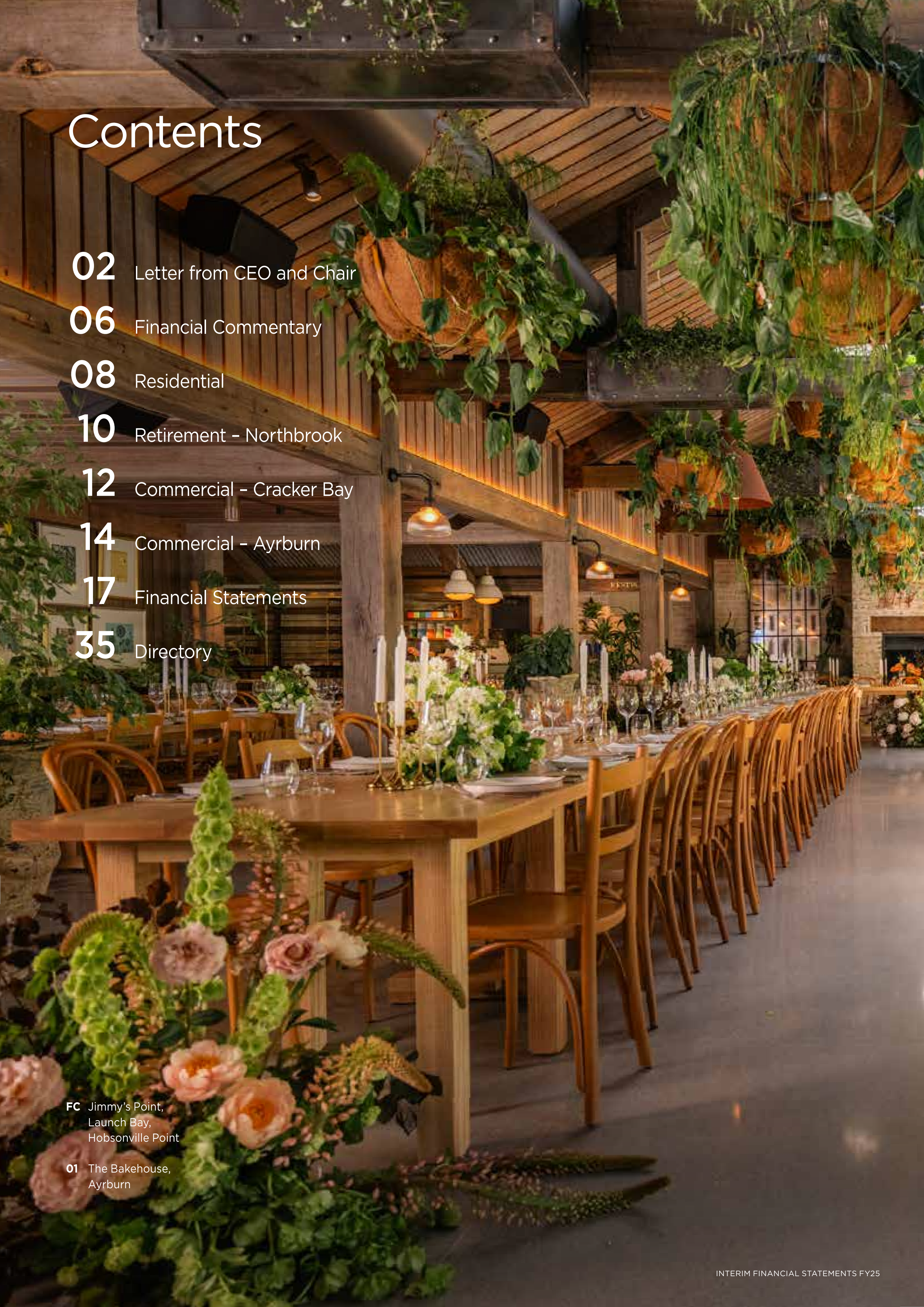
WINTON

BEST BY DESIGN

INTERIM FINANCIAL STATEMENTS
31 DECEMBER 2024

winton.nz



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Dear Fellow Shareholders,

As you will likely know, property development is cyclical, and New Zealand currently remains at the bottom of the property cycle. Winton's interim results for the six months ending 31 December 2024 reflect the struggling economic environment and a year of lower product delivery in Winton's residential development timeline. While the overall results aren't what we would have liked, we have continued to operate with discipline, nurtured growth parts of the business in line with the revenue diversification strategy and avoided taking on significant new projects to protect the Company from undue risk until we see clear evidence that the cycle is turning. We are navigating the recession as well as possible but most importantly, we are positioning the Company optimally to benefit from an improving property cycle.

Revenue for the first-half of FY25 (H1 FY25) was $81.1 million, a 5.3% decrease compared to H1 FY24 revenue of $85.6 million. Revenue for the period is attributed to 90 units settled, down 68 units from 158 in H1 FY24, a full six months of trading at Ayrburn compared to one month in the prior period, and rent received.

The product mix for H1 FY25 meant the average revenue per unit and average cost of sales per unit were both higher. Cost of sales for H1 FY25 was $57.5 million, an increase of 0.9% from $57.0 million in H1 FY24.

Earnings before interest, tax, depreciation, and amortisation (EBITDA) for H1 FY25 decreased to a loss of $0.1 million from $14.2 million profit in H1 FY24, and there is a net loss after tax of $2.0 million in H1 FY25 compared to a $9.7 million net profit after tax in H1 FY24.

The decrease in profitability is attributable to the lower number of settlements, a $2.8 million investment properties fair value loss in H1 FY25 compared to a $2.6 million gain in H1 FY24, a $3.6 million increase in administrative expenses reflecting a full six months of administration expenses from the establishment and operation of Ayrburn, $1.0 million higher depreciation and a $0.7 million decrease in net interest income. This is offset by 10.1% lower selling expenses, mainly attributable to lower marketing costs.

Winton finished the six-month period with a pre-sale book of $342.0 million as at 31 December 2024, a landbank yield of c6,000 units, including 877 retirement living units and cash holdings of $26.1 million.

In November 2024, Winton entered into a new borrowing facility secured against its recently completed office building and marina complex at Cracker Bay. The facility limit is $18.3 million including accrued interest with a term of 12 months and the ability to extend for a further 2 years. The balance of this facility at 31 December 2024 was $7.0 million.

In February 2025, Winton entered into a new borrowing in respect of its Sunfield project. The facility limit is $22.5 million including accrued interest with a term of 18 months. Winton has no recourse debt at group level and all other properties (except Lakeside) across the group remain unencumbered.

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Letter from CEO and Chair

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The Fast-track Approvals Act 2024 became law in December, with Winton's Sunfield project as one of the initial listed projects under part 2A of the Act. In February, Winton submitted its detailed application for the Sunfield project under the Fast-track Approvals Act 2024 and looks forward to progressing the application with the Ministry for the Environment over the coming months.

As I have already commented, the business is making hard decisions to play the cycle as well as possible. In December, despite strong pre-sales, we determined pushing out the Northbrook Wynyard Quarter project by c12 months was the right call to make. Northbrook Wynyard Quarter is a big project for us, so we are playing a prudent game and want to get the timing in the cycle right. We believe there is further opportunity for construction costs and interest costs to moderate over the next year, which will flow into the property market and positively impact this project. This decision enables us to focus on Northbrook Wānaka and Northbrook Arrowtown and accelerate those projects where possible.

Dividend

As at FY24 results, the Board paused paying a dividend to maintain financial discipline through softer market conditions while enabling Winton to continue executing its growth plans, which remains the Board's view for H1 FY25.

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Market and Outlook

The economic downturn is more severe than expected and has continued for longer. A change in government was anticipated to be a catalyst to get the economy moving again and out of recession, however, it is taking more time than was generally expected.

We remain cautious and believe New Zealand isn't yet at the bottom of the construction cycle. While interest rates have decreased, that is only one part of the economic levers stifling the economy. Unemployment continues to increase, and we maintain our view that the property market is unlikely to substantially turn around until after unemployment has peaked.

While it will continue to remain challenging, we are confident in Winton's financial position and strategy to weather the continued weakness in the economy and come out the other side very well positioned for the future. Thank you, Winton's shareholders, for your support through this part of the cycle.

Chris Meehan
Chair and Chief Executive Officer

04 Ayrburn, Arrowtown

05 Jimmy's Point, Launch Bay, Hobsonville Point

06 The Bakehouse, Ayrburn

Financial Commentary

In the 6 months to 31 December 2024, Winton has delivered revenue of $81.1 million, 5.3% down from $85.6 million in H1 FY24. A total of 90 units were settled, a decrease of 68 units. Cost of sales of $57.5 million is slightly higher than H1 FY24 by $0.5 million. This is a result of the 18.1% increase in built product settled by volume in H1 FY25 which has a higher revenue and cost per unit than land lot sales.

Commercial revenue increased by $7.7 million in H1 FY25 due to Ayrburn contributing 6 months of trading compared to the previous period when it was only open for 1 month. A fair value loss of $2.8 million results from the revaluation of commercial assets and retirement land within the investment properties portfolio. This compares to a gain of $2.6 million in H1 FY24.

Administrative expenses increased by $3.6 million in H1 FY25. This was mostly due to an increase in employee benefits expense by $4.5 million with Ayrburn trading for an additional five months offset by a decrease in establishment costs of $2.4 million. Establishment costs are those costs incurred in relation to the pre-opening of Ayrburn venues, and these include branding, marketing, recruitment, and employee training. The remainder of the increase in Administrative expenses is due to the growth of Winton's operations.

Net interest income was $0.7 million lower due to a decrease in average cash reserves.

The resultant net loss after tax in H1 FY25 is $2.0 million, a reduction from $9.7 million net profit after tax in the prior period.

An increase in investment properties of $44.1 million represents progress at Northbrook Wānaka and Northbrook Wynyard Quarter.

Winton entered into a $18.3 million debt facility secured against the completed office building and marina complex at Cracker Bay. The facility has a term of 12 months, with the ability to extend for a further 2 years. The balance of this facility at 31 December 2024 was $7.0 million.

In February 2025, Winton entered into a new borrowing facility in respect of its Sunfield project. The facility limit is $22.5 million including accrued interest with a term of 18 months. Winton has no recourse debt at group level and all other properties (excluding Lakeside) across the group remain unencumbered.

We enter the second half of FY25 with $26.1 million in cash reserves.

07 Lakeside,
Te Kauwhata

Residential

Residential development encompasses Winton's traditional land and property development business. Revenue for H1 FY25 is $70.6 million reflecting 90 settlements across some significant projects including Jimmy's Point Launch Bay, Lakeside Stage 3, Northlake Stage 17 and the Northlake Townhouses. EBITDA is $6.6 million and net profit after tax of $6.2 million. The product mix for H1 FY25 meant the average revenue per unit and average cost of sales per unit were both higher.

Jimmy's Point is 30 high-end waterfront apartments within Winton's Launch Bay neighbourhood at Hobsonville Point. They were completed in September 2024 to an excellent standard, and the buyers' feedback is outstanding. It has been fantastic seeing residents create a community within Jimmy's Point and be so happy with their new homes. Jimmy's Point is Winton's last residential project at Launch Bay.

At Northlake, the townhouses, known as the ALTA Villas, were completed during H1 FY25. Of the 20 Villas, 18 settled during the period, and the remaining two will settle in H2 FY25. The ALTA Villas are a high-quality addition to Northlake, and it has been great to see the new owners join and make the most of this thriving community.

Stage 17 at Northlake is known as The Preserve and is a premium land offering both in size and location. Titles for the last substage, Stage 17a, were granted in November 2024 with only a handful of land lots remaining unsold across Stage 17.

At Lakeside Te Kauwhata, delivery continued at pace during H1 FY25, with 39 lots in Stage 3 completed and settled. The last 112 lots in Stage 3 have since been completed and will settle in the coming weeks.

08 ALTA Villas, Northlake

09 Northlake, Wānaka

09

Northbrook

Luxury Later Living

For most of H1 FY25, Northbrook Arrowtown, Northbrook Wānaka and Northbrook Wynyard Quarter were the focus.

At Northbrook Wānaka, the construction of Stage 1 has progressed at pace and is on target for our first residents to move in during May 2025. Stage 1 includes 32 luxurious residences, most of which are located along the recently named Ten Acre Drive within Winton's Northlake neighbourhood. At the recent site open day of Stage 1, over 30 groups attended, with many attendees acknowledging the superior standard of Northbrook. The central Wellness facility is also underway and is expected to be completed by November 2025.

At Northbrook Arrowtown, the sales team is pleased with the level of visitors to the Display Suite. Building consent for the first two buildings forming part of Stage 1 has been lodged and once obtained, procurement of this stage will continue.

As mentioned earlier, despite strong pre-sales, the construction of Northbrook Wynyard Quarter has been pushed out for 12 months. Winton remains committed to this high-quality project in downtown Auckland and will complete current preparation work, including the piling works, and building consenting over the 12-month period. Detailed design will continue in parallel during 2025.

During H1 FY25, Christchurch City Council made decisions on Plan Change 14, increasing the permitted height from 14 metres to 22 metres. This unlocks opportunities for greater efficiencies for the Northbrook Avon Loop site. Therefore, we are reviewing the most desirable layout for Northbrook Avon Loop to ensure an optimal outcome for the project.

Work has continued on the layout and design for Stage 1 at Northbrook Launch Bay within Winton's Launch Bay neighbourhood at Hobsonville Point.

We are excited about the quality of the product being delivered and the team looks forward to welcoming the first Northbrook residents in May 2025.

10 Northbrook Wānaka

11 Northbrook Arrowtown

12 Northbrook Wānaka


Artist impression

11

12

Commercial

Commercial includes Winton's investment properties at Lakeside and Cracker Bay and the operating businesses at Ayrburn and Cracker Bay. Commercial revenue for H1 FY25 was $10.4 million, EBITDA ($3.0 million) and reported a net loss after tax of $4.7 million.

EST. 2023

CRACKER BAY

36.8421° S, 174.7557° E

The renovation and refurbishment of the Cracker Bay office building is now complete. It offers premium waterfront facilities for tenants across four levels.

In addition, the last of the council approvals were received for the wider Cracker Bay and Northbrook Wynyard Quarter precinct, including for hospitality and variations submitted for Northbrook Wynyard Quarter resource consent.

13 Cracker Bay, Wynyard Quarter

AYRBURN

Positive momentum continues at Ayrburn as a multi-venue hospitality and tourism destination. During H1 FY25, Ayrburn had a full six months of trading and in December we opened The Bakehouse and R.M. Prime Produce.

In June 2024, experienced industry leader Kieran Turnbull joined the Ayrburn team as General Manager, bringing experience, knowledge and leadership to the relatively new team. Ayrburn has continued to refine and improve internal systems, including the technology suite across the reservation, point of sale, and reporting platforms, resulting in a more cohesive approach across multiple venues and enabling faster decision-making to maximise utilisation of capacity and demand. The Ayrburn team has improved operating efficiency and reduced overheads, which will be more visible in the second half of this financial year.

The opening of The Bakehouse unlocked further opportunities for larger events while still being able to serve non-event visitors and has created further momentum, particularly for weddings in 2025 and 2026. During H1 FY25, Ayrburn hosted a number of significant successful events including the well-loved Christmas Wonderland in July and the Wonderland Ball. In H2 FY25, Ayrburn will host various music events and its first festival of motoring, the Ayrburn Classic, in March.

14 The Bakehouse, Ayrburn

15 R.M. Prime Produce, Ayrburn

14


PRODUCE
R.M. PRIME PRODUCE
R.

16 The Manure Room,
Ayrburn

WINTON

BEST BY DESIGN

INTERIM
FINANCIAL STATEMENTS
FOR THE SIX MONTHS
ENDED 31 DECEMBER 2024

Consolidated Statement of Comprehensive Income

For the six months ended 31 December 2024

ALL VALUES IN $000'S	NOTE	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2023
Revenue	2	81,061	85,621
Cost of sales		(57,517)	(57,003)
Gross profit		23,544	28,618
Loss on sale of property, plant and equipment		(445)	(200)
Fair value (loss) / gain on investment properties		(2,794)	2,591
Selling expenses		(2,704)	(3,008)
Property expenses		(1,107)	(797)
Administrative expenses	10.1	(15,934)	(12,371)
Share-based payment expense		(616)	(655)
Earnings before interest, taxation, depreciation and amortisation (EBITDA)		(56)	14,178
Amortisation		(283)	(283)
Depreciation		(1,946)	(902)
Earnings before interest and taxation (EBIT)		(2,285)	12,993
Interest income		1,015	2,300
Interest expense and bank fees		(1,152)	(1,735)
(Loss) / Profit before income tax		(2,422)	13,558
Income tax benefit / (expense)			
Current taxation	10.2	(538)	(3,447)
Deferred taxation	10.2	959	(382)
Total income tax benefit / (expense)		421	(3,829)
(Loss) / Profit after income tax		(2,001)	9,729
Items that may be reclassified to profit or loss:			
Movement in currency translation reserve		9	(17)
Total comprehensive income after income tax attributable to the shareholders of the Company		(1,992)	9,712
Basic earnings per share (cents)	9.1	(0.67)	3.28
Diluted earnings per share (cents)	9.2	(0.65)	3.16

The accompanying notes form part of these interim financial statements.

Consolidated Statement of Changes in Equity

For the six months ended 31 December 2024

ALL VALUES IN $000'S	NOTE	SHARE CAPITAL	RETAINED EARNINGS	SHARE-BASED PAYMENTS RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	TOTAL EQUITY
Balance as at 30 June 2023 (audited)		386,595	121,702	2,338	(221)	510,414
Total comprehensive income		-	9,729	-	(17)	9,712
Dividends to shareholders	10.3	-	(6,407)	-	-	(6,407)
Share-based payment expense		-	-	758	-	758
Balance as at 31 December 2023 (unaudited)		386,595	125,024	3,096	(238)	514,477
Balance as at 30 June 2024 (audited)		386,595	129,410	3,750	(206)	519,549
Total comprehensive income		-	(2,001)	-	9	(1,992)
Share-based payment expense		-	-	712	-	712
Balance as at 31 December 2024 (unaudited)		386,595	127,409	4,462	(197)	518,269

The accompanying notes form part of these interim financial statements.

Consolidated Statement of Financial Position

As at 31 December 2024

ALL VALUES IN $000'S	NOTE	UNAUDITED 31 DECEMBER 2024	AUDITED 30 JUNE 2024
CURRENT ASSETS			
Cash and cash equivalents		26,134	41,689
Accounts receivable, prepayments and other receivables	10.4	6,162	5,849
Inventories	4	59,925	79,053
Total current assets		92,221	126,591
NON-CURRENT ASSETS			
Inventories	4	158,864	168,200
Investment properties	5	321,579	277,440
Property, plant and equipment	6	88,872	79,839
Intangible assets	7	1,739	1,993
Total non-current assets		571,054	527,472
Total assets		663,275	654,063
CURRENT LIABILITIES			
Accounts payable, accruals and other payables	10.5	21,591	24,187
Current lease liabilities	10.6	34	33
Taxation payable		5,328	5,794
Total current liabilities		26,953	30,014
NON-CURRENT LIABILITIES			
Borrowings	8	78,576	64,046
Non-current lease liabilities	10.6	20,320	20,338
Deferred tax liabilities	10.2	19,157	20,116
Total non-current liabilities		118,053	104,500
Total liabilities		145,006	134,514
Net assets		518,269	519,549
EQUITY			
Share capital	10.3	386,595	386,595
Foreign currency translation reserve		(197)	(206)
Share-based payment reserve		4,462	3,750
Retained earnings		127,409	129,410
Total equity		518,269	519,549

These interim financial statements are signed on behalf of Winton Land Limited and were authorised for issue on 21 February 2025.
The accompanying notes form part of these interim financial statements.

Chris Meehan
Chair

Steven Joyce
Chair, Audit and Financial Risk Committee

Consolidated Statement of Cash Flows

For the six months ended 31 December 2024

ALL VALUES IN $000'S	NOTE	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		81,130	85,264
Interest received		1,015	2,300
Net GST received / (paid)		458	(11,007)
Payments to suppliers and employees		(46,826)	(47,122)
Deposits paid on contracts for land		(5,400)	(5,400)
Interest and other finance costs paid		(2,305)	(1,378)
Income tax paid		(1,004)	(5,233)
Net cash flows from operating activities		27,068	17,424
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		60	10
Intangible assets acquired		(29)	-
Payments to suppliers and employees for investment properties		(44,706)	(25,773)
Acquisition of property, plant and equipment		(11,484)	(24,421)
Net cash flows from investing activities		(56,159)	(50,184)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from MMLIC facility		18,147	63,315
Repayment of MMLIC facility		(10,389)	-
Proceeds from MCCB facility		6,772	-
Payment of principal portion of lease liabilities		(994)	(1,166)
Payment of dividends	10.3	-	(6,407)
Net cash flows from financing activities		13,536	55,742
Net increase in cash and cash equivalents		(15,555)	22,982
Cash and cash equivalents at beginning of year		41,689	76,310
Cash and cash equivalents at end of year		26,134	99,292

The accompanying notes form part of these interim financial statements.

1. General Information

This section sets out the basis upon which the Group's Interim Financial Statements are prepared.

1.1. Reporting entity

These unaudited consolidated interim condensed financial statements (the interim financial statements) are for Winton Land Limited and its subsidiaries (together, the Group). The Company is a limited liability company incorporated in New Zealand and is registered under the New Zealand Companies Act 1993. The Company is a FMC reporting entity under Part 7 of the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013 and these interim financial statements have been prepared in accordance with the requirements of these Acts. The Company is listed on the NZX Main Board (NZX: WIN) and the ASX Main Board (ASX: WTN).

The Group's principal activity is the development and sale of residential land properties. The Group also develops retirement villages and commercial properties however these are start-up operations.

1.2. Basis of preparation

The interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with NZ IAS 34 'Interim Financial Reporting' and IAS 34 'Interim Financial Reporting'. For the purposes of complying with NZ GAAP the Group is a for-profit entity.

These interim financial statements have been prepared on the historical cost basis except where otherwise identified. All financial information is presented in New Zealand dollars and has been rounded to the nearest thousand.

These interim financial statements should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2024 which may be downloaded from the Company's website (https://www.winton.nz).

To ensure consistency with the current period, comparative figures have been amended to conform with the current period presentation where appropriate.

1.3. Critical judgements, estimates and assumptions

In applying the Group's accounting policies, the Board and Management continually evaluates judgements, estimates and assumptions that may have an impact on the Group. The significant judgements, estimates and assumptions made in the preparation of these financial statements were the same as those applied to the consolidated financial statements as at and for the year ended 30 June 2024.

1.4. Accounting policies

The accounting policies adopted are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2024.

1.5. Significant events and transactions

The financial position and performance of the Group was affected by the following events and transactions that occurred during the reporting period:

Borrowings

On 18 November 2024, Cracker Bay Holdings Limited (a 100% subsidiary company of the Company) entered into a debt facility with MC Cracker Bay Pty Limited (MCCB, a 100% subsidiary company of Regal Partners Limited) for $18,340,646. Refer to note 8 for further details.

2. Revenue

ALL VALUES IN $000'S	UNAUDITED 31 DECEMBER 2024	UNAUDITED 31 DECEMBER 2023
Sales revenue	79,209	83,487
Rent	1,719	1,764
Other income	133	370
Total revenue	81,061	85,621

3. Segment Reporting

(i) Basis for segmentation

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Board of Directors. The Group has established the following reportable segments that are managed separately because of different operating strategies. The following describes the operation of each of the reportable segments:

Reportable segment	Operations
Residential development	Design, develop, market and sell residential properties to external customers. These include land lots, dwellings, townhouses and apartments with the majority of operations in New Zealand.
Retirement villages	Develop and operate retirement villages in New Zealand.
Commercial portfolio	Develop and manage a commercial portfolio to produce rental income, operating income and capital appreciation in New Zealand.

(ii) Information about reportable segments

The retirement villages and commercial portfolio segments are start-up operations.

The following is an analysis of the Group's segments:

ALL VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2023
Revenue		
Residential development	70,634	82,922
Retirement villages	23	-
Commercial portfolio	10,404	2,699
Group	81,061	85,621
Earnings before interest, taxation, depreciation and amortisation (EBITDA)		
Residential development	6,615	17,787
Retirement villages	(1,513)	-
Commercial portfolio	(3,044)	(1,861)
Unallocated	(2,114)	(1,748)
Group	(56)	14,178
Earnings before interest and taxation (EBIT)		
Residential development	6,231	17,362
Retirement villages	(1,666)	(98)
Commercial portfolio	(4,736)	(2,523)
Unallocated	(2,114)	(1,748)
Group	(2,285)	12,993

3. Segment Reporting (Continued)

(ii) Information about reportable segments (Continued)

The retirement villages and commercial portfolio segments are start-up operations.

The following is an analysis of the Group's segments:

	UNAUDITED 31 December 2024				
ALL VALUES IN $000'S	RESIDENTIAL	RETIREMENT	COMMERCIAL	UNALLOCATED	TOTAL
Segment assets and liabilities					
Inventories	215,249	-	3,540	-	218,789
Investment Properties	-	249,033	72,546	-	321,579
Property, plant and equipment	702	7,863	75,961	4,346	88,872
Other assets	2,672	727	3,591	27,045	34,035
Total assets	218,623	257,623	155,638	31,391	663,275
Total liabilities	102,619	8,564	31,749	2,074	145,006
Net assets	116,004	249,059	123,889	29,317	518,269

	AUDITED 30 June 2024				
ALL VALUES IN $000'S	RESIDENTIAL	RETIREMENT	COMMERCIAL	UNALLOCATED	TOTAL
Segment assets and liabilities					
Inventories	243,450	-	3,803	-	247,253
Investment Properties	-	207,454	69,986	-	277,440
Property, plant and equipment	756	7,817	66,358	4,908	79,839
Other assets	3,298	577	3,328	42,328	49,531
Total assets	247,504	215,848	143,475	47,236	654,063
Total liabilities	99,634	5,336	26,382	3,162	134,514
Net assets	147,870	210,512	117,093	44,074	519,549

4. Inventories

ALL VALUES IN $000'S	UNAUDITED 31 DECEMBER 2024	AUDITED 30 JUNE 2024
Expected to settle within one year	59,925	79,053
Expected to settle greater than one year	158,864	168,200
Total inventories	218,789	247,253

5. Investment properties

ALL VALUES IN $000'S	UNAUDITED 31 DECEMBER 2024	AUDITED 30 JUNE 2024
Opening balance	277,440	207,517
Acquisitions	-	716
Right-of-use asset reassessment	-	10,549
Unrealised fair value loss	(2,794)	(1,718)
Disposals	-	(170)
Capital expenditure	46,933	60,546
Total investment properties	321,579	277,440
Less: lease liability	(20,354)	(20,371)
Total investment properties excluding NZ IFRS 16 lease adjustments	301,225	257,069

One investment property could not be reliably measured as at 31 December 2024 due to the current stage of development of the property. Therefore it is held at cost at 31 December 2024.

As the fair value of investment property is determined using inputs that are unobservable, the Group has categorised investment property as level 3 under the fair value hierarchy in accordance with NZ IFRS 13 'Fair Value Measurement'.

The significant unobservable input used in the fair value measurement of the Group's development land is the value per m2 assumption. Increases in the value per m2 rate result in corresponding increases in the total valuation and decreases in the value per m2 rate result in corresponding decreases in the total valuation.

The significant unobservable input used in the fair value measurement of the Group's completed land and buildings is the capitalisation rate applied to earnings. A significant decrease/(increase) in the capitalisation rate would result in significantly higher/(lower) fair value measurement.

6. Property, plant and equipment

ALL VALUES IN $000'S	WORK IN PROGRESS	BUILDINGS	FURNITURE, FIXTURES AND FITTINGS	MOTOR VEHICLES	PLANT AND EQUIPMENT	TOTAL
COST						
As at 1 July 2023	32,641	5,507	2,362	880	1,098	42,488
Additions	32,122	738	7,512	1,080	598	42,050
Transfers	(30,861)	30,861	-	-	-	-
Disposals	-	-	(22)	-	(55)	(77)
As at 30 June 2024 (audited)	33,902	37,106	9,852	1,960	1,641	84,461
Additions	10,303	274	853	126	109	11,665
Transfers	(11,182)	11,182	-	-	-	-
Disposals	-	(1)	(1,073)	(89)	(88)	(1,251)
As at 31 December 2024 (unaudited)	33,023	48,561	9,632	1,997	1,662	94,875

6. Property, plant and equipment (Continued)

ALL VALUES IN $000'S	WORK IN PROGRESS	BUILDINGS	FURNITURE, FIXTURES AND FITTINGS	MOTOR VEHICLES	PLANT AND EQUIPMENT	TOTAL
ACCUMULATED DEPRECIATION						
As at 1 July 2023	-	429	839	308	453	2,029
Depreciation	-	1,415	717	210	282	2,624
Disposals	-	-	(8)	-	(23)	(31)
As at 30 June 2024 (audited)	-	1,844	1,548	518	712	4,622
Depreciation	-	1,116	567	131	132	1,946
Disposals	-	(1)	(454)	(36)	(74)	(565)
As at 31 December 2024 (unaudited)	-	2,959	1,661	613	770	6,003
NET BOOK VALUE						
As at 30 June 2024 (audited)	33,902	35,262	8,304	1,442	929	79,839
As at 31 December 2024 (unaudited)	33,023	45,602	7,971	1,384	892	88,872

Also included in buildings category is buildings fitout.

7. Intangible assets

ALL VALUES IN $000'S	UNAUDITED 31 DECEMBER 2024	AUDITED 30 JUNE 2024
Opening balance	1,993	2,479
Acquisitions	29	81
Amortisation	(283)	(567)
Total intangible assets	1,739	1,993

8. Borrowings

(i) Net borrowings

ALL VALUES IN $000'S	UNAUDITED 31 DECEMBER 2024	AUDITED 30 JUNE 2024
MMLIC facility drawn down	72,418	64,763
MCCB facility drawn down	7,018	-
Unamortised borrowings establishment costs	(860)	(717)
Net borrowings	78,576	64,046
Weighted average interest rate of drawn debt (inclusive of margins and line fees)	9.91%	10.35%
Weighted average term to maturity (years)	2.8	3.5

On 18 November 2024, Cracker Bay Holdings Limited (CBH, a 100% subsidiary company of the Company) entered into a debt facility with MCCB for $18,341,000. The facility expires 18 November 2025 with an option to extend for a further two years. The MCCB facility is secured by way of a general security deed provided by CBH and a registered mortgage security across the Cracker Bay property.

On 14 December 2023, Lakeside Developments 2017 Limited (LDL, a 100% subsidiary company of the Company) entered into a debt facility with Massachusetts Mutual Life Insurance Company (MMLIC) for $80,000,000. The facility expires 14 December 2027. The MMLIC facility is secured by way of a general security deed provided by LDL and a registered mortgage security across the Lakeside development property.

9. Investor returns and investment metrics

This section summarises the earnings per share which is a common investment metric.

9.1. Basic earnings per share

	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2023
(Loss) / Profit after income tax ($000s)	(2,001)	9,729
Weighted average number of ordinary shares (shares)	296,613,736	296,613,736
Basic (loss) / earnings per share (cents)	(0.67)	3.28

9.2. Diluted earnings per share

The calculation of diluted earnings per share has been based on the profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. Weighted average number of shares for the purpose of diluted earnings per share has been adjusted for 10,598,114 share options (31 December 2023: 10,830,926) issued under the Group's Share Option Plan as at 31 December less share options forfeited. This adjustment has been calculated using the treasury share method.

	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2023
(Loss) / Profit after income tax ($000s)	(2,001)	9,729
Weighted average number of ordinary shares (shares)	307,543,025	307,444,662
Diluted (loss) / earnings per share (cents)	(0.65)	3.16

10. Other

10.1. Administrative expenses

ALL VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2023
Auditors remuneration:		
Audit and review financial statements	(127)	(116)
Directors' fees	(231)	(217)
Employee benefits expense	(10,084)	(5,607)
Legal expense	(1,446)	(1,252)
Operating lease and rental payments	(374)	(119)
Establishment costs	(189)	(2,539)
Other expenses	(3,483)	(2,521)
Total administrative expenses	(15,934)	(12,371)

10.2. Taxation

(i) Current taxation

ALL VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2023
Profit before income tax	(2,422)	13,558
Prima facie income tax calculated at 28%	678	(3,796)
Adjusted for:		
Prior period adjustment	131	75
Non-tax deductible revenue and expenses	(235)	(39)
Movement in temporary differences	(1,113)	355
Difference in tax rates	1	(42)
Current taxation expense	(538)	(3,447)

10. Other (Continued)

10.2. Taxation (Continued)

(ii) Deferred taxation

ALL VALUES IN $000'S	AUDITED 30 JUNE 2024 AS AT	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 31 DECEMBER 2024 AS AT
Deferred tax assets			
Employee benefits	467	103	570
Accounts payable, accruals and other payables	335	(204)	131
Lease liability	5,704	(5)	5,699
Share-based payment reserve	928	172	1,100
Gross deferred tax assets	7,434	66	7,500
Deferred tax liabilities			
Accounts receivable, prepayments and other receivables	42	3	45
Right-of-use asset	6,173	-	6,173
Inventories	12,247	(500)	11,747
Intangible asset	501	(79)	422
Property, plant and equipment	2,923	43	2,966
Investment properties	5,664	(360)	5,304
Gross deferred tax liabilities	27,550	(893)	26,657
Net deferred tax liability	(20,116)	959	(19,157)

Deferred taxation expense for the six months ended 31 December 2023 was $382,000.

10.3. Equity

(i) Capital and Reserves

ALL VALUES IN $000'S	UNAUDITED 31 DECEMBER 2024 SHARES '000S	UNAUDITED 31 DECEMBER 2024 $000'S	AUDITED 30 JUNE 2024 SHARES '000S	AUDITED 30 JUNE 2024 $000'S
Total shares issued and outstanding	296,614	386,595	296,614	386,595

All shares on issue are fully paid, carry equal voting rights, share equally in dividends and any surplus on wind up and have no par value. All shares are recognised at the fair value of the consideration received by the Company.

10. Other (Continued)

10.3. Equity (Continued)

(ii) Dividends

The following dividends were declared and paid by the Company during the six months ended 31 December:

ALL VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2023
2.1600 cents per qualifying ordinary share – 12/09/2023	-	(6,407)
Total dividends	-	(6,407)

10.4. Accounts receivable, prepayments and other receivables

ALL VALUES IN $000'S	UNAUDITED 31 DECEMBER 2024	AUDITED 30 JUNE 2024
Accounts receivable	288	261
Prepayments and other receivables	5,874	5,588
Total accounts receivable, prepayments and other receivables	6,162	5,849

As at 31 December 2024, prepayments and other receivables includes retention monies held in accordance with the Construction Contracts Act of $2,232,000 (30 June 2024: $3,040,000).

10.5. Accounts payable, accruals and other payables

ALL VALUES IN $000'S	UNAUDITED 31 DECEMBER 2024	AUDITED 30 JUNE 2024
Accounts payable	14,170	15,249
Accruals and other payables in respect of inventories	3,102	3,888
Accruals and other payables	4,319	5,050
Total accounts payable, accruals and other payables	21,591	24,187

10.6. Lease liabilities

ALL VALUES IN $000'S	UNAUDITED 31 DECEMBER 2024	AUDITED 30 JUNE 2024
Opening balance	20,371	11,021
Lease liability reassessment	-	10,549
Lease liability interest expense	977	1,133
Rent paid	(994)	(2,332)
Total lease liabilities	20,354	20,371

10. Other (Continued)

10.7. Related party transactions

The transactions with related parties that were entered into during the year, and the year-end balances that arose from those transactions are shown below.

Key management personnel remuneration

Key management personnel comprise members of the Board and members of the Senior Management Team.

ALL VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2023
Employee benefits expense	1,995	2,028
Share-based payment expense	669	669
Directors' fees	85	82
Key management personnel remuneration	2,749	2,779

An Executive Director was granted 5,145,356 share options on 17 December 2021 with an exercise price of $3.8870 and a vesting date of 17 December 2031.

Senior Management Team were granted 4,244,910 share options on 17 December 2021 with an exercise price of $3.8870. Of these, 1,414,970 share options have a vesting date of 17 December 2025, 1,414,970 share options have a vesting date of 17 December 2028 and 1,414,970 share options have a vesting date of 17 December 2031.

Transactions with related parties during the six months

ALL VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2024	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2023
Key management personnel	-	1,335
Employees	-	1,888
Revenue from contracts with related parties	-	3,223

As at 31 December 2024, the Group has also entered into agreements for the sale of residential properties with Executive Directors for $18,852,000 (30 June 2024: $18,852,000), key management personnel for nil (30 June 2024: nil) and employees for $2,829,000 (30 June 2024: $2,829,000) to be recognised as revenue in future years.

Julian Cook, an Executive Director is also a Director of WEL Networks Limited (WEL). During the six months ended 31 December 2024, the Group incurred $321,000 of development costs categorised as inventories (six months ended 31 December 2023: $102,000) from WEL. As at 31 December 2024 there was $321,000 (30 June 2024: nil) owing to WEL and included in account payables, accruals and other payables. There were no other transactions between the Group and other companies to be disclosed.

Steven Joyce, an Independent Director is also a Director of Joyce Advisory Limited (JAS). During the six months ended 31 December 2024, the Group incurred nil professional fees categorised as administrative expenses (six months ended 31 December 2023: $8,000) from JAS. As at 31 December 2024 there was nil (30 June 2024: $3,000) owing to JAS and included in account payables, accruals and other payables. There were no other transactions between the Group and other companies to be disclosed.

Some of the Directors and key management personnel are shareholders of the Company.

10. Other (Continued)

10.8. Capital and land development commitments

As at 31 December 2024, the Group had entered into contractual commitments for development expenditure and purchase of land. Development expenditure represents amounts contracted and forecast to be incurred in future years in accordance with the Group's development programme. Land purchases represent the amounts outstanding for the purchase of land. Joint venture capital commitment represents the Group's commitment to the Winton / MaxCap Medium Density Development Fund.

ALL VALUES IN $000'S	UNAUDITED 31 DECEMBER 2024	AUDITED 30 JUNE 2024
Development expenditure	61,079	43,310
Land purchases	23,600	29,000
Joint venture capital commitment	50,000	50,000
Total capital and land development commitments	134,679	122,310

10.9. Subsequent events after balance date

On 10 February 2025, Sunfield Developments Limited (a 100% subsidiary company of the Company) entered into a debt facility with Bank of New Zealand (BNZ) for $22,500,000.

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Independent auditor's review report to the shareholders of Winton Land Limited

Conclusion

We have reviewed the interim condensed financial statements of Winton Land Limited ("the Company") and its subsidiaries (together "the Group") on pages 18 to 32 which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six months ended on that date, and explanatory notes. Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements on pages 18 to 32 of the Group do not present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the six months ended on that date, in accordance with New Zealand Equivalent to International Accounting Standard 34: *Interim Financial Reporting (NZ IAS 34)* and International Accounting Standard 34: *Interim Financial Reporting (IAS 34).*

This report is made solely to the Company's shareholders, as a body. Our review has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our review procedures, for this report, or for the conclusion we have formed.

Basis for conclusion

We conducted our review in accordance with NZ SRE 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial statements* section of our report. We are independent of the Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.

Other than in our capacity as auditor we have no relationship with, or interest in, the Company or any of its subsidiaries. Partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group.

Directors' responsibility for the interim financial statements

The directors are responsible, on behalf of the Entity, for the preparation and fair presentation of the interim financial statements in accordance with New Zealand Equivalent to International Accounting Standard 34: *Interim Financial Reporting (NZ IAS 34)* and International Accounting Standard 34: *Interim Financial Reporting (IAS 34)* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

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Auditor's responsibilities for the review of the interim financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared in all material respects, in accordance with New Zealand Equivalent to International Accounting Standard 34: *Interim Financial Reporting (NZ IAS 34)* and International Accounting Standard 34: *Interim Financial Reporting (IAS 34)*.

A review of interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on those interim financial statements.

The engagement partner on the review resulting in this independent auditor's review report is Brent Penrose.

Ernst + Young

Chartered Accountants
Auckland
21 February 2025

A member firm of Ernst & Young Global Limited

Directory

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Chris Meehan, Chair
Michaela Meehan
Julian Cook
Glen Tupuhi
Steven Joyce
James Kemp
Guy Fergusson

Senior Management Team

Chris Meehan, Chief Executive Officer
Simon Ash, Chief Operating Officer
Jean McMahon, Chief Financial Officer
Justine Hollows, General Manager Corporate Services
Duncan Elley, General Manager Project Delivery
Julian Cook, Director of Retirement

Company Secretary

Justine Hollows

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Share Registry

Winton's share register is maintained by MUFG Corporate Markets, a division of MUFG Pension & Market Services. MUFG Corporate Markets is your first point of contact for any queries regarding your investment in Winton. You can view your investment, indicate your preference for electronic communications, access and update your details and view information relating to dividends and transaction history at any time by visiting the MUFG Corporate Markets Investor Centre at the addresses noted below.

Registry

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