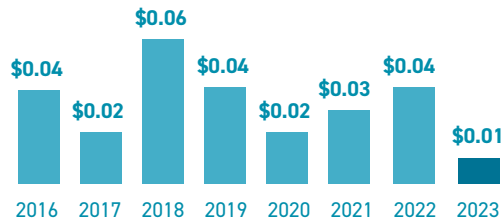


Finbar maintains a robust Project Pipeline of **\$1.4 BILLION** to ensure that the company can capitalise on changing market conditions and bring new product to the market as quickly and efficiently as possible to maximise shareholder returns.

Key Financial Metrics (continued)

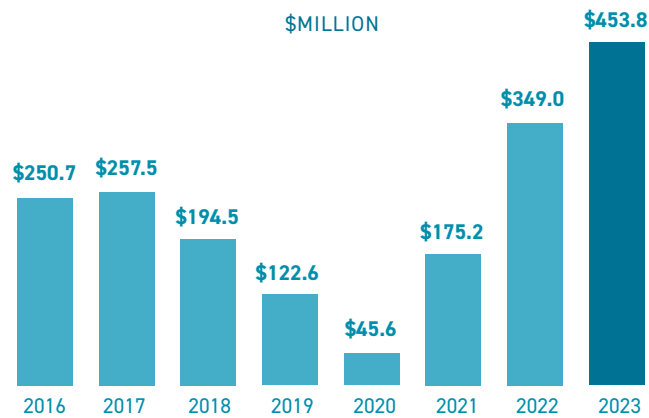
EARNINGS PER SHARE

\$ PER SHARE



PRESALES BOOK VALUE

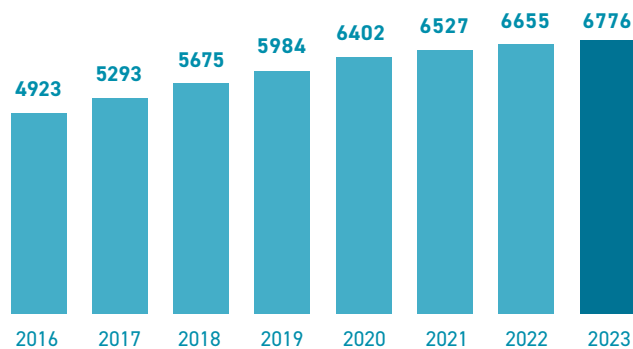
\$MILLION



Sales achieved at Civic Heart, Aurora, The Point and Garden Towers has increased FY2023 presales to **\$453.8 MILLION**.

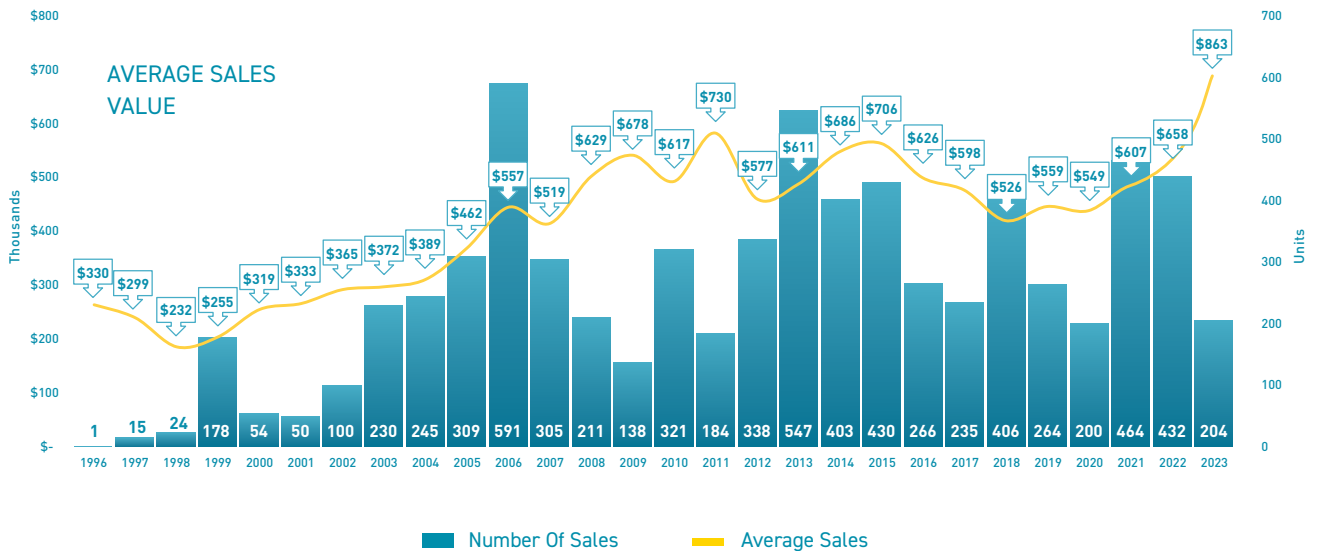
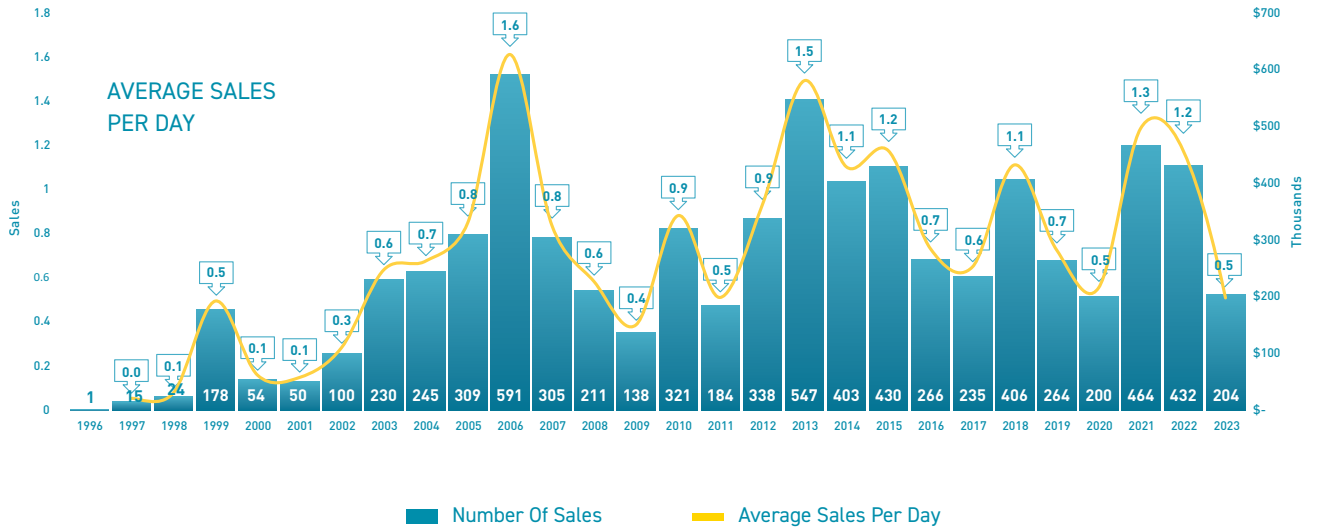
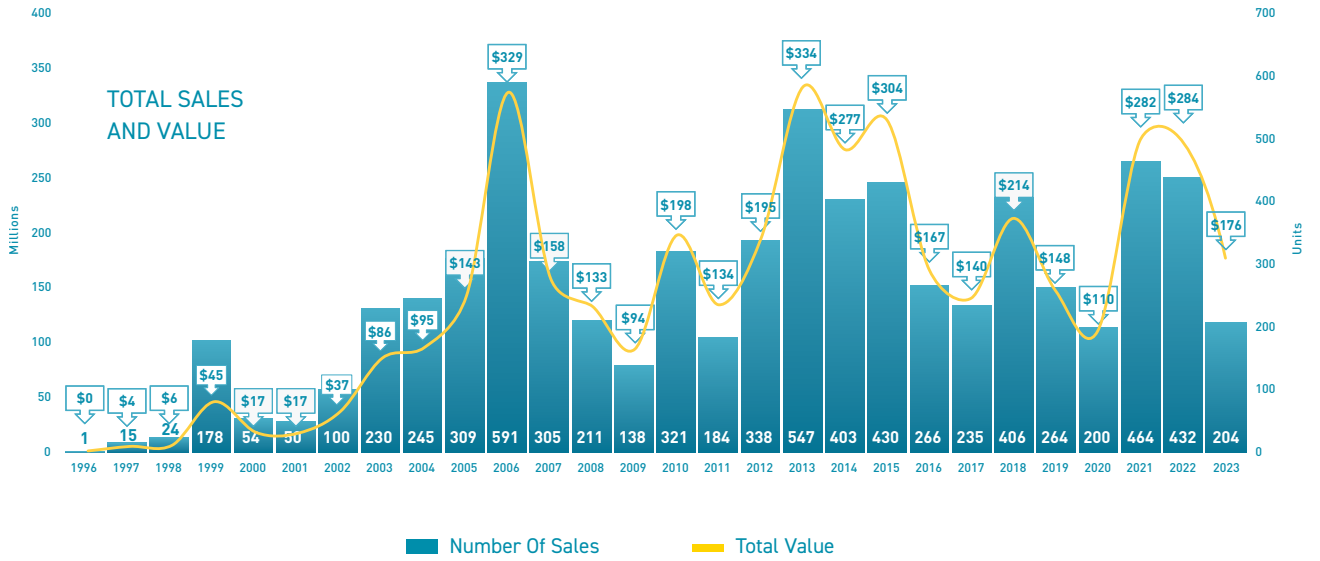
TOTAL DEVELOPED UNITS

UNITS



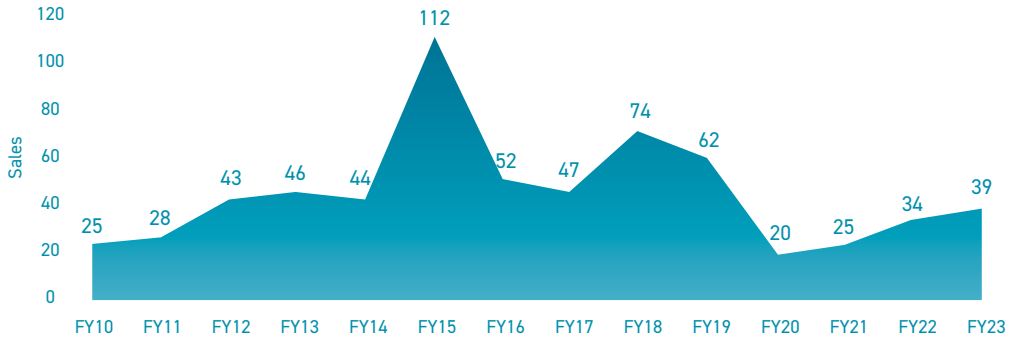
Total Developed Units reached **6,776** by the end of FY2023 with the addition of **121 units** from the completion of AT238. Finbar continues to position itself as the largest residential apartment developer in Western Australia.

Key Financial Metrics (continued)



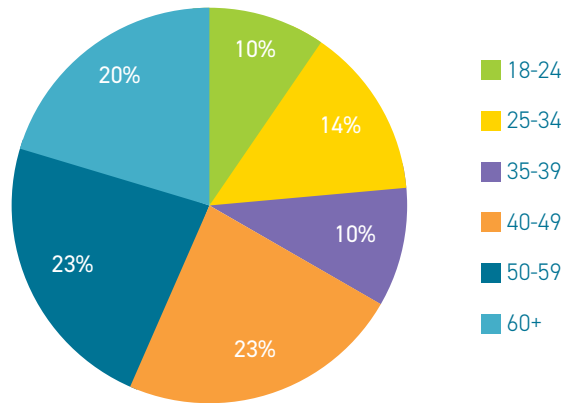
Key Financial Metrics (continued)

FOREIGN BUYER SALES

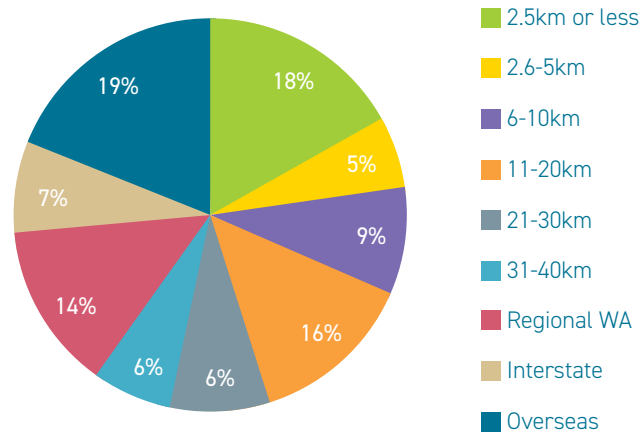


Following a rapid decline in FY20, after introduction of the foreign buyer surcharge tax by the state government, some foreign buyers are returning to the market.

FY23 - SALES ACROSS AGE GROUP



FY23 - LOCATION OF BUYER FROM THE DEVELOPMENTS



Project History

28 YEARS
76 LANDMARK DEVELOPMENTS
6,776 UNITS COMPLETED

2023	121	AT238 Perth	2009	21	CIRCLE EAST Northbridge
2021	128	DIANELLA APARTMENTS Dianella	16	CIRCLE WEST Northbridge	
	125	RIVERENA Rivervale	114	CODE Perth	
2020	123	ONE KENNEDY Maylands	113	CERESA Rivervale	
	167	SABINA Applecross	111	INFINITY East Perth	
2019	128	PALMYRA APARTMENTS EAST Palmyra	2008	123	ALTAIR East Perth
	59	REVA SOUTH PERTH South Perth	81	DOMUS Perth	
	250	VUE TOWER East Perth	49	DEL MAR Mandurah	
2018	244	AIRE WEST PERTH West Perth	80	SOHO East Perth	
	138	AURELIA South Perth	2007	76	AVENA Rivervale
2017	227	CONCERTO East Perth	60	SOL APARTMENTS West Perth	
	143	MOTIVE West Leederville	104	ONE28 East Perth	
2016	116	LINQ Northbridge	54	ARUM Rivervale	
	169	UNISON ON TENTH Maylands	43	SAMPHIRE Rivervale	
2015	154	ARBOR NORTH Rivervale	2005	98	WESTRALIAN East Perth
	63	NORWOOD PERTH Perth	64	COSMOPOLITAN East Perth	
	47	TOCCATA East Perth	14	RIVERSTONE South Perth	
	264	SUBI STRAND Subiaco	94	MARKETRISE West Perth	
2014	188	SPRING VIEW TOWERS Rivervale	2004	51	175 HAY East Perth
	8	52 MILL POINT RD South Perth	25	BLUE 2 South Perth	
	98	ECCO APARTMENTS Perth	45	KINGSTON West Perth	
	194	AU APARTMENTS East Perth	2003	30	ST THOMAS SQUARE Subiaco
2013	188	PELAGO EAST Pegs Creek (Karratha)	47	MONTEREY BAY Port Mandurah	
	131	ST MARKS Highgate	54	BLUEWATER South Perth	
	115	ADAGIO East Perth	2001	47	CHELSEA GARDENS West Perth
	43	KNIGHTSGATE Currambine	11	85 MILL POINT ROAD South Perth	
2012	111	LIME Victoria Park	25	THE 10TH TEE The Vines	
	114	PELAGO WEST Pegs Creek (Karratha)	2000	68	THE RISE East Perth
	128	FAIRLANES PERTH East Perth	76	WELLINGTON PLACE East Perth	
	31	18 ON PLAIN East Perth	1	ALBANY HIGHWAY MEDICAL CENTRE Victoria Park	
2011	202	X2 APARTMENTS East Perth	1999	1	CORFIELD STREET MEDICAL CENTRE Gosnells
2010	75	THE EDGE Victoria Park	12	MATILDA BAY APARTMENTS Crawley	
	85	THE SAINT East Perth	1998	78	PADDINGTON PLACE West Perth
2009	34	VERVE Perth	1997	5	167 MELVILLE PARADE South Perth
	50	HORIZON CENTRAL Maylands	15	SEVILLE ON THE POINT South Perth	
	62	HORIZON SIXTH Maylands	1996	3	THE LINKS South Perth
	197	ROYALE Perth	5	19 RENWICK STREET South Perth	
	71	REFLECTIONS EAST East Perth			
	71	REFLECTIONS WEST East Perth			

Finbar Milestones

28 years on the ASX

Our reputation is everything to us. Since we listed Finbar on the ASX 28 years ago, we have built our name on the back of an uninterrupted run of successful developments, from our first project, Seville on the Point, to Westralian, Pelago, Fairlanes, Subi Strand, Concerto and our award-winning Sabina Applecross. With Garden Towers and our landmark Civic Heart project on the way, Finbar continues to prove why it is WA's leading and most trusted residential apartment developer.

1990s



1995

Lists on ASX as Property Development Company operating out of a 2 bedroom Como apartment

Commenced 1st Development Seville on the Point, South Perth

1997

Completed 1st Development Seville on the Point, South Perth

Maiden net profit \$0.7m

1998

\$1m net profit milestone

2010s

2010

Secured first Pilbara project, Pelago West, Karratha

\$20m net profit milestone

2012

3000 apartments milestone

Completed company's first Pilbara project

Relocated to Fairlanes building, East Perth (13 staff)

Fairlanes awarded winner UDIA High Density Development

2013

Pelago West awarded Judge's and UDIA High Density Development



\$30m net profit milestone

2020s

2020

25th Year on the ASX

2021

Launched internal sales division – **Finbar Sales**

Sabina awarded Property Council WA Best Residential Development and UDIA Judges Commendation in the High Density Development Category



2022

Work continues to progress on the construction of four projects, a collective total of 753 units - AT238, Aurora, Civic Heart, and The Point. The total value of sales resulting from these combined projects exceeds \$780 million

2000s

2001

Relocated to first corporate office, Preston Street South Perth (4 staff)

2005

Completed Westralian, first luxury project on Terrace Road, East Perth

2006

\$100m market capitalization



1000
apartments
milestone

2008

\$10m
net profit
milestone

2009

Inclusion in All Ordinaries Index



2000
apartments
milestone

2014

St. Mark's awarded winner UDIA High Density Development and Urban Renewal



4000
apartments
milestone

2015

Record launch at Aurelia, with \$66m of sales in the 1st month

Completed Finbar's largest development to date, Subi Strand

Launched the Finbar Loyalty Club. An exclusive rewards program for all Finbar buyers, past & present

Spring View Towers awarded winner UDIA High Density Development



2017

Completed WA's tallest residential apartment development to date, Concerto

Concerto awarded winner UDIA High Density Development



Completed over \$3b worth of developments since 1995



5000
apartments
milestone

2019

Launched Property management division – **Finbar to Rent**



6000
apartments
milestone

Our Finbar



JOHN CHAN
Executive Chairman
28 years



DARREN PATEMAN
Managing Director
28 years



RONALD CHAN
Executive Director
19 years

We've come a long way since the dream started as 3 people working out of a makeshift office in Como. Now a 29-strong team led by experienced and long serving management, we're in prime position to push the boundaries at the forefront of Western Australia's lifestyle property market.

OUR PEOPLE

- A team of 19 staff in Finbar's head office
- A team of 7 staff in Finbar to Rent
- A team of 3 staff in Finbar Sales
- Led by an experienced and long serving management team, with strong leadership skills and an excellent track record

OUR BUSINESS

- Retains a strong brand and a highly regarded reputation in WA
- Operates on a low cost base providing attractive profit margins and shareholder returns
- Maintains exemplary relationships with suppliers and stakeholders
- Manages a pipeline of projects to ensure economies of scale and future growth

OUR COMMITMENT

- Our commitment to our customers, shareholders, state and local government and the environment has seen Finbar remain WA's largest and most trusted apartment developer



ELDON WAN
Non-Executive Director

LEE VERIOS
Non-Executive Director

TERENCE PEH
Non-Executive Director

Finbar continues to elevate the quality of inner city living in Perth, delivering prestigious, well-appointed lifestyle apartments that artfully fuse office and public spaces in progressive and innovative designs.

OUR PROJECTS

- Represent some of Perth's most prestigious and well-appointed lifestyle apartments
- Remain committed to creating progressive and innovative designs which represent value for money
- Offer a successful fusion of residential, office and public space

OUR INVESTMENT PROPERTIES

- Include the Fairlanes and Pelago buildings leased to reputable and proven businesses and individuals
- Provide consistent annual revenue from investments
- Ensure these additional revenue streams contribute to and smooth annual earnings

OUR FUTURE

- Our vision is to remain WA's leading medium to high density apartment developer
- Continue to focus development efforts in and around inner city Perth
- Sustain and enhance the quality of inner city living for current and future generations

Modern Amenities

INSPIRED BY MODERN LIFESTYLES

At Finbar, we're forever evolving to treat residents to the most thoughtful amenities in sync with how they like to live. From working out to working from home, accomodating guests to treating pets like family, each development is customised to the needs of its residents to ensure we continue to offer the most relevant and responsive inner-city lifestyles.



IMMERSIVE EXPERIENCES

Finbar developments understand resident needs to a tee. Garden Towers' state-of-the-art virtual golf driving range offers an immersive experience where players can finetune their swing in the comfort of their own home, while putting greens at Civic Heart and Aurora offer the chance to work on your short game at anytime.

WORKS FOR YOU

Working from home has become the new normal in a post-pandemic world. As thought leaders in this space, Finbar is innovating ahead of the trend with dedicated 'WFH' spaces in Civic Heart, Aurora, AT238 and Garden Towers, from business centres, to meeting rooms and zoom pods that make staying connected seamless.



PLAYTIME IN THE CITY

No longer the exclusive domain of couples and professionals, inner city apartments are growing in demand from young families seeking low-care minimalist living close to entertainment precincts. Civic Heart and Garden Towers raise the energy with exciting kids' playrooms and outdoor playgrounds, while AT238's gaming zone complete with an arcade machine and PS5 mean it's on for young and old.





STAY A LITTLE LONGER

Our residents said they wanted the flexibility of having family and friends visit, without having to send them away to stay at a hotel – and we listened. Following the overwhelming success at Sabina Applecross, Civic Heart and Aurora have incorporated Finbar’s guest apartment concept, allowing residents to book a suite to accommodate their loved ones while visiting.

BEST FRIENDS WELCOME

Dog ownership in Australia is increasing – and so is inner-city apartment living. Finbar brings the two worlds together thoughtfully and naturally, with pet wash facilities and pet play areas at Civic Heart, Garden Towers and AT238 inviting residents to embrace all the physical and emotional benefits that come from sharing an active city life with your four-legged friend.



ESG at Finbar

As WA's largest and most trusted apartment developer, Finbar is committed to operating in a manner that shows the highest levels of environmental, social and governance standards.

From its very early days, Finbar's success has been guided by an ethos to have positive environmental and social impacts and to be ethical and transparent in its approach to meeting and exceeding all regulations that govern how it operates.

The company's ethos is to develop better lifestyles for people and this guides the approach to ESG. Finbar strives to be a leader in WA, to be a trusted and respected joint venture partner, employer and neighbour to its stakeholders across the community.




Environment

- Using innovative, contemporary, and light-weight construction techniques to reduce carbon emissions
- Optimising design and material selection to reduce energy usage after handover
- Aiming to achieve high energy efficiency and thermal comfort ratings for each project
- Reducing waste through compaction and building management of diverse waste streams
- Reducing land clearing through offering affordable and diverse infill housing options
- Promoting adoption of EV through providing backbone infrastructure to catalyse the future installation of chargers



Social

- Providing affordable & diverse housing options across the Perth metro area
- Providing a wide range of amenities in each project with a focus on health and wellness
- Supporting local community organisations
- Importance of employee diversity & wellbeing
- Ensuring all our contractors and suppliers comply with the modern slavery initiatives and requirements.
- Providing positive policy outcomes through membership and committee input into the Property Council of Australia (WA) & the Urban Development Institute of Australia (WA)
- Broadening the rate base of local governments, supporting the delivery of services they provide to the local community



Governance

- Corporate Governance Statement
- Materiality assessment and identification of key ESG issues
- Long serving and experienced management and leadership team
- Ethical conduct and responsible business practices
- Risk management and long term strategic direction
- Nurturing employee growth & enhancing skills through training and professional development.
- Data security and privacy

COMPLETED PROJECTS



AT238
PERTH

**DIANELLA
APARTMENTS**
DIANELLA

REVA
SOUTH PERTH

AT 238

PERTH



AT238

238 Adelaide Terrace, Perth

AT238 comprises 119 residential apartments and two ground floor commercial lots in a 32 storey tower and represents Finbar's tenth development along Adelaide Terrace. Embracing spacious semi-enclosed balconies, AT238 is positioned as an unique apartment product with a striking glazed façade and rooftop amenities that take full advantage of the expansive views.

Project Company	240 Adelaide Terrace Pty Ltd
Entity Type	Equity Accounted Investee
Finbar's Ultimate Interest	50%
Construction Commenced	Mar 21
Construction Completed	Apr 23
Total Lots	121
Approximate Total Project Sales Value	\$100.9m
Value of Sales to Date	\$57.1m
Lots Sold	77 (64%)
Lots Unsold	44 (36%)



Dianella

APARTMENTS



DIANELLA APARTMENTS

36 Chester Avenue & 61 Waverley Street, Dianella

Dianella Apartments is conveniently located to the amenity of Dianella Plaza and nearby high frequency public transport. Combined with resort facilities, the 128 residential apartments within a low-rise built form offers housing diversity within a local market devoid of housing choice.

Project Company	36 Chester Avenue Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	100%
Construction Commenced	Aug 20
Construction Completed	Sep 21
Total Lots	128
Approximate Total Project Sales Value	\$62.5m
Value of Sales to Date	\$62.5m
Lots Sold	128 (100%)
Lots Unsold	0 (0%)





REVA

5 Harper Terrace, South Perth

Adjacent to Finbar's highly successful Aurelia project in South Perth, Reva is situated fronting Harper Terrace and comprises of 41 luxury one, two, and three bedroom apartments with rooftop amenities, as well as 18 commercial lots that were developed within the Harper Terrace structure.

Project Company	5-7 Harper Terrace Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	100%
Construction Commenced	Nov 17
Construction Completed	Feb 19
Total Lots	59
Approximate Total Project Sales Value	\$46.7m
Value of Sales to Date	\$43.8m
Lots Sold	55 (93%)
Lots Unsold	4 (7%)



PROJECTS UNDER CONSTRUCTION



CIVIC HEART
SOUTH PERTH

AURORA
APPLECROSS

THE POINT
RIVERVALE

CIVIC HEART

SOUTH PERTH



CIVIC HEART

99 Mill Point Road & 3 Mends Street, South Perth

This iconic site bounded by Mends Street, Labouchere Road and Mill Point Road offers luxurious apartments, world-class resort facilities, and a thriving ground floor commercial precinct anchored by the heritage South Perth Police Station and Post Office. Located in close proximity to the Swan River, Perth Zoo, and the Mends Street retail high street, Civic Heart is a transformational development that has achieved strong sales in a highly competitive localised market.

Project Company	1 Mends Street Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	52.5%
Construction Commenced	FY21
Estimated Completion	2H FY24
Total Lots	335
Approximate Total Project Sales Value	\$427.8m
Value of Sales to Date	\$226.3m
Lots Sold	221 (66%)
Lots Unsold	114 (34%)

CONSTRUCTION PROGRESS

Completion ETA
2H FY24

JULY
2023



MARCH
2023



DECEMBER
2022



MAY
2022



JULY
2022



Construction Commenced
January 2021

AURORA

APPLECROSS



AURORA APPLECROSS

3 Kintail Road, Applecross

The second stage of three in the Canning bridge precinct, Aurora combines luxurious apartment finishes & world-class facilities within an affluent Applecross address. Featuring a central shared lane and public amenity piazza.

Project Company	Finbar Applecross Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	50%
Construction Commenced	FY22
Estimated Completion	2H FY24
Total Lots	121
Approximate Total Project Sales Value	\$146m
Value of Sales to Date	\$55m
Lots Sold	60 (50%)
Lots Unsold	61 (50%)

CONSTRUCTION PROGRESS

Completion ETA
2H FY24

JULY
2023



MAY
2023



OCTOBER
2022



JUNE
2022



Construction Commenced
December 2021



THE POINT

SPRINGS RESIDENCES



THE POINT

31 Rowe Avenue, Rivervale

The Point comprises 167 one, two, and three bedroom apartments and 9 commercial lots on the ground floor and will be situated at the main entrance to the Springs precinct, opposite the Aloft Hotel.

Project Company	31 Rowe Avenue Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	65%
Construction Commenced	FY22
Estimated Completion	1H FY25
Total Lots	176
Approximate Total Project Sales Value	\$105.5m
Value of Sales to Date	\$74.8m
Lots Sold	136 (77%)
Lots Unsold	40 (23%)

CONSTRUCTION PROGRESS

Completion ETA
1H FY25

JULY
2023



MARCH
2023



DECEMBER
2022



SEPTEMBER
2022



Construction Commenced
March 2022



NEW TO MARKET



**GARDEN
TOWERS**
EAST PERTH

EAST PERTH

GARDEN TOWERS



GARDEN TOWERS

110 Plain Street & 8 DeVlamingh Ave, East Perth

Positioned opposite Queens Gardens in East Perth, Garden Towers will be comprised of 331 one, two, and three bedroom apartments plus 13 commercial units.

Project Company	Garden Towers East Perth Pty Ltd
Entity Type	Equity Accounted Investee
Finbar's Ultimate Interest	50%
Construction Commencement	FY24
Estimated Completion	TBC
Total Lots	344
Approximate Total Project Sales Value	\$256.5m
Value of Sales to Date	\$96m
Lots Sold	138 (40%)
Lots Unsold	206 (60%)



FUTURE PROJECTS



BEL-AIR

BELMONT

ROME0

APPLECROSS

LOT 1000

RIVERVALE

PALMYRA APARTMENTS WEST

PALMYRA

2 HOMELEA COURT

RIVERVALE

LOT 888

RIVERVALE

FORMER ABC STUDIOS

EAST PERTH



BEL-AIR

239 Great Eastern Highway, Belmont

The 239 Great Eastern Highway project has an approved DA for 196 one, and two bedroom apartments and 154sqm of ground floor commercial.

Project Company	239 Great Eastern Highway Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	100%
Construction Commencement	TBC
Total Lots	196
Approximate Total Project Sales Value	\$92m





ROMEO

912 Canning Highway, Applecross

Located only metres from the Swan River and approximately 600 metres to the Canning Bridge Train Station, this 2,620sqm site fronting Canning Highway has DA approval as the third of three stages for 151 residential apartments and three ground floor commercial tenancies within a podium and 26 storey tower built form.

Project Company	Finbar Applecross Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	50%
Construction Commencement	TBC
Total Lots	155
Approximate Total Project Sales Value	\$121m



PALMYRA APARTMENTS WEST

45 McGregor Road, Palmyra

The Palmyra second stage has received an amended DA to incorporate market feedback from stage one. Comprising 130 residential apartments, the introduction of lifts and re-alignment of apartment typologies within a low-rise structure, this development is designed to respond to first home buyer and downsizer drivers within the strong owner-occupier purchaser demographic, and is anticipated to have an end value of \$52 million.

Project Company	43 McGregor Road Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	50%
Construction Commencement	TBC
Total Lots	130
Approximate Total Project Sales Value	\$52m

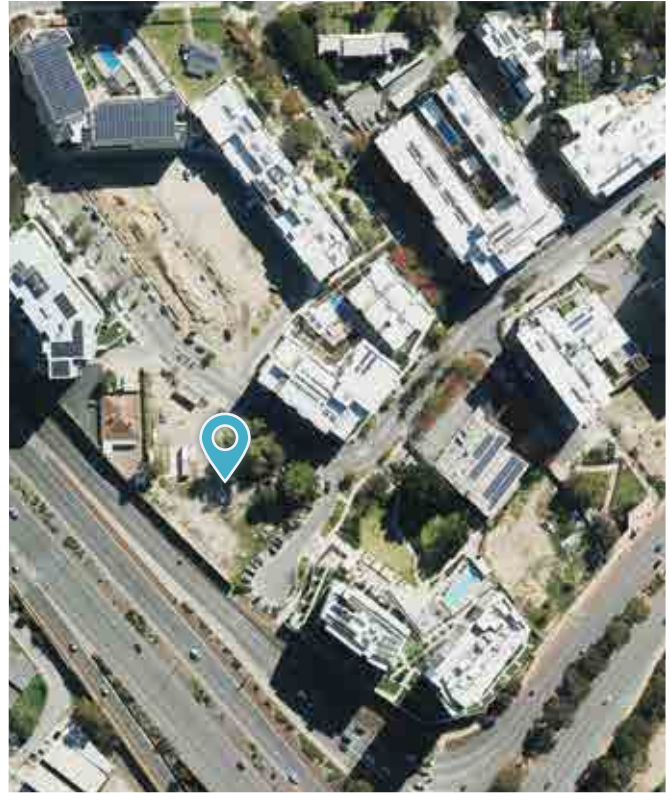


LOT 1000

32 Riversdale Road, Rivervale

Lot 1000 comprises 4,069 square metres of absolute waterfront land with expansive views of the Swan River, Stadium Precinct, and Perth CBD. DA has been approved for a 19 storey tower with 143 units.

Project Company	32 Riversdale Road Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	50%
Construction Commencement	TBC
Total Lots	143
Approximate Total Project Sales Value	\$88m



2 HOMELEA COURT

Cnr Rowe Avenue & Homelea Court, Rivervale

2 Homelea Court comprises 3,770 square meters of land located on the corner of Rowe Avenue and Homelea Court, opposite Finbar's Spring View Towers, is proposed to be developed into a project consisting of approximately 135 apartments within an 18 level building. The proposed apartment project has an estimated end value of approximately \$83 million.

Project Company	2 Homelea Court Springs Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	100%
Construction Commencement	TBC
Total Lots	135
Approximate Total Project Sales Value	\$83m

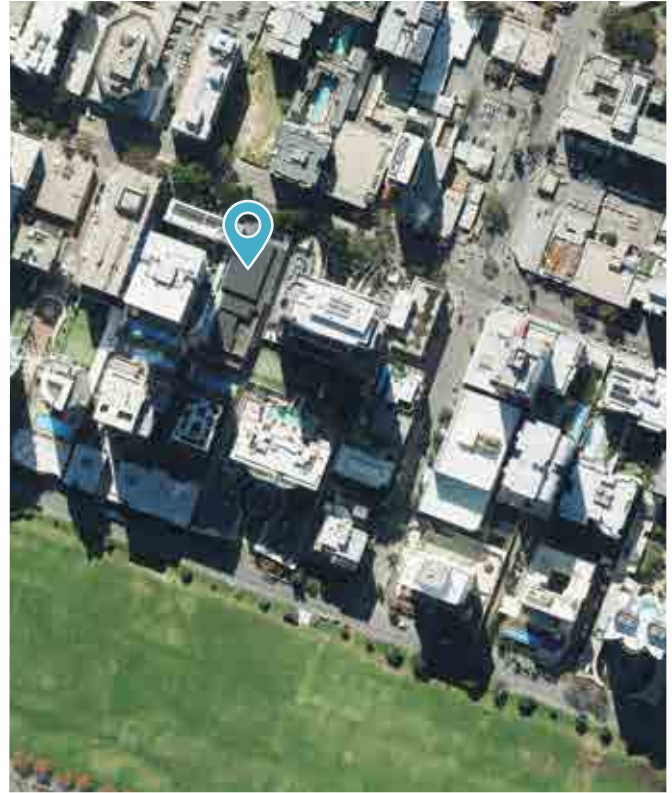


LOT 888

2 Hawksburn Road, Rivervale

The current approved DA comprises a six level office building with 6,250sqm NLA and 236 carbays.

Project Company	Rowe Avenue Pty Ltd
Entity Type	Equity Accounted Investee
Finbar's Ultimate Interest	50%
Construction Commencement	TBC
Total Lots	TBC
Approximate Total Project Sales Value	TBC



FORMER ABC STUDIOS

187 Adelaide Terrace, East Perth

The former ABC Radio Studios heritage building with a GFA of 3,711sqm over three levels.

Project Company	Finbar Sub 104 Pty Ltd
Entity Type	Fully Owned Subsidiary
Finbar's Ultimate Interest	100%
Construction Commencement	TBC
Total Lots	TBC
Approximate Total Project Sales Value	TBC

INVESTMENT PROPERTIES



FAIRLANES
EAST PERTH

PELAGO
KARRATHA

AURELIA
SOUTH PERTH



FAIRLANES

181 Adelaide Terrace, East Perth

Total SQM	7,584
Office SQM	7,114
Retail SQM	470
FY24 Forecast Rent	\$1.02m
SQM Leased	4260 (56%)



FAIRLANES
OFFICE

PELAGO

Sharpe Avenue, Karratha

Total Lots	117
Residential Lots	99
Commercial Lots	18
FY24 Forecast Rent	\$7.46m
Lots Leased	110 (94%)
Residential Lots Leased	97 (98%)
Commercial Lots Leased	13 (72%)

PELAGO
KARRATHA



AURELIA

1 Harper Terrace, South Perth

Total SQM	638
Estimated sales value	\$4.5m
Estimated income value	\$271,000 p.a.

AURELIA
SOUTH PERTH



Finbar Group Limited

Financial Report

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DIRECTORS' REPORT

For the Year Ended 30 June 2023

The Directors present their report together with the consolidated financial report of the Group, comprising Finbar Group Limited ('the Company'), its subsidiaries and the Group's interest in equity accounted investees for the financial year ended 30 June 2023 and the independent auditor's report thereon.

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DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

1. Directors

The Directors of the Company at any time during or since the end of the financial year are:

Executive Director and Chairman

John CHAN - BSc, MBA, MAICD

Director since 27 April 1995

Chairman since 15 July 2010

John Chan is Executive Director and Chairman of Finbar, and a Director of its subsidiaries and equity accounted investees.

John was appointed director in 1995 and was instrumental in re-listing Finbar on the ASX as a property development company. Prior to joining Finbar, John headed several property and manufacturing companies both in Australia and overseas.

John holds a Bachelor of Science from Monash University in Melbourne and a Master of Business Administration from the University of Queensland. John is a Member of the Australian Institute of Company Directors, is a Trustee for the Western Australian Chinese Chamber of Commerce, and is a former Senate Member of Murdoch University.

Managing Director

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

Director since 6 November 2008

Managing Director since 15 July 2010

Darren Pateman is the Managing Director of Finbar, and a Director of its subsidiaries and equity accounted investees.

Darren commenced with Finbar prior to its relisting on the ASX as a property development company in 1995 and in this time has played a primary role in developing Finbar's systems, strategy and culture.

Darren has held several positions in his 28 years with the company which has given Darren an intimate knowledge of the key aspects of Finbar's business. Darren was formerly Company Secretary from 1996 to 2010, Chief Executive Officer from 2008 to 2010, and was appointed Managing Director on 15 July 2010.

Darren is a Chartered Secretary and holds an Executive Master of Business Administration from the University of Western Australia and a Graduate Diploma in Applied Corporate Governance (GradDipACG). Darren is an Associate of the Institute of Chartered Secretaries and Administrators and a Member of the Australian Institute of Company Directors.

Executive Director and Chief Operations Officer

Ronald CHAN

Director since 24 February 2017

Ronald Chan is the Chief Operations Officer of Finbar, and a Director of Finbar's subsidiaries and equity accounted investees.

Ronald joined the Board as an Executive Director on 24 February 2017. Ronald brings 19 years of experience in Finbar's Company operations where he has worked in several roles in the organisation including marketing, contract administration, and in 2013 was appointed Chief Operations Officer. In this role Ronald has gained an intimate understanding of the Company's relationships and systems and managed the Company's transition to digital and online marketing strategies.

Non-executive Director

Kee Kong LOH - B Acc, CPA

Director since 28 April 1993 to 31 January 2023

Kee Kong Loh joined the Board in April 1993 and has substantial experience in the governance of companies in property development, marine transportation, and electronics manufacturing sectors. He has a degree in accountancy from the University of Singapore and is a member of the Institute of Certified Public Accountants of Singapore. Loh retired as a director of Finbar on 31 January 2023.

Non-executive Director

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

Director since 24 April 2018

Terence Peh joined the Board on 24 April 2018. Terence is Chief Executive Officer and Executive Director of Chuan Hup Holdings Limited, an investment company listed on the Singapore Stock Exchange, and Finbar's largest corporate shareholder.

Terence has over 24 years of experience in property development investment and project management in Asia Pacific, and management experience in finance in the marine and electronics manufacturing services industries.

Terence obtained his Bachelor of Commerce in Marketing from Curtin University and a Master of Commerce in Finance from the University of New South Wales.

Non-executive Director

Eldon WAN - B Acc, FCA Singapore

Director since 31 January 2023

Eldon Wan joined the Board on 31 January 2023. Eldon is the Chief Operating Officer of Chuan Hup Holdings Limited, an investment company listed on the Singapore Stock Exchange, and Finbar's largest corporate shareholder.

Eldon has over 25 years of experience in the finance and accounting sectors. He has accumulated industry experience in mergers and acquisitions, financial and management reporting, budgeting, taxation, treasury as well as corporate governance and risk management matters.

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

1. Directors (continued)

Non-executive (Independent) Director

Lee VERIOS - LLB, MAICD

Director since 6 December 2011

Lee Verios joined the Board in December 2011. He is a well credentialed commercial lawyer having practised in Western Australia for over 40 years.

Until his retirement from practising law in 2012, Lee was partner in the international law firm of Norton Rose and the leader of their Commercial Property division in Perth. Throughout his legal career, Lee has held senior management roles in each of the firms of which he has been a member.

In addition to his legal practice, Lee is an experienced company director, having held positions in a variety of public and private enterprises.

Lee is a member of the Australian Institute of Company Directors, the Law Society of WA and was previously Chairman of the Australian Indonesian Business Council (WA Branch).

Lee Verios has notified his intention to retire as a Director of the Company to take effect at the conclusion of the Company's 2023 Annual General Meeting.

2. Company Secretary

The Company Secretary of the Company at any time during or since the end of the financial year is:

Edward Guy BANK - B Bus, ASCPA

Company Secretary since 2 December 2016

Edward Bank is the Company Secretary of Finbar, and of Finbar's Subsidiaries and equity accounted investees. Ed is a Certified Practising Accountant with 29 years experience in private practice including 8 years as the Company's external accountant. Ed joined the Company in 2005 in the capacity of Chief Financial Officer.

Ed continues to hold the position of Chief Financial Officer.

3. Directors' Meetings

The number of Directors' meetings attended by each of the Directors of the Company, whilst being a Director, during the financial year are:

Director	Board Meetings Held	Board Meetings Attended	Resolutions Without Meetings	Audit Committee Meetings Held	Audit Committee Meetings Attended	Remuneration Committee Meetings Held	Remuneration Committee Meetings Attended
John CHAN	4	4	5	N/A	N/A	2	2
Darren John PATEMAN	4	4	5	N/A	N/A	N/A	N/A
Ronald CHAN	4	4	5	N/A	N/A	N/A	N/A
Kee Kong LOH*	2	2	3	1	1	1	1
Lee VERIOS	4	4	5	2	2	2	2
Terence Siong Woon PEH	4	4	5	2	2	2	2
Eldon WAN*	2	2	1	N/A	N/A	N/A	N/A

* Kee Kong Loh retired on 31 January 2023. Eldon Wan was appointed on 31 January 2023.

4. Corporate Governance Statement

The Board ('Board') of Finbar Group Limited ('Finbar' or 'the Company'), its subsidiaries and equity accounted investees (collectively the Group) is committed to maintaining a high standard of corporate governance in the conduct of the organisation's business in order to create and deliver value to shareholders. In this regard, Finbar has established a corporate governance framework, including corporate governance policies and charters to assist in this commitment. A copy of these policies and charters are available from the governance page of Finbar's website, www.finbar.com.au and are referenced throughout this document where relevant.

The framework is reviewed and revised in response to changes to law, developments in corporate governance best practice and changes to the Finbar business environment.

As a listed entity, Finbar is required to comply with Australian laws including the Corporations Act 2001 (Cth) and the Australian Securities Exchange Listing Rules, and to report against the ASX Corporate Governance Council's Principles and Recommendations.

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

4. Corporate Governance Statement (continued)

4.1 Board of Directors

Role of the Board

The Board Charter sets out the Board's role, powers and duties, and establishes the functions reserved for the Board and those which are delegated to the management. The Board's primary role is the protection and enhancement of long-term shareholder value. To fulfil this role, the Board is responsible for the overall corporate governance of the Group.

The Board has delegated responsibility for the operation and administration of the Group to the Executive Chairman, the Managing Director and Senior Executives.

Composition of Board

The Board recognises the importance of ensuring that Directors are free from interests and relationships that could, or could reasonably be perceived to materially interfere with the Director's ability to exercise independent judgement and act in the Group's best interests.

Accordingly, the Board has adopted guidelines, set out in the Board Charter, which are used to determine the independence of the Directors.

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group. Where the Board believes that a significant conflict exists for a Director on a Board matter, the Director concerned will be restricted from receiving materials, discussing or voting on the matter.

Details of each of the non-executive Directors (Independent) are set out in the Directors Report (page 43).

4.2 Remuneration Committee

The Remuneration Committee Charter sets out the Remuneration Committee's role, powers and duties, and establishes the functions delegated to the Committee by the Board. The Remuneration Committee reviews and makes recommendations to the Board on remuneration packages and policies applicable to the Executive Officers and Directors themselves of the Company and of other Group Executives. It is also responsible for share option schemes, incentive performance packages, superannuation entitlements, retirement and termination entitlements, fringe benefits policies and professional indemnity and liability insurance policies.

The Remuneration Committee reviews and makes recommendations to the Board on remuneration packages and policies applicable to the Executive Officers and Directors themselves of the Company and of other Group Executives. It is also responsible for share option schemes, incentive performance packages, superannuation entitlements, retirement and termination entitlements, fringe benefits policies and professional indemnity and liability insurance policies.

The following directors serve on the Remuneration Committee:

- Terence Siong Woon PEH (Chairman) - Non-executive Director
- John CHAN - Executive Director
- Kee Kong LOH - Non-executive Director (Retired on 31 January 2023)
- Lee VERIOS - Non-executive Independent Director

The Remuneration Committee Charter sets out the process for the periodical evaluation of the performance of the Executive Chairman and Managing Director. These evaluations have been conducted during the period.

The Remuneration Committee Charter sets out the process for the periodical evaluation of the performance of the Senior Executives. The Remuneration Committee in consultation with the Executive Chairman and Managing Director are responsible for the periodical evaluation of the performance of the Senior Executives. These evaluations have been conducted during the period.

Finbar has a written agreement, either in the form of an employment contract or letter of employment, with each Executive Director and Senior Executive which sets out the terms of their appointment.

A copy of the Remuneration Committee Charter is available on Finbar's website www.finbar.com.au.

4.3 Remuneration Report - Audited

4.3.1 Principles of Remuneration

Remuneration of Directors and Executives is referred to as remuneration as defined in AASB 124 Related Party Disclosures and Section 300A of the Corporations Act 2001.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group, including Directors of the Company and other Executives. Key management personnel comprise the Directors of the Company and Executives for the Company and the Group including the Section 300A Executives.

Remuneration levels for key management personnel and the secretary of the Company, and key management personnel and secretaries of the Group, are competitively set to attract and retain appropriately qualified and experienced Directors and Executives. The Remuneration Committee periodically obtains independent advice on the appropriateness of remuneration packages of both the Company and the Group given trends in comparative companies both locally and internationally and the objectives of the Company's remuneration strategy.

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

4. Corporate Governance Statement (continued)

4.3 Remuneration Report - Audited (continued)

4.3.1 Principles of Remuneration (continued)

The remuneration structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

- the capability and experience of the key management personnel;
- the key management personnel's ability to control the Group's performance;
- the key management personnel's contribution to revenue and future earnings potential;
- the key management personnel's length of service;
- project outcomes; and
- the Group's performance including:
 - the Group's earnings;
 - the growth in share price and delivering constant returns on shareholder wealth; and
 - the amount of incentives within each key management person's remuneration.

Remuneration packages include a mix of fixed and variable remuneration, short-term performance-based incentives and can include long-term performance-based incentives.

Fixed Remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any fringe benefit tax charges related to employee benefits including motor vehicles), as well as employer contributions to superannuation funds.

Remuneration levels are reviewed annually through a process that considers individual, segment and overall performance of the Group. In addition, where appropriate, external consultants provide analysis and advice to ensure the Directors' and Senior Executives' remuneration is competitive in the market place. A Senior Executive's remuneration is also reviewed on promotion.

Performance Linked Remuneration

Performance linked remuneration includes short-term incentives (STI) and can include long-term incentives (LTI), which are designed to reward key management personnel for meeting or exceeding their financial and personal objectives. The short-term incentive is an 'at risk' bonus provided in the form of cash, whilst the long-term incentive is provided as shares or options over ordinary shares of the Company under the rules of the Employee Incentive Plan 2013 and the Director Share Plan 2014. As at 30 June 2023, there were no options on issue.

Short-term Incentive

The Remuneration Committee has elected to set the primary financial performance objective of 'profit before tax' as the key measure for the calculation of the short term incentives of key management personnel. The non-financial objectives vary with position and responsibility and include measures such as those outlined above. The STI for the current period was wholly based on a percentage of 'profit before tax'. Contractual amounts are accrued in the current year and discretionary amounts are accounted for in the year of payment. The contractual amount is set at 3.3% of 'profit before tax' for the 2023 financial year.

At the end of the financial year the Remuneration Committee assess the actual performance of the Group, the relevant segment and the individual key management personnel's contribution to the Group. The performance evaluation in respect of the year ended 30 June 2023 has taken place in accordance with this process.

Long-term Incentive

Incentive shares or options issued under the Employee Incentive Plan 2013 or the Director Share Plan 2014 are made in accordance with thresholds set in the plans approved by shareholders at the relevant Annual General Meeting, subject to the Board's discretion.

Short-term and Long-term Incentive Structure

The Remuneration Committee considers that the above performance-linked remuneration structure is generating the desired outcome. The evidence of this is in respect to the long term historical profit and dividend growth of the Company, coupled with the long term retention of key management personnel resulting in the retention of Company intellectual property.

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

4. Corporate Governance Statement (continued)

4.3 Remuneration Report - Audited (continued)

4.3.1 Principles of Remuneration (continued)

Consequences of Performance on Shareholders Wealth

In considering the Group's performance and benefits for shareholder wealth, the Remuneration Committee has regard to the following indices in respect of the current financial year and the previous four financial years:

	2023	2022	2021	2020	2019
Total comprehensive income	\$2,782,000	\$10,975,000	\$8,863,000	\$7,068,000	\$11,372,000
Profit before tax	\$3,948,000	\$15,048,000	\$12,043,000	\$10,488,000	\$15,947,000
Dividends paid	\$5,442,000	\$10,884,000	\$8,163,000	\$13,606,000	\$16,302,000
Change in share price	-\$0.02	-\$0.17	\$0.15	-\$0.14	-\$0.10
Return on capital employed	1.84%	5.06%	3.82%	4.47%	5.58%
Return on total equity	1.16%	4.52%	3.65%	2.92%	4.58%

Profit before tax is considered as one of the financial targets in setting the STI.

Dividends, changes in share price, and return of capital are included in the total shareholder return (TSR) calculation which is one of the performance criteria assessed for the LTI. The other performance criteria assessed for the LTI is growth in earnings per share, which takes into account the Group's net profit.

The overall level of key management personnel's remuneration takes into account the performance of the Group over a number of years.

Directors

The base Directors fees for Non-executive Directors, last voted upon by the shareholders at the November 2013 AGM, is not to exceed \$360,000 per annum. Non-executive Directors base fees (excluding Committee Fees) are presently \$207,039 per annum.

4.3.2 Directors' and Executive Officers' Remuneration

Details of the nature and amount of each major element of remuneration of each Director of the Company and of the named Group Executives who received the highest remuneration are:

For the year ended 30 June 2023	Short-Term				Post - Employment			Total \$
	Directors Fees and Committee Fees \$	Salary \$	STI Cash Bonus (A) \$	Non Monetary Benefits \$	Total \$	Superannuation \$	Other Long Term \$	
Executive Directors								
Mr John Chan, Executive Chairman	-	550,124	44,795	-	594,919	27,500	(3,535)	618,884
Mr Darren John Pateman, Managing Director	-	726,846	44,795	7,852	779,493	25,292	12,441	817,226
Mr Ronald Chan, Chief Operating Officer	-	404,330	22,398	-	426,728	25,292	6,707	458,727
Non-executive Directors								
Mr Kee Kong Loh*	41,574	-	-	-	41,574	-	-	41,574
Mr Terence Siong Woon Peh	82,270	-	-	-	82,270	-	-	82,270
Mr Lee Verios	74,452	-	-	-	74,452	7,818	-	82,270
Mr Eldon Wan*	29,696	-	-	-	29,696	-	-	29,696
Executives								
Mr Edward Guy Bank, CFO	-	315,141	22,398	-	337,539	25,292	5,199	368,030
	227,992	1,996,441	134,386	7,852	2,366,671	111,194	20,812	2,498,677

* Kee Kong Loh retired on 31 January 2023. Eldon Wan was appointed on 31 January 2023.

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

4. Corporate Governance Statement (continued)

4.3 Remuneration Report - Audited (continued)

4.3.2 Directors' and Executive Officers' Remuneration (continued)

For the year ended 30 June 2022	Short-Term				Post - Employment			Total \$
	Directors Fees and Committee Fees \$	Salary \$	STI Cash Bonus (A) \$	Non Monetary Benefits \$	Total \$	Superannuation \$	Other Long Term \$	
Executive Directors								
Mr John Chan, Executive Chairman	-	587,356	190,706	-	778,062	27,981	13,176	819,219
Mr Darren John Pateman, Managing Director	-	738,362	190,706	23,620	952,688	24,021	25,117	1,001,826
Mr Ronald Chan, Chief Operating Officer	-	411,593	95,353	-	506,946	24,021	16,125	547,092
Non-executive Directors								
Mr Kee Kong Loh	78,603	-	-	-	78,603	-	-	78,603
Mr Terence Siong Woon Peh	74,937	-	-	-	74,937	-	-	74,937
Mr Lee Verios	74,790	-	-	-	74,790	7,479	-	82,269
Executives								
Mr Edward Guy Bank, CFO	-	320,901	95,353	-	416,254	24,021	12,148	452,423
	228,330	2,058,212	572,118	23,620	2,882,280	107,523	66,566	3,056,369

Notes in relation to the Table of Directors' and Executive Officers' Remuneration - Audited

(A) Short-term Incentive Cash Bonus:

The short-term incentive bonus is for performance during the respective financial years using the criteria set out on Page 45.

Details of the Group's policy in relation to the remuneration that is performance related is discussed on Page 45.

On 25th August 2016, Finbar Group Limited issued 250,000 fully paid ordinary shares to Darren Pateman as Director Incentive Shares under the rules of the Director Share Plan 2014. Payment was by way of an interest free loan of \$207,500 which was repaid in August 2021. The related non-monetary benefit is disclosed in table 4.3.2 on page 47.

On 13th September 2017, Finbar Group Limited issued 250,000 fully paid ordinary shares to Darren Pateman as Director Incentive Shares under the rules of the Director Share Plan 2014. Payment was by way of an interest free loan of \$202,500 which was repaid in September 2022. The related non-monetary benefit is disclosed in table 4.3.2 on page 46.

4.3.3 Analysis of Bonuses included in Remuneration

Details of the vesting profile of the short term incentive bonuses awarded as remuneration to each Director of the Company and each of the named Group Executives are detailed below.

	Short Term Incentive Bonus	
	Included in Remuneration \$	% vested in year
Executive Directors		
Mr John Chan	44,795	100%
Mr Darren John Pateman	44,795	100%
Mr Ronald Chan	22,398	100%
Executives		
Mr Edward Guy Bank	22,398	100%
	134,386	100%

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

4. Corporate Governance Statement (continued)

4.3 Remuneration Report - Audited (continued)

4.3.3 Analysis of Bonuses included in Remuneration (continued)

Amounts included in remuneration for the financial year represent the amount of entitlements in the financial year based on achievement of personal goals and satisfaction of performance criteria, as per Short Term Incentives (page 45). No discretionary bonus was paid to the Executives in the 2023 financial year (2022: NIL). Any discretionary amounts of executive bonuses relating to 2023 financial year are yet to be determined, and therefore may impact future financial years.

4.3.4 Directors' and Executives Interests

Movement in Shares

The movement during the reporting period in the number of ordinary shares in Finbar Group Limited held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Held at 1 July 2022	Purchases	Sales/Retired	Held at 30 June 2023
Directors				
Mr John Chan*	28,568,265	1,988,187	-	30,556,452
Mr Darren John Pateman	3,632,493	30,000	-	3,662,493
Mr Ronald Chan**	18,894,133	2,593,421	-	21,487,554
Mr Kee Kong Loh (Retired on 31 January 2023)	2,000,904	-	(2,000,904)	-
Mr Terence Siong Woon Peh***	60,431,843	8,119,023	-	68,550,866
Mr Lee Verios	72,393	-	-	72,393
Mr Eldon Wan (Appointed on 31 January 2023)	-	-	-	-
Executives				
Mr Edward Guy Bank	300,000	-	-	300,000

	Held at 1 July 2021	Purchases	Sales	Held at 30 June 2022
Directors				
Mr John Chan*	27,318,265	1,250,000	-	28,568,265
Mr Darren John Pateman	3,632,493	-	-	3,632,493
Mr Ronald Chan**	17,091,098	1,803,035	-	18,894,133
Mr Kee Kong Loh	2,000,904	-	-	2,000,904
Mr Terence Siong Woon Peh***	55,837,175	4,594,668	-	60,431,843
Mr Lee Verios	72,393	-	-	72,393
Executives				
Mr Edward Guy Bank	300,000	-	-	300,000

* John Chan has interests in Forward International Pty Ltd, Apex Investments Pty Ltd and Blair Park Pty Ltd which hold shares in Finbar Group Limited.

** Ronald Chan has interests in Forward International Pty Ltd and Blair Park Pty Ltd which hold shares in Finbar Group Limited.

*** Terence Peh is a Director and shareholder of Chuan Hup Holdings Limited which holds shares in Finbar Group Limited.

No options or rights for shares were granted to key management personnel as remuneration during the reporting period.

4.3.5 Equity Instruments

All options refer to options over ordinary shares of Finbar Group Limited issued under the Employee Incentive Plan 2013 or the Director Share Plan 2014. As at 30 June 2023, there were no options or rights on issue.

4.4 Audit Committee

The Audit Committee Charter sets out the Audit Committee's role, powers and duties, and establishes the functions delegated to the Audit Committee by the Board. The Audit Committee advises on the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the Group.

A copy of the Audit Committee Charter is available on Finbar's website www.finbar.com.au.

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

4. Corporate Governance Statement (continued)

4.4 Audit Committee (continued)

The following directors serve on the Audit Committee:

- Lee VERIOS (Chairman) - Non-executive Independent Director
- Kee Kong LOH - Non-executive Director (Retired on 31 January 2023)
- Terence Siong Woon PEH - Non-executive Director

4.5 Risk Management

Oversight of the Risk Management Procedures

The Board has elected not to establish a separate Risk Committee to oversee risk management and instead the overall responsibility of risk management resides with the Board in its entirety. In this regard, risk management considerations form part of the Board's discussions at scheduled meetings.

The Board oversees the establishment, implementation, and annual review of the Group's risk management procedures. Management has established and implemented informal risk management procedures for assessing, monitoring and managing all risks including operational, financial reporting and compliance risks for the Group. The Managing Director and Chief Financial Officer provide assurance, in writing to the Board, that the financial risk management and associated compliance and controls have been assessed and found to be operating effectively.

Risk Management and Compliance Control

Comprehensive practices have been established to ensure:

- capital expenditure with respect to land acquisitions or development agreements obtain prior Board approval;
- financial exposures are controlled. Further details of the Group's policies relating to interest rates management and credit risk are included in Notes 5 and 24 in the notes to the consolidated financial statements;
- management systems are monitored and reviewed to achieve high standards of performance and compliance with regulations;
- business transactions are properly authorised and executed;
- the quality and integrity of personnel (see below);
- financial reporting accuracy and compliance with the financial reporting regulatory framework (see below); and
- environmental regulation compliance (see below).

Quality and Integrity of Personnel

Training and development and appropriate remuneration and incentives with regular performance reviews create an environment of cooperation and constructive dialogue with employees and senior management.

Financial Reporting

The Managing Director and the Chief Financial Officer have provided assurance, in writing, to the Board that the Group's financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board.

There is a comprehensive accounting system. Monthly actual results are reported against budgets approved by the Directors and revised forecasts for the year are prepared regularly. Procedures are in place to ensure price sensitive information is reported to the Australian Securities Exchange (ASX) in accordance with Continuous Disclosure Requirements.

A review is undertaken at each half year end of all related party transactions.

Environmental Regulation

The Group's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

Compliance with the requirements of environmental regulations and with specific requirements of site environmental licences was substantially achieved across all operations with no instances of non-compliance in relation to licence requirements noted.

The Board is not aware of any significant breaches of environmental regulations during the period covered by this report.

4.6 Ethical Standards

All Directors, Managers and Employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Group.

Conflict of Interest

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group.

Where the Board believes that a significant conflict exists for a Director on a Board matter, the Director concerned does not receive the relevant Board papers and is not present at the meeting whilst the item is considered. Details of Director related entity transactions with the Company and the Group are set out in Note 28 in the Notes to the Consolidated Financial Statements.

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

4. Corporate Governance Statement (continued)

4.6 Ethical Standards (continued)

Code of Conduct

All Directors, Managers and Employees are expected to maintain high ethical standards including the following:

- aligning the behaviour of the Board and Management with the code of conduct by maintaining appropriate core Group values and objectives;
- fulfilling responsibilities to shareholders by delivering shareholder value;
- usefulness of financial information by maintaining appropriate accounting policies, practices and disclosure;
- fulfilling responsibilities to clients, customers and consumers by maintaining high standards of product quality, service standards, commitments to fair value, and safety of goods produced;
- employment practices such as occupational health and safety, employment opportunity, training and education support, community activities, sponsorships and donations;
- responsibilities to the individual, such as privacy, use of privileged or confidential information, and conflict resolution;
- managing actual or potential conflicts of interest;
- corporate opportunities such as preventing Directors and key executives from taking advantage of property, information or position for personal gain;
- confidentiality of corporate information;
- fair dealing;
- protection and proper use of the Group's assets;
- compliance with laws; and
- reporting unlawful or of unethical behaviour including protection of those who report violations in good faith.

Trading in General Company Securities by Directors and Employees

The key elements of the Trading in Company Securities by Directors and Employees policy are:

- identification of those restricted from trading - Directors and Senior Executives may acquire shares in the Company, but are prohibited from dealing in Company shares or exercising options:
 - within two trading days after either the release of the Company's half-year and annual results to the Australian Securities Exchange ('ASX'), the Annual General Meeting or any major announcement;
 - whilst in possession of price sensitive information not yet released to the market;
- raising the awareness of legal prohibitions including transactions with colleagues and external advisers;
- raising awareness that the Company prohibits those restricted from trading in Company shares as described above from entering into transactions such as margin loans that could trigger a trade during a prohibited period; and
- requiring details to be provided of the trading activities of the Directors of the Company.

4.7 Communication with Shareholders

The Board is committed to ensuring that the Company complies with its continuous disclosure obligations and to facilitate this, has approved a Continuous Disclosure Policy that applies to all Group personnel, including the Directors and Senior Executives. The Board seeks to promote investor confidence by seeking to ensure that trading in the Company's shares take place in an informed market.

Finbar provides information about itself, its activities and operations, and its governance via its website www.finbar.com.au.

A copy of the Group's Market Disclosure Policy is available on Finbar's website www.finbar.com.au.

4.8 Diversity

The Board has considered the recommendation to formulate strict measurable targets for the purposes of the assessment of gender diversity within the organisation. Given the small size and relatively stable nature of its workforce it has formed the view that at this time it would not be appropriate or practical to establish a written policy regarding gender diversity. The Board will review this position at least annually. However, generally, when selecting new employees or advancing existing employees, no consideration is given to gender, age or ethnicity, but instead selections are based upon individuals achievements, skill and expertise.

Gender representation	2023		2022	
	Female	Male	Female	Male
Board	-	100%	-	100%
Key Management Personnel	-	100%	-	100%
Senior Management	50%	50%	50%	50%
Group	56%	44%	56%	44%

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

5. Principal Activities

The principal activities of the Group during the course of the financial year 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 Group during the financial year.

6. Operating and Financial Review	2023	2022	2021	2020	2019
Total comprehensive income attributable to Owners of the Group	\$2,782,000	\$10,975,000	\$8,863,000	\$7,068,000	\$11,372,000
Basic and Diluted EPS	\$0.01	\$0.04	\$0.03	\$0.02	\$0.04
Dividends paid	\$5,442,000	\$10,884,000	\$8,163,000	\$13,606,000	\$16,302,000
Dividends paid per share	\$0.02	\$0.04	\$0.03	\$0.05	\$0.06
Market price per share	\$0.66	\$0.68	\$0.85	\$0.70	\$0.84
Change in share price	-\$0.02	-\$0.17	\$0.15	-\$0.14	-\$0.10
Return on capital employed attributable to Owners of the Group	1.84%	5.06%	3.82%	4.47%	5.58%
Return on total equity attributable to Owners of the Group	1.16%	4.52%	3.65%	2.92%	4.58%

Dividends paid in 2023 were fully franked and it is expected that dividends in future years will continue to be fully franked.

Key transactions that contributed to the consolidated net profit of the Company for the 2023 financial year were the completion of AT238 Apartments, sales and settlements of completed stock held at 30 June 2022 and the ongoing rental of the Company's commercial and residential properties. See below for further information on the Company's project completions and overview.

Review of Operations

Finbar Group Limited's ('Finbar' or 'the Company') core business lies in the development of medium to high density residential apartments and commercial property within the state of Western Australia. Finbar carries out its development projects through wholly owned subsidiaries, development agreements with landowners or incorporated special purpose entities, and equity accounted investees. Development arrangements and equity partners are sought to allow the Company to leverage into larger development projects to take advantage of the benefits of economies of scale, to help spread project risk, and to leverage the Company's intellectual property.

The Company operates predominantly within the central suburbs of the Perth metropolitan area. The ability to source new viable development opportunities and develop product that meets the needs of an evolving residential market is central to Finbar's ongoing success. The Board and Management has a long-proven track record of such success.

The administration of the Group along with the operating, investment and acquisitions decisions are made by Finbar's Board and Management. The Company employs 28 staff in its corporate offices in East Perth, Western Australia and 1 member of staff in the regional Karratha office.

The Company's Management has remained diligent in ensuring a strong balance sheet is maintained to protect and improve the Company's market position through market cycles. The Company completed AT238 Apartments in East Perth during the financial year. Focusing on its main principal activity, construction continues to progress at Civic Heart in South Perth, Aurora in Applecross and The Point in Rivervale into the next financial year. The building and completion of the projects will further strengthen the Company's financial and operating position, generating revenue, and building cash flows to fund future opportunities and the payment of dividends to shareholders.

There were no significant changes in the composition of overall assets and liabilities, with movements in assets from non-current to current and movements in liabilities from non-current to current as projects reach completion. The Company continued to focus on the generation of property sales and rental revenue through property development and investment.

Material Business Risks

With multiple projects in the pipeline, current property shortages and supply constraints, the outlook of the Group is optimistic. Nonetheless, the Group is exposed to various risk factors which could be business specific or generally macroeconomic. The Group's operational structure and unique business relationship arrangements mitigates the inherent risk of the business.

Supply chain and cost control risk – Building and architectural costs are the key development costs of a project. Finbar outsources its design and construction activities to long-standing external parties. The stable affiliation and adequate project contingencies help cushion project margins from significant price fluctuations, milestone delays, and contract default risk by key providers. This outsourcing model ensures that the Company is and remains scalable, efficient and agile in a market where acquisition and project timing is critical in maintaining a competitive advantage.

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

6. Operating and Financial Review (continued)

Material Business Risks (continued)

Funding and interest rates risk – As property development requires a large initial capital outlay before property settlement, restricted access to funds will limit and affect the Company's ability to pursue new opportunities and to deliver projects in a timely manner. The Company addresses this as follows:

- Depending on the development arrangement, we have access to capital from equity accounted investee partners and landowners;
- Construction does not commence until sufficient pre-sales are achieved to prove up project viability and provide comfort to project financiers;
- Where financing criteria is met, development funding from major Australian banks over the specific project is utilised; and
- Land acquisitions and associated holding costs are funded without the use of debt funding.

Valuation of property – The value of land, building, and investment properties may be affected by a wide range of factors which are beyond of the Company's control. The effect may be adverse on the overall business result due to impact on net realisable value of inventory, selling price, compliance on lending covenants and ultimately the liquidity of the Group. The Board and Management continuously monitor market fluctuations and conditions and implement appropriate strategies to benefit from and insulate the Company against changing market conditions.

Additionally, changes in government legislation, regulation, rebates, and incentives may impact the Company's operations. Management mitigates regulatory risks through constant monitoring, providing appropriate staff training, maintaining relationships with regulatory bodies, and actively engaging with industry groups conducting property related advocacy work in the Company's sector.

The Board and Management do not currently have the view that there is a requirement to reposition the Company's overall business model.

Completed Projects

Dianella Apartments - 36 Chester Avenue, Dianella: 37 units have settled during the period and 1 unit settled post the reporting period. The 128 unit development is now fully sold.

Reva - 5 Harper Terrace, South Perth: 3 commercial units have settled in the reporting period. 4 commercial units remain for sale in the 59 unit development.

Vue Tower - 63 Adelaide Terrace, East Perth: 1 unit has settled in the reporting period. The 250 unit development is now fully sold and settled.

One Kennedy - 241 Railway Parade, Maylands: 2 units have settled in the reporting period. The 123 unit development is now fully sold and settled.

AT238 - 240 Adelaide Terrace, Perth: Construction of the AT238 project completed in the second half of the financial year. 67 units have settled in the reporting period and 4 units settled post the reporting period. 45 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 the financial year ending 30 June 2024. To date 198 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 2024. To date 60 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 the financial year ending 30 June 2025. To date 134 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 130 residential sales and 5 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.

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

Springs Commercial - 2 Hawksburn Road, Rivervale: The company has not secured a lease to date which would underpin the viability of the development of a commercial building on this land. The company will continue to seek a leasing pre-commitment.

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

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

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

6. Operating and Financial Review (continued)

Investment Property

Fairlanes - 181 Adelaide Terrace, East Perth: The Fairlanes property has been valued during the reporting period. The valuation resulted in a \$3,000,000 reduction to the value of the property. The company continues to benefit from the investment income generated from the leased property. The property is currently 47% 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 \$45,000 increase in value of the property. The company continues to benefit from the investment income generated from the leased property. The property is currently 61% 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 \$1,638,000 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 was acquired in December 2022 under Finbar Commercial Pty Ltd. The purchase price was \$753,000. The company is marketing the tenancy 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: Lots 132-138 at Aurelia were revalued during the period. The valuation resulted in \$570,000 increase to the value of the property. Lots 136 and 138 are currently being leased. The company is actively marketing the remaining tenancies for rental.

Significant Changes in State of Affairs

Other than set out in this report, in the opinion of the Directors there were no significant changes in the state of affairs of the Group that occurred during the financial year under review.

7. Dividends

Dividends paid or declared by the Company to members since the end of the previous financial year were:

	Cents per Share	Total Amount \$'000	Franked / Unfranked	Date of Payment
Dividends Paid During the Year 2023				
Final 2022 ordinary	2.00	5,442	Franked	9 September 2022
Total Dividends Paid		5,442		

Franked dividends declared or paid during the year were franked at the rate of 30%.

No dividend has been proposed after balance date.

	Note	\$'000
Dealt with in the financial report as - Dividends	19	5,442

Dividend Reinvestment Plan

In accordance with Rule 13 of the Company's Dividend Reinvestment Plan (DRP), the Directors have elected to suspend the DRP in the 2023 financial year until further notice.

8. 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.

9. Likely Developments

The Group will continue to pursue its policy of increasing the profitability and market share of its major business sectors during the next financial year.

The Group will continue planned development projects on existing land and will continue to assess new development opportunities through acquisition of land for future development.

Further information about likely developments in the operations of the Group and the expected results of these operations in future years have not been included in this report as the disclosure of such information would, in the opinion of the Directors, be likely to result in unreasonable prejudice to the Group.

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

10. Directors' Interests

The relevant interest of each Director in the shares and options over such instruments by the companies within the Group, as notified by the Directors to the Australian Stock Exchange Limited in accordance with S205G(1) of the Corporations Act 2001, as at the date of this report is as follows:

Director	Ordinary Shares
Mr John Chan	30,556,452
Mr Darren John Pateman	3,662,493
Mr Ronald Chan	21,487,554
Mr Terence Siong Woon Peh	68,550,866
Mr Lee Verios	72,393
Mr Eldon Wan	-

11. Indemnification and Insurance of Officers

Indemnification

The Company has agreed to indemnify the current Directors of the Company, its subsidiaries and equity accounted investees, against all liabilities to another person (other than the Company or related body corporate) that may arise from their position as Directors of the Company, its subsidiaries and equity accounted investees, except where the liability arises out of the conduct involving a lack of good faith.

Insurance Premiums

During the financial year the Company has paid insurance premiums of \$86,000 (2022: \$71,000) in respect of Directors and Officers liability and legal expenses insurance contracts for Directors and Officers, including Executive Officers of the Company. The insurance premiums relate to:

- Costs and expenses incurred by the relevant Officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

12. Non-audit Services

During the year KPMG, the Group's auditor, has performed certain other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditors independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed to ensure they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the Group, KPMG, and its related practices for audit and non-audit services provided during the year are set out below:

	Consolidated	
	2023 \$	2022 \$
Audit Services:		
Auditors of the Company		
Audit and review of financial statements - KPMG	181,778	146,970
	181,778	146,970
Services Other Than Statutory Audit:		
Taxation advice and tax compliance services - KPMG	21,527	20,700
	21,527	20,700

DIRECTORS' REPORT (Continued)

For the Year Ended 30 June 2023

13. Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration is set out on Page 98 and forms part of the Directors' Report for the financial year ended 30 June 2023.

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



Darren Pateman
Managing Director

Dated at Perth this Twenty-second day of August 2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2023

	Note	Consolidated	
		2023 \$'000	2022 \$'000
Revenue	7	33,965	91,109
Cost of sales		(19,022)	(70,049)
Gross Profit		14,943	21,060
Other income	8	226	328
Administrative expenses		(7,283)	(8,280)
Advertising expenses		(152)	(544)
Revaluation (decrease)/increase of investment property		(243)	6,864
Revaluation increase of property, plant and equipment		151	283
Rental expenses		(3,671)	(4,960)
Gain on disposal of investment properties		491	374
Results from Operating Activities		4,462	15,125
Finance income	10	945	595
Finance costs	10	(2,239)	(513)
Net Finance (Costs)/Income		(1,294)	82
Share of profit/(loss) of equity accounted investees (net of income tax)	14	780	(159)
Profit before Income Tax		3,948	15,048
Income tax expense	11	(813)	(4,142)
Profit for the year		3,135	10,906
Other comprehensive income			
Items which will not be reclassified to profit or loss:			
Revaluation (decrease)/increase of property, plant and equipment		(504)	98
Tax on items that will not be reclassified to profit or loss	11	151	(29)
Other comprehensive (loss)/income for the year, net of income tax		(353)	69
Total comprehensive income for the year		2,782	10,975
Earnings per Share:			
Basic earnings per share (cents per share)	20	1.15	4.01
Diluted earnings per share (cents per share)	20	1.15	4.01

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements set out on Pages 60 to 91.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2023

	Note	Share Capital \$'000	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Total Equity \$'000
Balance as at 1 July 2021		194,484	47,697	460	242,641
Total comprehensive income for the year					
Profit		-	10,906	-	10,906
Other comprehensive income		-	-	69	69
Transactions with owners, recognised directly in equity					
Dividends to shareholders	19	-	(10,884)	-	(10,884)
Balance as at 30 June 2022		194,484	47,719	529	242,732
Balance as at 1 July 2022		194,484	47,719	529	242,732
Total comprehensive income for the year					
Profit		-	3,135	-	3,135
Other comprehensive loss		-	-	(353)	(353)
Transactions with owners, recognised directly in equity					
Dividends to shareholders	19	-	(5,442)	-	(5,442)
Balance as at 30 June 2023		194,484	45,412	176	240,072

Amounts are stated net of tax

The Consolidated Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements set out on Pages 60 to 91.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Note	Consolidated	
		2023 \$'000	2022 \$'000
Current Assets			
Cash and cash equivalents	18a	18,176	33,202
Trade and other receivables	17	20,486	20,037
Inventories	16	145,883	19,338
Investment property	12	2,050	-
Prepayments		716	-
Investments in equity accounted investees	14	2	590
Other assets		51	49
Total Current Assets		187,364	73,216
Non-current Assets			
Trade and other receivables	17	19,917	30,799
Inventories	16	114,878	123,048
Investment property	12	98,902	102,189
Prepayments		115	738
Investments in equity accounted investees	14	1,767	990
Property, plant and equipment	13	9,486	9,932
Deferred tax assets	15	8,053	5,366
Other assets		83	123
Total Non-current Assets		253,201	273,185
Total Assets		440,565	346,401
Current Liabilities			
Trade and other payables	23	15,086	10,876
Loans and borrowings	21	162,337	23,340
Current tax payable	15	1,882	1,936
Employee benefits	22	807	792
Total Current Liabilities		180,112	36,944
Non-current Liabilities			
Trade and other payables	23	257	166
Loans and borrowings	21	14,803	61,857
Deferred tax liabilities	15	5,310	4,696
Employee benefits	22	11	6
Total Non-current Liabilities		20,381	66,725
Total Liabilities		200,493	103,669
Net Assets		240,072	242,732
EQUITY			
Share capital	19	194,484	194,484
Retained earnings		45,412	47,719
Reserves	19	176	529
Total Equity		240,072	242,732

The Consolidated Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements set out on Pages 60 to 91.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2023

	Note	Consolidated	
		2023 \$'000	2022 \$'000
Cash Flows from Operating Activities			
Cash receipts from customers		76,994	278,333
Cash paid to suppliers and employees		(186,127)	(283,611)
Cash used in Operating Activities before tax and interest paid		(109,133)	(5,278)
Interest paid		(1,738)	(1,833)
Income tax paid		(2,788)	(2,598)
Net Cash used in Operating Activities	18b	(113,659)	(9,709)
Cash Flows from Investing Activities			
Proceeds from sale of investment properties		3,238	1,785
Interest received		483	470
Dividends received from equity accounted investees		590	635
Acquisition of property, plant and equipment	13	(206)	(98)
Proceeds from sale of property, plant and equipment	13	-	14
Acquisition of investment property		(716)	(331)
Acquisition of other investments		-	(3)
Repayment of loans to related party		(2,136)	(2,943)
Loans to equity accounted investees		(5,555)	(23,130)
Proceeds from loans to equity accounted investees		16,488	9,887
Net Cash provided by/(used in) Investing Activities		12,186	(13,714)
Cash Flows from Financing Activities			
Proceeds from borrowings	21	100,739	38,659
Repayment of borrowings	21	(8,850)	(23,749)
Dividends paid	19	(5,442)	(10,884)
Net Cash provided by Financing Activities		86,447	4,026
Net decrease in cash and cash equivalents		(15,026)	(19,397)
Cash and cash equivalents at 1 July		33,202	52,599
Cash and Cash Equivalents at 30 June	18a	18,176	33,202

The Consolidated Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements set out on Pages 60 to 91.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

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For the Year Ended 30 June 2023

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

1. Reporting Entity

Finbar Group Limited ('the Company') is a public company domiciled in Australia. The address of the Company's registered office is Level 6, 181 Adelaide Terrace, East Perth WA 6004. The consolidated financial statements of the Group as at and for the year ended 30 June 2023 comprise the Company, its Subsidiaries (together referred to as 'the Group' and individually as 'Group entities') and the Group's interest in equity accounted investees. The Group is a for-profit entity and is primarily involved in residential property development and property investment (see Note 6).

2. Basis of Preparation

(a) Statement of Compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. These consolidated financial statements of the Group comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

The consolidated financial statements were approved by the Board of Directors on 22nd August 2023.

(b) Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- financial instruments recognised through profit or loss are measured at fair value;
- investment property is measured at fair value; and
- property under property, plant and equipment is measured at fair value.

The methods used to measure fair values are discussed further in Note 4.

(c) Functional and Presentation Currency

These consolidated financial statements are presented in Australian dollars which is the functional currency for the Group. In accordance with ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191, amounts in the consolidated financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

(d) Use of Estimates and Judgements

The preparation of consolidated financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(i) Assumptions and estimation uncertainties

Information about assumptions made in measuring fair values and estimation uncertainties that have a significant risk of resulting in a material adjustment within the year ending 30 June 2023 are included in the following notes:

- Note 12 - Valuation of investment property; and
- Note 13 - Valuation of property, plant & equipment.

(ii) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The Managing Director and Chief Financial Officer have the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Valuations are reported to the Audit Committee at each reporting date.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change occurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

2. Basis of Preparation (continued)

(e) Changes in Accounting Policies

The Group's accounting policies are consistent with those disclosed in the financial statements for the year ended 30 June 2022.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities.

(a) Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to or has rights to variable returns from its investment with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

(ii) Equity Accounted Investees

Equity accounted investees are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic and operating decisions. Investments in equity accounted investees are accounted for using the equity method and are initially recognised at cost. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that the joint control commences until the date the joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the equity accounted investee. Investments in equity accounted investees are carried at the lower of the equity accounted amount and the recoverable amount.

(iii) Joint Operations

A joint operation is carried on by each venturer using its own assets in pursuit of the joint operations. The consolidated financial statements include the assets that the Group controls and the liabilities that it incurs in the course of pursuing the joint operation, and the expenses that the Group incurs and its share of the income that it earns from the joint operation.

(iv) Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the equity accounted investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Gains and losses are recognised as the contributed assets are consumed or sold by the equity accounted investee or, if not consumed or sold by the equity accounted investee, when the Group's interest in such entities is disposed.

(b) Financial Instruments

(i) Non-derivative Financial Instruments

Non-derivative financial assets

Trade and other receivables and debt securities issued are initially recognised when they are originated. All other financial assets (including assets designated at fair value through profit or loss – FVTPL) are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Accounting for finance income and expense is discussed in Note 3(j).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

3. Significant Accounting Policies (continued)

(b) Financial Instruments (continued)

(i) Non-derivative Financial Instruments (continued)

Non-derivative financial liabilities

Trade and other payables, commercial bills and subordinated liabilities are initially recognised when they are originated at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method. All other financial liabilities (including liabilities designated at fair value through profit or loss) are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Share Capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Repurchase of share capital

When share capital recognised in equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity.

Dividends

Dividends are recognised as a liability in the period in which they are declared.

(c) Property, Plant and Equipment

(i) Recognition and Measurement

Items of plant and equipment are measured at cost or deemed cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets include the cost of materials, direct labour, any other costs directly attributable to bringing the asset to a working order for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

Items classified as property are measured at fair value. Refer Note 3(c)(iv).

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant & equipment and are recognised net within "Other income" in profit or loss.

Losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the property, plant & equipment item and are recognised net within "Administrative expenses" in profit or loss.

When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

In respect to borrowing costs relating to qualifying assets, the Group capitalises costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset.

(ii) Reclassification to Investment Property

Property that is being constructed for future use as investment property is accounted for as inventory until construction or development is complete, at which time it is remeasured to fair value and reclassified as investment property. Any gain or loss arising on remeasurement is recognised in profit or loss.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Any loss is recognised in the revaluation reserve to the extent that an amount is included in revaluation reserve for that property, with any remaining loss recognised immediately in profit or loss. Any gain arising on revaluation is recognised in profit or loss to the extent the gain reverses a previous impairment loss on the property, with any remaining gain recognised in a revaluation reserve in equity.

(iii) Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be reliably measured. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

3. Significant Accounting Policies (continued)

(c) Property, Plant and Equipment (continued)

(iv) Revaluation Model for Property

After recognition as an asset, the Group has elected to carry an item of property whose fair value can be reliably measured shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and accumulated impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

If an item of property is revalued, the entire class of property to which that asset belongs shall be revalued. Any gain or loss arising on remeasurement is recognised in other comprehensive income and asset revaluation reserve. Refer Note 4.

(v) Depreciation and Amortisation

Depreciation and amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Assets are depreciated or amortised from the date of acquisition. Land is not depreciated.

The estimated useful lives in the current and comparative periods are as follows:

• Property	40 years
• Office furniture and equipment, fixtures and fittings	5 - 25 years
• Plant and equipment	1 - 10 years

Depreciation and amortisation rates and methods are reviewed at each reporting date. When changes are made, adjustments are reflected prospectively in the current and future periods only.

(d) Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, used in the production or supply of goods and services or for administrative purposes. Investment property is measured at fair value (see Note 4) with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The self-constructed investment property transferred from inventory are recognised at fair value.

When the use of a property changes such that it is reclassified as property, plant or equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

(e) Inventories

Inventories and work in progress, including land held for resale, are stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost includes the cost of acquisition, development costs, holding costs and directly attributable interest on borrowed funds where the development is a qualifying asset. When a development is completed and ceases to be a qualifying asset, borrowing costs and other costs are expensed as incurred.

Inventory is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded; or
- it is expected to be realised within twelve months of the reporting date.

(f) Impairment

(i) Financial Assets

Under the expected credit losses (ECL) model in accordance with AASB 9 Financial Instruments, the Group calculates the allowance for credit losses by considering on a discounted basis the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring. The allowance is the sum of these probability-weighted outcomes.

At each reporting period, the Group assess whether the credit risk on a financial instrument has increased significantly since initial recognition, by analysing reasonable and supportable information that is available without undue cost or effort about past events, current conditions and forecasts of future economic conditions.

Except for purchased and originated credit-impaired financial assets, trade receivables, AASB 15 contract assets and lease receivables, at each reporting date:

- the Group measures the loss allowance for a financial instrument at an amount equal to the 'lifetime expected credit losses' if the credit risk on that financial instrument has increased significantly since initial recognition; and
- if the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measure the loss allowance for that financial instrument at an amount equal to '12 month expected credit loss'.

The allowance and any changes in the expected credit loss are recognised as impairment gain and losses in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

3. Significant Accounting Policies (continued)

(f) Impairment (continued)

(ii) Non-financial Assets

The carrying amounts of the Group's non-financial assets other than investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash flow from continuing use that are largely independent of the cash flows of other assets or groups of assets (the "cash generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Employee Benefits

(i) Superannuation Contributions

Obligations for contributions to superannuation funds are recognised as an expense in profit or loss.

(ii) Long-term Employee Benefits

The Group's obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on costs.

(iii) Termination Benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be reliably estimated.

(iv) Short-term Employee Benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be recognised reliably.

(h) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be reliably estimated, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Revenue

Under AASB 15 Revenue from Contracts with Customers, revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer.

(i) Property Sales

Revenue from property sales include:

- sale of residential and commercial property;
- development costs fees which represent the fees charged to recoup project development costs from the landowners; and
- profit share fees which represent percentage profit sharing revenue based on net project profit.

Revenue is recognised when control of the assets is transferred and the amount of revenue is measured based on the contracted amount. The timing of transfer of control vary depending on the individual terms of the contract of sale.

For projects with an external landowner, when the Group is engaged as a property developer of the land, the Group is deemed to be acting as the principal in the transaction and as such, property sales revenue and cost of sale are grossed up by the land cost base.

The cost of sales allocated to individual units is based on the estimated overall selling price for the project and is updated at each reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

3. Significant Accounting Policies (continued)

(i) Revenue (continued)

(ii) Supervision Fees

Supervision fees represents the management fees charged to the equity accounted investees. Revenue is recognised in profit or loss in proportion to the stage of project completion which is by reference to an assessment of the costs incurred and the costs to be incurred. Revenue is measured based on the contracted amount and constrained to the amount that is highly probable.

(iii) Management Fee

Management fees represents the management fee charged to the shareholders of equity accounted investees. Revenue is recognised in profit or loss at property settlement and is measured based on the contracted amount and constrained to the amount that is highly probable.

Management fees include the fees earned by providing property management services, exclusively to Finbar built properties. Revenue is recognised in profit or loss at the end of each month.

(iv) Rental Income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease in accordance with AASB 16 Leases. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(j) Finance Income and Finance Costs

Finance income comprises interest income on funds invested, interest on loans to equity accounted investees, dividend income and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance costs comprise interest expense on borrowings, changes in fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. Borrowing costs that are not directly attributable to the acquisition or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(k) Income Tax

Income tax expense comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and equity accounted investees to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income tax expenses that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised. The Group does not distribute non-cash assets as dividends to its shareholders.

(l) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

3. Significant Accounting Policies (continued)

(m) Earnings per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

(n) Segment Reporting

Determination and Presentation of Operating Segments

An operating segment is a component of the Group that engages in business which directly relates to or supports its core business. An operating segment's operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete information is available. Reportable segments that are significant to the CODM include residential apartment development, commercial development, property rental and business units which generate revenue by providing supporting services to the core business (Corporate).

Segment results that are reported to the CODM include items directly attributable to a segment and those that can be allocated on a reasonable basis. Unallocated items comprise of cash, balances relating to equity accounted investees and tax obligations.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment.

(o) New Standards and Interpretations

A number of new standards are effective for annual periods beginning after 1 July 2023 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

The potential impact of the new standards, amendments to standards and interpretations has been considered and they are not expected to have a significant impact on the financial statement.

4. Determination of Fair Values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Investment Property and Property carried at fair value

An external, independent valuation company, having appropriately recognised professional qualifications and recent experience in the location and category of the property being valued, values the Group's investment property portfolio and property no less than once every three years. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably and willingly.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks inherent in the net cash flows is then applied to the net annual cash flows to arrive at the property valuation.

Valuations reflect, where appropriate: the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, the allocation of maintenance and insurance responsibilities between the Group and the lessee, and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices, have been served validly and within the appropriate time.

Properties that have not been independently valued as at the balance sheet date are carried at fair value by way of directors valuation.

(b) Trade and Other Receivables

The fair value of trade and receivables, excluding construction work in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

(c) Financial Guarantees

For financial guarantee contracts liabilities, the fair value at initial recognition is determined using a probability weighted discounted cash flow approach. This method takes into account the probability of default by the guaranteed party over the term of the contract, the loss given default (being the proportion of the exposure that is not expected to be recovered in the event of default) and exposure at default (being the maximum loss at the time of default).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

5. Financial Risk Management

Overview

The Group has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board is responsible for developing and monitoring risk management policies.

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Trade and Other Receivables

The nature of the Group's business means that most sales contracts occur on a pre-sales basis, before significant expenditure has been incurred on the development. All pre-sale contracts require a deposit at the point of entering into the contract, these funds being held in trust independently of the Group. Generally, pre-sale contracts are executed on an unconditional basis. Possession of a development property does not generally pass until such time as the financial settlement of the property has been completed, and title to a development property does not pass until the financial settlement of the property has been completed. Where possession of the development property is granted prior to settlement, title to the property remains with the Group until financial settlement of the property has been completed.

The demographics of the Group's customer base has little or no influence on credit risk. Approximately 10.12% (2022: 11.82%) of the Group's revenue is attributable to multiple sales transactions with single customers.

The Board of Directors has established a credit policy which undertakes an analysis of each sale. Purchase limits are established on customers, with these purchase limits being reviewed on each property development.

The Group's trade and other receivables relate mainly to expenses directly recoverable from landowners at project completion and loans to equity accounted investees and associates. The loans to equity accounted investees bear interest at BBSY plus an agreed margin and are repaid from proceeds on property settlement.

The Group has not established an allowance for impairment, as no losses are expected to be incurred in respect of trade and other receivables. The trade and other receivables are mainly from related parties or being eligible for set-off against amounts owed to the borrower.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses project by project costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market Risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimising the return.

Interest Rate Risk

The Group continuously reviews its exposure to changes in interest rates and where it is considered prudent will enter into borrowings on a fixed rate basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

5. Financial Risk Management (continued)

Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as total comprehensive income attributable to the group divided by total shareholders' equity, excluding non-controlling interests. The Board of Directors also monitors the level of dividends to shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group's target is to achieve a return on assets of between 6.00% and 8.00%; for the year ended 30 June 2023 the return was 1.09% (2022: 4.52%). In comparison the weighted average interest expense on interest-bearing borrowings (excluding liabilities with imputed interest) was 3.66% (2022: 0.47%).

The Group's debt-to-capital ratio at the end of the financial year was as follows:

	Note	2023 \$'000	2022 \$'000
Interest-bearing debt	21	107,661	40,041
Market Capitalisation as at 30 June		179,601	185,044
Total Capital		287,262	225,085
Debt-to-capital ratio at 30 June		37%	18%

From time to time, the Company purchases its own shares on the market. The timing of these purchases depends on market prices and availability of unallocated company cash resources where not required for core business activity. Shares purchased are cancelled from issued capital on purchase. The intention of the Board of Directors in undertaking such purchases is to enhance the capital return to the shareholders of the Company. Buy decisions are made on a specific transaction basis by the Board of Directors.

In accordance with Rule 13 of the Company's Dividend Reinvestment Plan (DRP), the Directors have elected to suspend the DRP in the 2023 financial year until further notice.

6. Operating Segments

The Group operates predominantly in the property development sector and has identified 4 reportable segments, as described below, which are the Group's three strategic business units, as well as Corporate and overheads. 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 CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

6. Operating Segments (continued)

Information about Reportable Segments For the Year ended 30 June 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	19,214	3,137	9,454	2,386	34,191
External Revenues - Equity Accounted Investees	20,573	790	-	-	21,363
External Revenues - Total	39,787	3,927	9,454	2,386	55,554
Reportable Segment Profit before Income Tax - Company and Subsidiaries	2,137	(236)	4,020	(2,753)	3,168
Reportable Segment Profit before Income Tax - Equity Accounted Investees	1,047	34	-	32	1,113
Reportable Segment Profit before Income Tax - Total	3,184	(202)	4,020	(2,721)	4,281
Reportable Segment Assets - Company and Subsidiaries	249,321	22,467	101,634	28,225	401,647
Reportable Segment Assets - Equity Accounted Investees	31,968	2,653	-	-	34,621
Reportable Segment Liabilities - Company and Subsidiaries	132,802	9,295	40,433	10,772	193,302
Reportable Segment Liabilities - Equity Accounted Investees*	28,749	629	-	2	29,380
Capital Expenditure	-	-	-	206	206
For the Year ended 30 June 2022					
External Revenues - Company and Subsidiaries	76,661	4,842	8,464	1,470	91,437
External Revenues - Equity Accounted Investees	6,550	-	-	-	6,550
External Revenues - Total	83,211	4,842	8,464	1,470	97,987
Reportable Segment Profit before Income Tax - Company and Subsidiaries	8,467	(609)	10,259	(2,911)	15,206
Reportable Segment Profit before Income Tax - Equity Accounted Investees	(161)	(35)	-	(31)	(227)
Reportable Segment Profit before Income Tax - Total	8,306	(644)	10,259	(2,942)	14,979
Reportable Segment Assets - Company and Subsidiaries	136,221	16,706	103,883	27,594	284,404
Reportable Segment Assets - Equity Accounted Investees	33,767	2,989	-	-	36,756
Reportable Segment Liabilities - Company and Subsidiaries	52,029	3,315	36,411	5,281	97,036
Reportable Segment Liabilities - Equity Accounted Investees*	25,872	852	-	2	26,726
Capital Expenditure	-	-	-	98	98

* Excludes liabilities payable to Finbar Group Limited.

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 CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

6. Operating Segments (continued)

Reconciliation of Reportable Segment Revenues, Profit or Loss, Assets and Liabilities	2023 \$'000	2022 \$'000
Revenues including Other Income		
Total revenue for development reportable segments	22,351	81,503
Total revenue for rental segments	9,454	8,464
Total revenue for other reportable segments	2,386	1,470
Consolidated Revenue including Other Income	34,191	91,437
Total revenue for development reportable segments - Equity Accounted Investees	21,363	6,550
Total Reportable Segments Revenue including Other Income	55,554	97,987
Profit or Loss		
Total profit or loss for reportable segments	4,281	14,979
Income tax applicable to share of profit of equity accounted investees	(333)	69
Consolidated Profit before Income Tax	3,948	15,048
Assets		
Total assets for reportable segments	401,647	284,404
Cash and cash equivalents	18,176	33,202
Investments in equity accounted investees	1,769	1,580
Unallocated assets**	18,973	27,215
Consolidated Total Assets	440,565	346,401
Liabilities		
Total liabilities for reportable segments	193,302	97,036
Unallocated liabilities	7,191	6,633
Consolidated Total Liabilities	200,493	103,669

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

Geographical information

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

	2023 \$'000	2022 \$'000
7. Revenue		
Property development sales	22,351	81,503
Rental income	9,454	8,464
Management fees	2,160	818
Supervision fees	-	324
Total Revenue	33,965	91,109

8. Other Income

Sales commission income	158	253
Administration fees	35	61
Other	33	14
Total Other Income	226	328

9. Personnel Expenses

Wages and salaries	4,589	5,232
Superannuation contributions	378	369
(Decrease)/Increase in liability for annual leave	(30)	66
Increase in liability for long service leave	51	106
Directors and committee fees	228	228
Non-executive directors - superannuation contributions	8	7
Total Personnel Expenses	5,224	6,008

Personnel expenses are included in administrative expenses on the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023.

10. Finance Income and Finance Costs

Recognised in Profit or Loss

Interest income on loans to equity accounted investees	3	142
Interest income on loans	690	318
Interest income on bank deposits	230	32
Interest income on property settlements	22	103
Total Finance Income	945	595

Interest expense	1,350	503
Bank charges	889	10
Total Finance Costs	2,239	513
Net Finance (Costs)/Income	(1,294)	82

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

	2023 \$'000	2022 \$'000
11. Income Tax Expense		
Recognised in Income Statement		
Current Tax Expense		
Current year	3,024	3,471
Income tax recognised directly to equity	-	58
Adjustments for prior periods	(3)	-
Reversal of previously recognised deferred tax	(162)	(424)
Non-recoverable amounts	27	2
	2,886	3,107
Deferred Tax Expense Movement		
Origination and reversal of temporary differences	(2,073)	1,035
Income Tax Expense recognised in profit or loss	813	4,142
Income tax recognised in other comprehensive income	(151)	29
Total Income Tax Expense recognised in total comprehensive income for the year	662	4,171
Numerical Reconciliation between Tax Expense and Pre-tax Net Profit		
Profit before Income Tax	3,948	15,048
Income tax using the domestic rate of 30% (2022: 30%)	1,185	4,515
Movement in income tax expense due to:		
Non-deductible expenses	-	1
Non-recoverable amounts	27	2
Reversal of previously recognised tax assets	(162)	(424)
Tax effect of share of equity accounted investees (profit)/loss	(234)	48
Total Income Tax Expense before prior year adjustments	816	4,142
Over provided in prior years	(3)	-
Total Income Tax Expense	813	4,142
Income tax recognised in other comprehensive income	(151)	29
Total Income Tax Expense recognised in total comprehensive income for the year	662	4,171
Income Tax Recognised Directly in Equity		
Decrease in income tax expense due to:		
Tax incentives not recognised in income statement	-	(58)
Total Income Tax Recognised Directly in Equity	-	(58)

12. Investment Property

12a. Reconciliation of Carrying Amount

Balance at 1 July	102,189	97,925
Sale of investment property	(1,710)	(2,176)
Acquisition of investment property	716	331
Transferred to property, plant and equipment	-	(755)
Change in fair value	(243)	6,864
Balance at 30 June	100,952	102,189

Investment property comprises commercial properties at five developments and residential properties at two developments which are leased to third parties (see Note 25).

The decrease in the revaluation was primarily as a result of a reduction of the weighted average lease term across all properties and an increase in capitalisation rates broadly across the Western Australia market from prior year.

Investment property worth \$2,050,000 has been classified as current assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

12. Investment Property (continued)

12b. Measurement of fair values

(i) Fair Value Hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued or by director's valuation.

In accordance with the Company's policy, independent valuations were undertaken in December 2022 on existing properties, Pelago in Karratha and Fairlanes in East Perth and in June 2023 for Aurelia in South Perth. For the June reporting period, the Directors confirm that there is no change to the valuations undertaken in December 2022, other than the movements at Note 12a.

The fair value assessment of the Company as at the reporting date includes the best estimates using information available at the time of preparation of the financial statements and appropriate forward looking assumptions.

The fair value measurement for investment property of \$100,952,000 has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (see Note 2(d)).

(ii) Level 3 Fair Value

Note 12a shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

(iii) Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation Technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows: The valuation model considers the present value of net cash flows able to be generated from the property taking into account expected rental growth rate, void periods, occupancy rate, lease incentive costs, such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.	Expected market rental growth 1.50% - 4.00%; Weighted average 3.15%; Void periods (average 8.1 months after the end of each lease); Occupancy rate 68%; Risk-adjusted discounted rates (weighted average 7.75%).	The estimated fair value would increase (decrease) if: Expected market rental growth were higher (lower); Void periods were shorter (longer); Occupancy rate were higher (lower); Rent-free periods were shorter (longer); or Risk-adjusted discount rate were lower (higher).
Capitalisation of income valuation: The capitalisation of income valuation method capitalises the current rent received, at a rate analysed from the most recent transactions of comparable property investments. The capitalisation rate used varies across properties. Valuations reflect, where appropriate, lease term remaining, the relationship of current rent to the market rent, location and prevailing investment market conditions.	Adopted capitalisation rate 7.50% - 9.00%; Gross rent per annum \$450 - \$696 per sqm; Occupancy rate 47% - 95%; and Rent free period 30 months	The estimated fair value would increase (decrease) if: Adopted capitalisation rate were higher (lower); Gross rent per annum were higher (lower); Occupancy rate were higher (lower); or Lease term remaining were longer (shorter).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

	Property \$'000	Office Furniture and Equipment \$'000	Plant and Equipment \$'000	Fixtures and Fittings \$'000	Total \$'000
13. Property, Plant and Equipment					
Cost or Valuation					
Balance at 1 July 2021	7,288	973	7,683	91	16,035
Additions	-	98	-	-	98
Transferred from investment property	755	-	-	-	755
Change in fair value	180	-	-	-	180
Reclassification	-	-	(4,047)	-	(4,047)
Disposals	-	(314)	(147)	-	(461)
Balance at 30 June 2022	8,223	757	3,489	91	12,560
Balance at 1 July 2022	8,223	757	3,489	91	12,560
Additions	-	18	187	1	206
Change in fair value	(544)	-	-	-	(544)
Disposals	-	(2)	-	-	(2)
Balance at 30 June 2023	7,679	773	3,676	92	12,220
Depreciation					
Balance at 1 July 2021	-	766	5,972	79	6,817
Reclassification	-	-	(4,047)	-	(4,047)
Disposals	-	(292)	(132)	-	(424)
Revaluation	(201)	-	-	-	(201)
Depreciation and amortisation charge for the year	201	97	182	3	483
Balance at 30 June 2022	-	571	1,975	82	2,628
Balance at 1 July 2022	-	571	1,975	82	2,628
Disposals	-	(2)	-	-	(2)
Revaluation	(191)	-	-	-	(191)
Depreciation and amortisation charge for the year	191	35	71	2	299
Balance at 30 June 2023	-	604	2,046	84	2,734
Carrying Amounts					
At 1 July 2021	7,288	207	1,711	12	9,218
At 30 June 2022	8,223	186	1,514	9	9,932
At 1 July 2022	8,223	186	1,514	9	9,932
At 30 June 2023	7,679	169	1,630	8	9,486

For each revalued class, the carrying amount that would have been recognised had the assets been carried at historical cost basis are as follows:

	Property \$'000
Revalued assets at cost	
Cost	7,626
Less accumulated depreciation	(1,966)
Net book value at 30 June 2023	5,660

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

13. Property, Plant and Equipment (continued)

Measurement of fair values

(i) Fair Value Hierarchy

The fair value of property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued or by director's valuation.

In accordance with the Company's policy, independent valuations were undertaken in December 2022 on existing properties, Pelago in Karratha and Fairlanes in East Perth. At June reporting period the Directors confirm that there is no change to the valuations undertaken in December 2022, other than the movements at Note 13(ii).

The fair value assessment of the Company as at the reporting date includes the best estimate using information available at the time of preparation of the financial statements and appropriate forward looking assumptions.

The fair value measurement for property of \$7,679,000 has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (see Note 2(d)).

(ii) Level 3 Fair Value

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

	2023 \$'000	2022 \$'000
Balance at 1 July	8,223	7,288
Acquisitions and reclassifications from investment property and inventory	-	755
Revaluation increase included in 'profit or loss'	151	283
Revaluation (decrease)/increase included in 'other comprehensive income'	(504)	98
Depreciation	(191)	(201)
Balance at 30 June	7,679	8,223

(iii) Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of property, plant and equipment, as well as the significant unobservable inputs used.

Valuation Technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows: The valuation model considers the present value of net cash flows able to be generated from the property taking into account expected rental growth rate, void periods, occupancy rate, lease incentive costs, such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.	Expected market rental growth 1.50% - 4.00%; Weighted average 3.15%; Void periods (average 8.1 months after the end of each lease); Occupancy rate 68%; Risk-adjusted discounted rates (weighted average 7.75%).	The estimated fair value would increase (decrease) if: Expected market rental growth were higher (lower); Void periods were shorter (longer); Occupancy rate were higher (lower); Rent-free periods were shorter (longer); or Risk-adjusted discount rate were lower (higher).
Capitalisation of income valuation: The capitalisation of income valuation method capitalises the current rent received, at a rate analysed from the most recent transactions of comparable property investments. The capitalisation rate used varies across properties. Valuations reflect, where appropriate, lease term remaining, the relationship of current rent to the market rent, location and prevailing investment market conditions.	Adopted capitalisation rate 7.50% - 9.00%; Gross rent per annum \$450 - \$696 per sqm; Occupancy rate 47% - 95%; and Rent free period 30 months	The estimated fair value would increase (decrease) if: Adopted capitalisation rate were higher (lower); Gross rent per annum were higher (lower); Occupancy rate were higher (lower); or Lease term remaining were longer (shorter).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

14. Investments in Equity Accounted Investees

The Group accounts for investments in equity accounted investees using the equity method.

The Group has the following investments in equity accounted investees (all stated at 100% of the values):

Equity Accounted Investees Assets 2023	Ownership	Current Assets \$'000	Non-current Assets \$'000	Total Assets \$'000
Garden Towers East Perth Pty Ltd	50.00%	986	24,141	25,127
240 Adelaide Terrace Pty Ltd	50.00%	45,394	51	45,445
647 Murray Street Pty Ltd	50.00%	1	-	1
Axis Linkit Pty Ltd	50.00%	-	1	1
Finbar Sub 5050 Pty Ltd	50.00%	-	2	2
Lot 1001 - 1003 Rowe Avenue Pty Ltd	50.00%	5	-	5
Rowe Avenue Pty Ltd	50.00%	2	4,360	4,362
Total at 100% ownership		46,388	28,555	74,943

Equity Accounted Investees Liabilities 2023	Ownership	Current Liabilities \$'000	Non-current Liabilities \$'000	Total Liabilities \$'000
Garden Towers East Perth Pty Ltd	50.00%	62	26,495	26,557
240 Adelaide Terrace Pty Ltd	50.00%	43,591	428	44,019
Axis Linkit Pty Ltd	50.00%	-	2	2
Finbar Sub 5050 Pty Ltd	50.00%	-	7	7
Lot 1001 - 1003 Rowe Avenue Pty Ltd	50.00%	1	-	1
Rowe Avenue Pty Ltd	50.00%	-	819	819
Total at 100% ownership		43,654	27,751	71,405

Equity Accounted Investees Assets 2022	Ownership	Current Assets \$'000	Non-current Assets \$'000	Total Assets \$'000
Garden Towers East Perth Pty Ltd	50.00%	1,209	20,131	21,340
240 Adelaide Terrace Pty Ltd	50.00%	34,431	18,166	52,597
647 Murray Street Pty Ltd	50.00%	63	-	63
Axis Linkit Pty Ltd	50.00%	-	1	1
Finbar Sub 5050 Pty Ltd	50.00%	-	2	2
Lot 1001 - 1003 Rowe Avenue Pty Ltd	50.00%	1,619	-	1,619
Rowe Avenue Pty Ltd	50.00%	1	4,245	4,246
Total at 100% ownership		37,323	42,545	79,868

Equity Accounted Investees Liabilities 2022	Ownership	Current Liabilities \$'000	Non-current Liabilities \$'000	Total Liabilities \$'000
Garden Towers East Perth Pty Ltd	50.00%	767	21,509	22,276
240 Adelaide Terrace Pty Ltd	50.00%	35,484	17,745	53,229
647 Murray Street Pty Ltd	50.00%	4	-	4
Axis Linkit Pty Ltd	50.00%	-	2	2
Finbar Sub 5050 Pty Ltd	50.00%	-	6	6
Lot 1001 - 1003 Rowe Avenue Pty Ltd	50.00%	499	-	499
Rowe Avenue Pty Ltd	50.00%	5	688	693
Total at 100% ownership		36,759	39,950	76,709

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

14. Investments in Equity Accounted Investees (continued)

Profit/(Loss) Before Income Tax Recognised from Equity Accounted Investees 2023	Ownership	Revenues \$'000	Expenses \$'000	Profit/ (Loss) before income tax \$'000
Garden Towers East Perth Pty Ltd	50.00%	43	750	(707)
240 Adelaide Terrace Pty Ltd	50.00%	42,790	39,846	2,944
Finbar Sub 5050 Pty Ltd	50.00%	-	1	(1)
Lot 1001 - 1003 Rowe Avenue Pty Ltd	50.00%	13	6	7
Rowe Avenue Pty Ltd	50.00%	-	14	(14)
Total at 100% ownership		42,846	40,617	2,229

Profit/(Loss) Before Income Tax Recognised from Equity Accounted Investees 2022	Ownership	Revenues \$'000	Expenses \$'000	Profit/ (Loss) before income tax \$'000
Garden Towers East Perth Pty Ltd	50.00%	5	1,337	(1,332)
240 Adelaide Terrace Pty Ltd	50.00%	2	302	(300)
647 Murray Street Pty Ltd	50.00%	-	(15)	15
Finbar Sub 5050 Pty Ltd	50.00%	-	1	(1)
Lot 1001-1003 Rowe Avenue Pty Ltd	50.00%	13,094	11,920	1,174
Rowe Avenue Pty Ltd	50.00%	-	9	(9)
Total at 100% ownership		13,101	13,554	(453)

Reconciliation of net assets and profit or loss	2023 \$'000	2022 \$'000
Net assets on investments in equity accounted investees		
Total assets	74,943	79,868
Total liabilities	(71,405)	(76,709)
Net assets at 100% ownership	3,538	3,159
Net assets at 50% ownership	1,769	1,580
Profit or Loss on equity accounted investees		
Total profit/(loss) before tax	2,229	(453)
Income tax using the domestic rate of 30% (2022: 30%)	(669)	136
Total profit/(loss) after tax at 100% ownership	1,560	(317)
Total profit/(loss) after tax at 50% ownership	780	(159)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

15. Tax Assets and Liabilities

The current tax liability for the Group of \$1,882,000 (2022: \$1,936,000) represents the amount of income taxes payable in respect of current and prior periods.

Recognised Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Inventories	-	(1,112)	(7,068)	(7,334)
Interest bearing loans and borrowings	602	38	-	-
Revaluation of investment property	-	21	(1,725)	(1,882)
Revaluation of property, plant and equipment*	-	-	(129)	(257)
Other items	3,416	3,181	(83)	3,049
Tax value of carry-forward losses recognised	7,730	4,966	-	-
Tax assets/(liabilities)	11,748	7,094	(9,005)	(6,424)
Set off of tax	(3,695)	(1,728)	3,695	1,728
Net Tax	8,053	5,366	(5,310)	(4,696)

* The tax effect on the revaluation of property, plant and equipment recognised in other comprehensive income in the current period was \$151,000 (2022: (\$29,000)).

16. Inventories

Current

	2023 \$'000	2022 \$'000
Work in progress	143,199	-
Completed stock	2,684	19,338
Total Current Inventories	145,883	19,338

Non-current

	2023 \$'000	2022 \$'000
Work in progress	114,878	122,277
Completed stock	-	771
Total Non-current Inventories	114,878	123,048

17. Trade and Other Receivables

Current

	2023 \$'000	2022 \$'000
Trade receivables	12,565	6,716
Other receivables	419	622
Amounts receivable from equity accounted investees	7,502	12,699
Total Current Trade and Other Receivables	20,486	20,037

Non-current

	2023 \$'000	2022 \$'000
Trade receivables	1,145	8,556
Other receivables	15,357	13,094
Amounts receivable from equity accounted investees	3,415	9,149
Total Non-current Trade and Other Receivables	19,917	30,799

Amounts receivable from equity accounted investees bear interest at BBSY plus an agreed margin.

The Group's exposure to credit risk and impairment losses to trade and other receivables are disclosed at Note 24.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

	2023 \$'000	2022 \$'000
18. Cash and Cash Equivalents		
18a. Cash and Cash Equivalents		
Bank balances	18,176	33,202
Cash and cash equivalents	18,176	33,202

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities is disclosed at Note 24.

18b. Reconciliation of Cash Flows from Operating Activities

	Note	2023 \$'000	2022 \$'000
Cash Flows from Operating Activities			
Profit for the year		3,135	10,906
Adjustments for:			
Depreciation and amortisation	13	299	483
Loss on disposal of assets		-	23
Revaluation of investment property	12a	243	(6,864)
Revaluation of property, plant & equipment		(151)	(283)
Gain on sale of investment property		(491)	(374)
Net financing cost/(income)		405	(92)
Share of net (profit)/loss of equity accounted investees		(780)	159
Income tax expense	11	813	4,142
Operating Profit before Changes in Working Capital and Provisions		3,473	8,100
Change in trade and other receivables		2,049	560
Change in inventories	16	(118,375)	(2,545)
Change in prepayments		(93)	(304)
Change in provision for employee benefits	22	20	171
Change in trade and other payables		3,793	(11,260)
Cash used in Operating Activities		(109,133)	(5,278)
Interest paid		(1,738)	(1,833)
Income taxes paid		(2,788)	(2,598)
Net Cash used in Operating Activities		(113,659)	(9,709)

The increases and decreases in trade and other receivables as well as trade and other payables reflect only those changes that relate to operating activities. The remaining increases and decreases relate to investing activities.

	Company Ordinary Shares	
	2023	2022
19. Capital and Reserves		
Share Capital		
On issue at 1 July	272,123,142	272,123,142
On Issue at 30 June - Fully Paid	272,123,142	272,123,142

The Company does not have authorised capital or par value in respect of its issued shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

19. Capital and Reserves (continued)

Dividends

Dividends recognised in the current year by the Group are:

Dividends Paid During the Year 2023	Cents per Share	Total Amount \$'000	Franked / Unfranked	Date of Payment
Final 2022 ordinary	2.00	5,442	Franked	9 September 2022
Total Dividends Paid		5,442		

Dividends Paid During the Year 2022

Final 2021 ordinary	2.00	5,442	Franked	10 September 2021
Interim 2022 ordinary	2.00	5,442	Franked	18 March 2022
Total Amount		10,884		

Franked dividends declared or paid during the year were franked at the rate of 30%.

No dividend has been proposed after balance date.

Dividend Reinvestment Plan

The Company has a dividend reinvestment plan under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than by being paid in cash.

In accordance with Rule 13 of the Company's Dividend Reinvestment Plan (DRP), the Directors have elected to suspend the DRP in the 2023 financial year until further notice.

Dividend Franking Account

30% franking credits available to shareholders of Finbar Group Limited for subsequent financial years

Company	
2023 \$'000	2022 \$'000
12,251	11,652

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for:

- franking credits that will arise from the payment of current tax liabilities;
- franking debits that will arise from the payment of dividends recognised as a liability at the year-end;
- franking credits that will arise from the receipt of dividends recognised as receivables at the year-end; and
- franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends. The impact on the dividend franking account of dividends proposed after balance sheet date but not recognised as a liability is to reduce it by Nil (2022: \$2,332,000). No dividend was proposed after balance sheet date.

Nature and purpose of reserve

Asset revaluation reserve

The revaluation reserve relates to the revaluation of property, plant and equipment carried at fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

20. Earnings per Share

Basic and Diluted Earnings per Share

The calculation of basic and diluted earnings per share at 30 June 2023 was based on the profit attributable to ordinary shareholders of \$3,135,000 (2022: \$10,906,000) and a weighted average number of ordinary shares on issue during the year ended 30 June 2023 of 272,123,142 (2022: 272,123,142), calculated as follows:

	2023 \$'000	2022 \$'000
Profit Attributable to Ordinary Shareholders	3,135	10,906
Ordinary Shares		
	2023	2022
Issued ordinary shares at 1 July	272,123,142	272,123,142
Weighted Average Number of Ordinary Shares at 30 June	272,123,142	272,123,142
Basic and Diluted Earnings per Share (cents per share)	1.15	4.01

21. Loans and Borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate risk see Note 24.

	2023 \$'000	2022 \$'000
Current		
Commercial bills (Secured)	97,731	23,340
Investor loans (Secured)	932	-
Investor loans (Unsecured)	63,674	-
Total Current Loans and Borrowings	162,337	23,340
Non-current		
Commercial bills (Secured)	1,450	16,701
Investor loans (Unsecured)	13,353	45,156
Total Non-current Loans and Borrowings	14,803	61,857

Terms and debt repayment schedule

Terms and conditions of outstanding loans are as follows:

			2023 Carrying Amount \$'000	2022 Carrying Amount \$'000
Current				
Commercial bills (Secured)	BBSY+2.00%	2024	21,840	1,500
Commercial bills (Secured)	BBSY+2.40%	2024	21,840	21,840
Commercial bills (Secured)	BBSY+1.60%	2024	53,638	-
Commercial bills (Secured)	BBSY+1.50%	2024	413	-
Investor loans (Secured)*	BBSY+1.50%	2024	932	-
Investor loans to subsidiaries (Unsecured)**		2024	53,674	-
Investor loans to subsidiaries (Unsecured)**		2024	10,000	-
Total Current Loans and Borrowings			162,337	23,340

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

21. Loans and Borrowings (continued)

			2023	2022
	Nominal Interest Rate	Financial Year of Maturity	Carrying Amount \$'000	Carrying Amount \$'000
Non-current				
Commercial bills (Secured)	BBSY+2.00%	2024	-	16,701
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	-
Investor loans to subsidiaries (Unsecured)**		2024	-	33,434
Investor loans to subsidiaries (Unsecured)**		2024	-	10,000
Investor loans to subsidiaries (Unsecured)**		2025	5,805	1,722
Total Non-current Loans and Borrowings			14,803	61,857

* These are loans from related parties. Please refer to Note 28 for details on related parties.

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

Financing Arrangements

Commercial bills

The commercial bills are secured by registered first mortgages over the land and buildings (including those under construction) and a registered mortgage debenture over the assets and undertakings of the subsidiaries. The loans relate to a specific project or property and are denominated in Australian dollars. There are no cross securities against other projects or property within the Group to assist in mitigating risk in the event of default on a commercial bill. The bank guarantees within the Group are disclosed under Note 27.

When a project is undertaken, initial funding is provided by the Group, equity accounted investees partners, and development landowners where applicable. Project developments are marketed and pre-sales are secured with customer deposits which are held in trust and not reflected on the Company's balance sheet. Typically, external funding is accessible when minimum compliant pre-sales are achieved, secured over a specific project, and only to fund progress development costs. As a project nears its completion date, it is expected that the available facility will near or be at its fully drawn limit. When a project is completed and settlement proceeds are received, the proceeds are firstly applied to facility repayments and then payments to the project investors in accordance with the negotiated development agreements. The returned capital is reinvested into the Group's future projects and activities as well as payment of dividends to shareholders.

Investor Loans

Investor Loans are generally repayable upon the completion of the project, unless otherwise agreed.

22. Employee Benefits

	2023	2022
	\$'000	\$'000
Current		
Liability for annual leave	123	153
Liability for long-service leave	684	639
Total Current Employee Benefits	807	792
Non-current		
Liability for long-service leave	11	6
Total Non-current Employee Benefits	11	6

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

	2023 \$'000	2022 \$'000
23. Trade and Other Payables		
Current		
Trade and other payables	13,192	10,185
Other payables and accrued expenses	1,894	691
Total Current Trade and Other Payables	15,086	10,876
Non-current		
Other payables and accrued expenses	257	166
Total Non-current Trade and Other Payables	257	166

At 30 June 2023, consolidated trade and other payables include retentions of \$467,000 (2022: \$204,000) relating to construction contracts in progress.

The Group's exposure to liquidity risk related to trade and other payables is disclosed at Note 24.

24. Financial Instruments

Credit Risk

Exposure to Credit Risk

The carrying amount of the Group's financial assets represent the maximum credit exposure.

	Note	Carrying Amount	
		2023 \$'000	2022 \$'000
The Group's maximum exposure to credit risk at the reporting date was:			
Trade and other receivables - Current	17	20,486	20,037
Trade and other receivables - Non-current	17	19,917	30,799
Cash and cash equivalents	18a	18,176	33,202
		58,579	84,038
The Group's maximum exposure to credit risk for trade and other receivables at the reporting date by receivable category was:			
Amounts receivable from equity accounted investees		10,917	21,847
GST refunds due and other trade debtors		11,208	11,508
Other receivables		15,776	13,716
Working capital advances and bonds		2,502	3,765
		40,403	50,836

Impairment Losses

None of the Group's trade or other receivables are past due. Based on historic default rates and security held, the Group believes that no impairment allowance is necessary in respect of trade or other receivables.

Liquidity Risk

The following are the contractual maturities of non-derivative financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Note	30 June 2023			
		Carrying Amount \$'000	Contractual Cash Flows \$'000	1 Year or Less \$'000	1-3 Years \$'000
Non-derivative Financial Liabilities					
Commercial bills*	21	99,181	104,798	103,326	1,472
Investor Loans*	21	77,959	78,474	64,609	13,865
Trade and other payables	23	15,343	15,343	15,086	257
		192,483	198,615	183,021	15,594

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

24. Financial Instruments (continued)

	Note	30 June 2022			
		Carrying Amount \$'000	Contractual Cash Flows \$'000	1 Year or Less \$'000	1-3 Years \$'000
Non-derivative Financial Liabilities					
Commercial bills*	21	40,041	41,880	24,704	17,176
Investor Loans*	21	45,156	45,156	-	45,156
Trade and other payables	23	11,042	11,042	10,876	166
		96,239	98,078	35,580	62,498

* Refer to Note 21 Loans and borrowings for details on loan maturity.

Interest Rate Risk

Profile

At the reporting date the interest rate profile of the Group's interest-bearing financial assets and liabilities was:

	Carrying Amount	
	2023 \$'000	2022 \$'000
Variable Rate Instruments		
Financial Assets	21,819	57,202
Financial Liabilities	(107,661)	(40,041)
	(85,842)	17,161

Cash Flow Sensitivity Analysis for Variable Rate Instruments

A change of 100 basis points in interest rates would have (decreased)/increased the Group's equity and profit or loss by the amounts shown below. This analysis assumes that all variables remain constant. The analysis is on the same basis for 2022.

	Profit or Loss		Equity	
	100bp Increase \$'000	100bp Decrease \$'000	100bp Increase \$'000	100bp Decrease \$'000
30 June 2023				
Variable rate instruments	(616)	616	(616)	616
30 June 2022				
Variable rate instruments	(460)	-	(460)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

24. Financial Instruments (continued)

Fair Values

Fair Values Versus Carrying Amounts

The fair values of financial assets and liabilities, as detailed below, approximates to the carrying amounts shown on the balance sheet:

	Note	Fair Values	
		2023 \$'000	2022 \$'000
Trade and other receivables	17	40,403	50,836
Cash and cash equivalents	18a	18,176	33,202
Secured commercial bills	21	(99,181)	(40,041)
Investor loans	21	(77,959)	(45,156)
Trade and other payables	23	(15,343)	(11,042)

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

Trade and other receivables

The carrying amount approximates fair value given the short term nature of the balances and the market based commercial terms.

Cash and cash equivalents

The carrying amount is fair value due to the liquid nature of these assets.

Secured commercial bills

The carrying amount approximates fair value given the short term nature of the balances.

Investor loans

The carrying amount approximates fair value given the short term nature of the balances and the market based commercial terms.

Trade and other payables

The carrying amount approximates fair value given the short term nature of the balances and the market based commercial terms.

25. Operating Leases

Leases as Lessor

The Group leases out its investment properties held under operating leases.

	Note	2023 \$'000	2022 \$'000
Rental income received from investment property		9,118	8,235
Other rental property income received		336	229
	7	9,454	8,464

Future minimum lease receipts

At 30 June, the future minimum lease receipts under non-cancellable leases expected to be received as follows:

Less than one year		5,955	5,325
Between one and five years		3,551	3,835
More than 5 years		494	107
		10,000	9,267

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

	2023 \$'000	2022 \$'000
26. Capital and Other Commitments		
Commitments and Contingent Liabilities		
Property Development		
Contracted but not provided for and payable:		
Within one year	130,497	225,462
Later than one year	7,384	2,133
Total Property Development Commitments	137,881	227,595
Property Development - Equity Accounted Investees		
Contracted but not provided for and payable:		
Within one year	-	13,891
Total Property Development Commitments - Equity Accounted Investees	-	13,891
Group's Share of Property Development - Equity Accounted Investees		
Contracted but not provided for and payable:		
Within one year	-	6,946
Total Share of Property Development Commitments - Equity Accounted Investees	-	6,946
Group's Property Development Commitments including Equity Accounted Investees		
Contracted but not provided for and payable:		
Within one year	130,497	232,408
Later than one year	7,384	2,133
Group's Total Property Development Commitments including Equity Accounted Investees	137,881	234,541
27. Contingencies		
The Directors are of the opinion that provisions are not required for the guarantees below, 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)	21,840	18,201
Finbar Group Limited guaranteed commercial bill over investment property in East Perth (Fairlanes)	2,184	2,184
Total Guarantees	24,024	20,385
28. Related Parties		
The key management personnel compensation included in 'personnel expenses' is as follows:		
Short term employee benefits	2,367	2,882
Other long term benefits	21	67
Post employment benefits	111	108
Employee benefits	2,499	3,057

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

28. Related Parties (continued)

Individual Directors and Executives Compensation Disclosures

Information regarding individual directors and executives compensation are provided in the Remuneration Report section of the Directors' report on pages 44 to 48.

On 25th August 2016, Finbar Group Limited issued 250,000 fully paid ordinary shares to Darren Pateman as Director Incentive Shares under the rules of the Director Share Plan 2014. Payment was by way of an interest free loan of \$207,500 which was repaid in August 2021. The related non-monetary benefit is disclosed in table 4.3.2 on page 47.

On 13th September 2017, Finbar Group Limited issued 250,000 fully paid ordinary shares to Darren Pateman as Director Incentive Shares under the rules of the Director Share Plan 2014. Payment was by way of an interest free loan of \$202,500 which was repaid in September 2022. The related non-monetary benefit is disclosed in table 4.3.2 on page 46.

Equity Accounted Investees

Loans are made by the Group to equity accounted investees for property development undertakings. Loans outstanding from the Group to equity accounted investees are interest bearing and are repayable at the completion of the equity accounted investees development project.

As at 30 June, the balance of these loans were as follows:

	2023 \$'000	2022 \$'000
Garden Towers East Perth Pty Ltd	3,224	1,990
240 Adelaide Terrace Pty Ltd	7,502	19,720
Axis Linkit Pty Ltd	1	1
Finbar Sub 5050 Pty Ltd	3	3
Rowe Avenue Pty Ltd	187	134
	10,917	21,848

Ventrade Australia Pty Ltd is a related party of Chuan Hup Holdings Limited who owns 25.19% of Finbar Group Limited. Ventrade Australia Pty Ltd owns 50% of the following equity accounted investees disclosed in Note 14:

- 240 Adelaide Terrace Pty Ltd (AT238): Construction completed with 67 units settled during the financial year; and
- Garden Towers East Perth Pty Ltd (Garden Towers East Perth): Marketing continues to progress, with construction expected to commence in the financial year ending 30 June 2024.

Other Related Party Transactions

As at 30 June, related party loans (see Note 21) were as follows:

	Nominal Interest Rate	Financial Year of Maturity	2023 \$'000	2022 \$'000
Ventrade Australia Pty Ltd (Secured)	BBSY+1.50%	2024	932	-
Ventrade Australia Pty Ltd (Unsecured)	BBSY+1.50%	2025	5,446	-
Forward International Pty Ltd (Unsecured)	BBSY+3.00%	2025	2,102	-
			8,480	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

29. Group Entities	Country of Incorporation	Shareholding/ Unit Holding \$	Ownership Interest	
			2023	2022
Parent Company				
Finbar Group Limited				
Subsidiaries				
1 Mends Street Pty Ltd	Australia	1	100%	100%
2 Homelea Court Springs Pty Ltd	Australia	1	100%	100%
31 Rowe Avenue Pty Ltd	Australia	1	100%	100%
32 Riversdale Road Pty Ltd	Australia	1	100%	100%
36 Chester Avenue Pty Ltd	Australia	2	100%	100%
43 McGregor Road Pty Ltd	Australia	1	100%	100%
5-7 Harper Terrace Pty Ltd	Australia	1	100%	100%
63 Adelaide Terrace Pty Ltd	Australia	1	100%	100%
88 Terrace Road Pty Ltd	Australia	1	100%	100%
96 Mill Point Road Pty Ltd (Liquidated)	Australia	-	-	100%
175 Adelaide Terrace Pty Ltd	Australia	1	100%	100%
239 Great Eastern Highway Pty Ltd	Australia	1	100%	100%
241 Railway Parade Pty Ltd	Australia	1	100%	100%
Finbar Applecross Pty Ltd	Australia	1	100%	100%
Finbar Commercial Pty Ltd	Australia	1	100%	100%
Finbar Finance Pty Ltd	Australia	1	100%	100%
Finbar Fund Pty Ltd	Australia	1	100%	100%
Finbar Karratha Pty Ltd	Australia	1	100%	100%
Finbar Port Hedland Pty Ltd	Australia	1	100%	100%
Finbar Project Management Pty Ltd	Australia	2	100%	100%
Finbar To Rent Pty Ltd	Australia	1	100%	100%
Finbar Sales Pty Ltd	Australia	1	100%	100%
Finbar Sub 104 Pty Ltd	Australia	1	100%	100%
Finbar Executive Rentals Pty Ltd	Australia	1	100%	100%
Lot 1 to 10 Whatley Crescent Pty Ltd	Australia	1	100%	100%
		26		

30. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the Year Ended 30 June 2023

	2023 \$	2022 \$
31. Auditors' Remuneration		
Audit Services:		
Auditors of the Group		
Audit and review of financial statements - KPMG	181,778	146,970
Audit and review of trust accounts - Other Auditors	4,037	4,382
	<u>185,815</u>	<u>151,352</u>
Services other than Statutory Audit:		
Taxation advice and tax compliance services - KPMG	21,527	20,700
	<u>21,527</u>	<u>20,700</u>

	2023 \$'000	2022 \$'000
32. Parent Entity Disclosures		
As at and throughout the financial year ending 30 June 2023, the parent company of the Group was Finbar Group Limited.		
Result of the Parent Entity		
Profit for the year (after tax)	6,450	9,158
Total Comprehensive Income for the year	<u>6,450</u>	<u>9,158</u>
Financial Position of the Parent Entity		
Current Assets	15,815	32,194
Total Assets	220,605	214,029
Current Liabilities	1,282	1,186
Total Liabilities	6,790	1,222
Total Equity of the Parent Entity comprising of:		
Share capital	194,484	194,484
Retained earnings	19,331	18,323
Total Equity	<u>213,815</u>	<u>212,807</u>

Parent Entity Contingencies

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

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Finbar Group Limited ('the Company'):
 - a) The consolidated financial statements and notes that are contained in Pages 60 to 91 and the Remuneration report in section 4.3 in the Directors' report, set out on Pages 44 to 48, are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
 - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; 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.
2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Managing Director and the Chief Financial Officer for the financial year ended 30 June 2023.
3. The Directors draw attention to Note 2(a) to the consolidated financial statements, which contains a statement of compliance with International Financial Reporting Standards.

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



Darren Pateman
Managing Director

Dated at Perth this Twenty-second day of August 2023.



Independent Auditor's Report

To the shareholders of Finbar Group Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Finbar Group Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the **Group's** financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- Complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2023;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- The Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with 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 Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

The **Key Audit Matters** we identified are:

- Valuation of Investment Properties; and
- Carrying Value of Inventory.

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying value of Inventories (\$260.8million)	
Refer to Notes 3(e) and 16 to the Financial Rep	
The key audit matter	How the matter was addressed in our audit
<p>Valuation of inventories, being both completed units and work in progress, is a key audit matter due to the:</p> <ul style="list-style-type: none"> • Significance of the balance to the financial statements (59% of total assets); • Judgement and our effort applied to assessing forecast selling prices and costs of completion for work in progress. These factors involve forecasting, which can add audit complexity to the assessment of net realisable value. It is the Group's policy, in accordance with accounting standards, that inventory must be carried at the lower of cost and net realisable value. <p>Selling prices can fluctuate based on current property market conditions.</p> <p>Work in progress comprises developments currently under construction and future projects, which are long term in nature where forecast costs could be negatively impacted by issues encountered during planning or construction.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • Assessing the Group's policies for the valuation of inventories against the requirements of the accounting standards and our understanding of the business • Challenging the Group's assumptions of forecast costs of completion by selecting a sample of developments under construction and future projects to understand project design complexity, sub-contractor reliance, project funding and other project risks such as supplier cost increases which could negatively impact costs of completion. This was done through enquiry of senior management, and assessment of the Group's underlying documentation such as budgets, funding agreements, supplier contracts and internal reports. • Testing a sample of sales of inventories during the year and subsequent to year end to executed settlement statements to assess sales margins and volumes achieved during and post the financial year. This informed our evaluation of the carrying value of inventories at balance date against the Group's policy for recording inventories at the lower of cost and net realisable value. • Comparing forecast selling prices to total costs incurred to date and forecast costs of completion for significant projects. We did this to assess the carrying value of inventories against the Group's policy for recording at the lower of cost and forecast net realisable value. • Assessing the disclosures in the financial report, using our understanding obtained from our testing, against accounting standards requirements.

Valuation of Investment Property (\$101 million)	
Refer to Note 12 to the Financial Report	
The key audit matter	How the matter was addressed in our audit
<p>Valuation of Investment Property is a key audit matter due to the:</p> <ul style="list-style-type: none"> • Significance of the balance to the financial statements (23% of total assets); • Judgement applied by the Group in the selection of the valuation methodology to be used from those methodologies available under accounting standards. The adoption of alternative methodologies may result in a different valuation outcome; • Judgement required by the Group in assessing the capitalisation rates applied to the projected income of individual properties in the income valuation methodology. A small percentage movement in the capitalisation rate would result in a significant financial impact to the investment property balance and the income statement; and • Judgement required by the Group in assessing any changes that may have occurred since the timing of the valuations performed by the Group’s external valuer. It is the Group’s policy when the external valuation was not performed at year end for the directors to assess and confirm the valuation to be adopted in the financial report. 	<p>Working with our real estate valuation specialists, our procedures included:</p> <ul style="list-style-type: none"> • Assessing the Group’s policies for the valuation of Investment Property against the requirements of the accounting standards and our understanding of the business; • Obtaining an understanding of the Group’s process regarding the valuation of investment property; • Assessing the scope, objectivity, and competence of the Group’s external valuer; • Assessing the property valuation methodology adopted by the Group, key assumptions and market commentary in the valuations for specific properties against accepted industry practices, using the nature of the properties, and requirements of the accounting standards; • Comparing the Group’s external valuations in December 2022 to other valuations obtained on the same or similar properties and to the director’s own assessment of valuation at June 2023 and where appropriate, to recent sales evidence and other published reporting relevant to the Investment Property; • Challenging the capitalisation rates applied by the Group, based on our knowledge of the property portfolio and other published reports of industry commentators; • Comparing the valuations prepared using the capitalisation of income valuation method to the alternative valuation method applied by the Group’s external valuers in challenging the capitalisation rate input; • Testing, on a sample basis, the following key inputs to the valuations to existing lease contracts, leasing schedules and published CPI statistics by the Australian Bureau of Statistics; <ul style="list-style-type: none"> – Gross rent; – Occupancy rate; – Lease term remaining; and – CPI. <p>Assessing the disclosures in the financial report, using our understanding obtained from our testing, against accounting standards requirements.</p>

Other Information

Other Information is financial and non-financial information in Finbar Group Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' report. The Chairman's Report, Managing Director's Report, Key Financial Metrics, Finbar Milestones, Our Finbar, Environmental Social Governance, Finbar Amenities, Finbar Awards, Completed Projects, Projects Under Construction, Future Projects and Investment Properties are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*.
- Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Finbar Group Limited for the year ended 30 June 2023, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in paragraph 4.3 of the Directors' report for the year ended 30 June 2023.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.



KPMG



Glenn Brooks

Partner

Perth

22 August 2023



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 audit of Finbar Group Limited for the financial year ended 30 June 2023 there have been:

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

KPMG

Glenn Brooks

Partner

Perth

22 August 2023

ASX ADDITIONAL INFORMATION

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below.

SHAREHOLDINGS (as at 30 June 2023)

Substantial Shareholders

The number of shares held by substantial shareholders and their associates are set out below:

Shareholder name	Number	%
Chuan Hup Holdings Limited	68,550,866	25.19
Forward International Pty Ltd	30,799,036	11.32
Thorney Holdings Proprietary Limited	28,743,116	10.56
Rubi Holdings Pty Ltd (John Rubino S/F A/C)	20,440,000	7.51

Ordinary shares

Refer to Note 19 in the notes to the financial statements.

Distribution of Equity Security Holders

Range	Number of Holders	Ordinary Shares
1-1,000	402	106,619
1,001-5,000	442	1,294,803
5,001-10,000	307	2,397,032
10,001-100,000	726	22,718,335
100,001-over	159	245,606,353
	2,036	272,123,142

The number of shareholders holding less than a marketable parcel of ordinary shares is 341.

Stock Exchange

The Company is listed on the Australian Securities Exchange. The home exchange is Perth.

ASX Code: FRI

Other Information

Finbar Group Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.

ASX ADDITIONAL INFORMATION (Continued)

Twenty largest shareholders of ordinary shares as disclosed in the share register:

	Number of Ordinary Shares Held	%
Chuan Hup Holdings Limited	63,871,363	23.47
UBS Nominees Pty Ltd	27,920,536	10.26
Rubi Holdings Pty Ltd (John Rubino S/F A/C)	15,000,000	5.51
J P Morgan Nominees Australia Pty Limited	9,661,227	3.55
Forward International Pty Ltd	8,261,109	3.04
Blair Park Pty Ltd	7,228,813	2.66
BNP Paribas Noms Pty Ltd (DRP)	6,787,921	2.49
Mr James Chan	6,378,032	2.34
3RD Wave Investors Pty Ltd	6,000,000	2.20
Forward International Pty Ltd	5,298,135	1.95
Hanssen Pty Ltd	5,000,000	1.84
Mrs Siew Eng Mah	4,820,000	1.77
Citicorp Nominees Pty Limited	4,771,638	1.75
Chan Family Super (WA) Pty Ltd (Chan Family S/F A/C)	4,427,072	1.63
Giovanni Nominees Pty Ltd (Giovanni Family Fund A/C)	4,000,000	1.47
Mr Ah-Hwa Lim	3,155,770	1.16
Ms Yi Xian Chan	2,892,126	1.06
Apex Investments Pty Ltd	2,890,212	1.06
Denshir Pty Ltd	2,739,322	1.01
Pateman Equity Pty Ltd	2,543,844	0.93
TOP 20	193,647,120	71.15

ASX ADDITIONAL INFORMATION (Continued)

OFFICES AND OFFICERS

Directors

Mr John Chan (Executive Chairman)

Mr Darren John Pateman (Managing Director)

Mr Ronald Chan (Chief Operations Officer)

Mr Lee Verios

Mr Terence Siong Woon Peh

Mr Eldon Wan

Company Secretary

Mr Edward Guy Bank (Chief Financial Officer)

Principal Registered Office

Finbar Group Limited

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EAST PERTH WA 6892

Telephone: +61 8 6211 3300

Facsimile: +61 8 9221 8833

Email: info@finbar.com.au

Website: www.finbar.com.au

ABN 97 009 113 473

ACN 009 113 473

Share Registry

Computershare Investor Services Pty Ltd

Level 17

221 St Georges Terrace

PERTH WA 6000

Telephone: +61 8 9323 2000

Auditors

KPMG

235 St Georges Terrace

PERTH WA 6000



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