



GARDA

GARDA PROPERTY GROUP

INTERIM FINANCIAL REPORT – 1H26

For the six months ended 31 December 2025

Garda Property Group

1H26 Interim Financial Report

For the six months ended 31 December 2025

Comprising the combined consolidated financial reports of

Garda Holdings Limited

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

and

Garda Diversified Property Fund

ARSN 104 391 273

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About this report

This half year (or interim) report is a consolidated summary of Garda Property Group's (comprising Garda Diversified Property Fund (**Fund**) and Garda Holdings Limited (**Company**) and their controlled entities) (together **Garda** or the **Group**) operational and financial performance for the six months ended 31 December 2025 (**1H26**).

This half year report does not include all the notes typically included in an annual financial report and accordingly should be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

DIRECTORS' REPORT

OPERATIONAL AND FINANCIAL REVIEW

OPERATIONS

Following the successful completion of strategic and capital management initiatives, Garda's operational focus is on:

- i) direct investment into the Brisbane industrial property sector; and
- ii) lending into residential and industrial opportunities in southeast Queensland and other major metropolitan areas.

Property investment

Garda owns nine modern industrial properties in Brisbane¹, valued at \$332,307,000 (30 June 2025: \$330,739,000) with a weighted average capitalisation rate for the portfolio is 5.83% (30 June 2025: 5.86%):

Suburb	Address	Type of valuation	Valuation	
			31 Dec 25 \$000	30 Jun 25 \$000
Acacia Ridge	38-56 Peterkin Street	Directors	45,080	45,039
Acacia Ridge	69 Peterkin Street	Directors	22,448	22,350
Berrinba	1-9 Kellar Street	Directors	17,007	17,000
Heathwood	67 Noosa Street	Directors	16,400	16,400
Morningside	326 and 340 Thynne Road	Directors	61,066	61,000
Pinkenba	70-82 Main Beach Road	Directors	32,217	32,200
Richlands	56-72 Bandara Street	Independent	38,800	37,500
Wacol	41 Bivouac Place	Directors	52,035	52,000
Wacol	498 Progress Road	Directors	47,254	47,250
Total			332,307	330,739

Other than 38-56 Peterkin Street, Acacia Ridge, all properties are 100% leased with the portfolio occupancy rate being 85% and the weighted average lease expiry being 4.0 years.

Lending

Garda provides commercial loans to external parties for the purchase, development, construction and/ or refinance of Australian property assets. As at 31 December 2025, the loan portfolio was valued at \$67,722,000 (30 June 2025: \$44,053,000).

As at:	Notes	31 Dec 2025	30 Jun 2025
		\$000	\$000
Commercial loans at amortised cost	7b	46,612	28,530
Allowance for expected credit loss	7c	(523)	-
		46,089	28,530
Commercial loans at fair value	7d	21,633	15,523
Total commercial loans		67,722	44,053

Liquidity for next 12 months

Committed but undrawn loan deployments	7e	(71,550)	(38,285)
Expected loan repayments	7e	37,993	62,232
Increase/ (decrease) in liquidity		(33,557)	23,947

After expected loan repayments, Garda has a further \$33,557,000 of committed but undrawn loan deployments to make in 2026 under existing loan contracts.

¹ Garda also owns a block of land in Cairns valued at \$2,000,000, which is currently held for sale.

FINANCIAL SUMMARY

Funds from operations (FFO) and distributions

Driven largely by the growth in its lending portfolio, Garda's FFO for the six months to 31 December 2025 was \$8,862,000, a 20.3% increase on FFO for the prior corresponding period (1H25: \$7,368,000).

Six months:	1H26	1H25
	\$000	\$000
Net profit/ (loss) after tax	6,782	(10,193)
Adjustments for non-cash and non-recurring items:		
Property investment:		
Fair value loss/ (gain)	(2,178)	13,928
Loss on sale	2,186	26
Net lease contract and rental items	946	537
Lending:		
Fair value loss from remeasurement of commercial loans	420	-
Other:		
Derivatives – fair value loss	407	2,900
Security based payments expense	297	165
Other	2	5
Total adjustments	2,080	17,561
FFO	8,862	7,368
Distributions provided for or paid during the half year	8,100	6,362
Payout ratio	91.4%	86.3%

The 20.3% increase in FFO was accompanied by a 27.0% increase in quarterly Fund distributions from \$0.01575 per security to \$0.0200, with Garda's payout ratio for 1HY26 being 91.4% (1H25: 86.3%).

Capital management

Settlement of the Cairns Corporate Tower and North Lakes sale transactions during the reporting period enabled Garda to materially reduce gearing to 20.8% (30 June 2025: 42.7%) while preserving net tangible assets at \$1.60 per security.

		31 Dec 2025	30 Jun 2025
NTA per security	\$	1.60	1.61
Gearing	%	20.8	42.7
Loan to value ratio (LVR)	%	31.8	52.9
Weighted average cost of debt (based on drawn debt)	%	4.09	4.58
Weighted average debt maturity	years	3.7	0.9
Annual interest coverage ratio (ICR)	times	2.4	2.3

Garda's external debt facilities with its banks were reduced from \$270,000,000 to \$166,000,000 during the six month period, with \$60,000,000 remaining undrawn at 31 December 2025.

DIRECTORS' REPORT

The Directors of Garda Capital Limited (as responsible entity for the Fund) and the Company present their report and the consolidated financial statements for the Group for the six months ended 31 December 2025.

Directors

The Directors of Garda Capital Limited and the Company at any time during the six month period and up to the date of this report were:

- Matthew Madsen – Executive Chairman
- Mark Hallett (retired from Board on 27 November 2025)
- Paul Leitch
- Oliver Talbot
- Andrew Thornton

Principal activities

The principal activities of Garda during the half year continued to be investment in industrial real estate assets and lending into industrial and residential development projects.

Review of operations

A review of Garda's operations and a summary of the results of those operations is set out in the operational and financial review commencing on page 2 of this report. Further details of Garda's financial results are provided in the following financial statements.

Significant changes in the state of affairs

The Directors are not aware of any matter or circumstance not discussed in the operating review and financial review that has significantly, or may significantly, impact the Group in the current or subsequent period.

Rounding of amounts

All financial information presented in this report is in Australian dollars and has been rounded to the nearest thousand unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/ Directors' Reports) 2016/191*.

Auditor's independence

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

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



Matthew Madsen
Executive Chairman
4 February 2026

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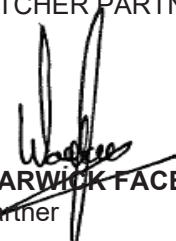
The Directors
Garda Holdings Limited and
Garda Capital Limited (Responsible entity of Garda Diversified Property Fund)
Level 21, 12 Creek Street
Brisbane QLD 4000

Auditor's Independence Declaration

In relation to the independent auditor's review for the half-year ended 31 December 2025, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

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


PITCHER PARTNERS
WARWICK FACE
Partner

Brisbane, Queensland
4 February 2026

FINANCIAL REPORT

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Six months ended 31 December		Garda		Company	
		2025	2024	2025	2024
	Notes	\$000	\$000	\$000	\$000
Revenue					
Rental revenue	3a	8,081	9,729	-	-
Recoverable rental outgoings	3b	2,190	2,345	-	-
Fund and real estate management revenue	3c	-	-	1,396	1,544
Recoveries and other fees	3d	-	-	604	776
Fee and interest revenue	3e	4,228	1,795	2,724	1,203
Gain on commercial loans at fair value	3f	3,086	1,288	-	-
Other revenue	3g	579	392	103	129
Net gain in fair value of investment properties		2,178	-	-	-
Revenue		20,342	15,549	4,827	3,652
Expenses					
Property expenses	4a	(2,865)	(2,906)	-	-
Administration expenses		(986)	(794)	(428)	(449)
Finance costs	4b	(3,803)	(3,140)	(2)	(5)
Employee benefits expense	4c	(1,994)	(1,630)	(2,598)	(2,406)
Allowance for expected credit loss	7c	(523)	-	-	-
Security based payments expense	4d	(297)	(165)	(297)	(165)
Depreciation		(70)	(72)	(70)	(72)
Net loss on sale of investment properties		(2,186)	(26)	-	-
Net loss in fair value of financial instruments		(407)	(2,900)	-	-
Net loss in fair value of investment properties		-	(13,928)	-	-
Expenses		(13,131)	(25,561)	(3,395)	(3,097)
Profit/ (loss) before income tax		7,211	(10,012)	1,432	555
Income tax expense		(429)	(181)	(429)	(181)
Profit/ (loss) after income tax		6,782	(10,193)	1,003	374
Profit/ (loss) after income tax attributable to:					
Unitholders of the Fund		5,779	(10,567)	-	-
Shareholders of the Company		1,003	374	1,003	374
Other comprehensive income, net of tax		-	-	-	-
Total profit/ (loss) and other comprehensive income		6,782	(10,193)	1,003	374
Total profit/ (loss) and other comprehensive income attributable to:					
Unitholders of the Fund		5,779	(10,567)	-	-
Shareholders of the Company		1,003	374	1,003	374
Total profit/ (loss) and other comprehensive income		6,782	(10,193)	1,003	374
Earnings per stapled security:					
Basic earnings per stapled security (cents)	12	3.4	(5.1)	0.5	0.2
Diluted earnings per stapled security (cents)	12	3.1	(5.1)	0.5	0.2

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 2025:	31 December		Garda	31 December	Company
	Notes	\$000	30 June	\$000	30 June
			\$000	\$000	\$000
ASSETS					
Current assets					
Cash and cash equivalents		19,984	24,136	8,035	6,990
Trade and other receivables	6	2,328	40	251	651
Commercial loans	7	49,864	22,202	-	-
Investment properties held for sale	8d	2,000	191,411	-	-
Other assets		2,478	1,964	308	131
Total current assets		76,654	239,753	8,594	7,772
Non-current assets					
Commercial loans	7	17,858	21,851	-	-
Investment properties	8b	332,307	330,739	-	-
Other assets		-	52	-	52
Derivative financial instruments	9	6,443	6,850	-	-
Right-of-use assets		73	143	73	143
Deferred tax assets		131	192	131	192
Total non-current assets		356,812	359,827	204	387
Total assets		433,466	599,580	8,798	8,159
LIABILITIES					
Current liabilities					
Trade and other payables		1,642	2,521	683	1,236
Contract liabilities		52	674	-	-
Distribution payable	13	4,058	3,181	-	-
Dividend payable	13	-	454	-	454
Income tax payable		565	197	564	197
Provisions		142	146	142	146
Lease liabilities		68	139	68	139
Total current liabilities		6,527	7,312	1,457	2,172
Non-current liabilities					
Borrowings	10	105,215	269,543	-	-
Provisions		267	213	267	213
Other liabilities		262	349	-	-
Total non-current liabilities		105,744	270,105	267	213
Total liabilities		112,271	277,417	1,724	2,385
Net assets		321,195	322,163	7,074	5,774
EQUITY					
Contributed equity	11	342,932	342,879	(146)	(146)
Reserves		4,770	4,473	4,770	4,473
(Accumulated losses) / retained earnings		(26,507)	(25,189)	2,450	1,447
Total equity		321,195	322,163	7,074	5,774
Comprising:					
Total equity attributable to the Fund		314,121	316,389	-	-
Total equity attributable to the Company		7,074	5,774	7,074	5,774
Total equity		321,195	322,163	7,074	5,774

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Notes	Contributed equity \$000	Reserves \$000	(Accumulated losses)/ retained earnings \$000	Total equity ² \$000
a) Garda					
31 December 2025					
Balance at 1 July 2025		342,879	4,473	(25,189)	322,163
Comprehensive income					
Profit for the six month period		-	-	6,782	6,782
Other comprehensive income		-	-	-	-
Transactions with owners in capacity as owners:					
Distributions paid or payable	13	-	-	(8,100)	(8,100)
Dividend paid or payable	13	-	-	-	-
Securities based payment expense	4d	-	297	-	297
Repayment of Garda ESP loan receivable		53	-	-	53
Balance at 31 December 2025		342,932	4,770	(26,507)	321,195
31 December 2024					
Balance at 1 July 2024		342,886	4,209	(4,538)	342,557
Comprehensive income					
Loss for the six month period		-	-	(10,193)	(10,193)
Other comprehensive income		-	-	-	-
Transactions with owners in capacity as owners:					
Distributions paid or payable	13	-	-	(6,362)	(6,362)
Dividend paid or payable	13	-	-	(908)	(908)
Securities based payment expense	4d	-	165	-	165
Transaction costs for issue of securities		(7)	-	-	(7)
Balance at 31 December 2024		342,879	4,374	(22,001)	325,252
b) Company					
31 December 2025					
Balance at 1 July 2025		(146)	4,473	1,447	5,774
Comprehensive income					
Profit for the six month period		-	-	1,003	1,003
Other comprehensive income		-	-	-	-
Transactions with owners in capacity as owners:					
Dividend paid or payable	13	-	-	-	-
Securities based payment expense	4d	-	297	-	297
Balance at 31 December 2025		(146)	4,770	2,450	7,074
31 December 2024					
Balance at 1 July 2024		(99)	4,209	2,173	6,283
Comprehensive income					
Profit for the six month period		-	-	374	374
Other comprehensive income		-	-	-	-
Transactions with owners in capacity as owners:					
Dividend paid or payable	13	-	-	(913)	(913)
Buy-back and cancellation of treasury securities		(43)	-	-	(43)
Securities based payment expense	4d	-	165	-	165
Transaction costs for issue of securities		(4)	-	-	(4)
Balance at 31 December 2024		(146)	4,374	1,634	5,862

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

² Total equity includes equity attributable to the Company, as shown in section b) of the Consolidated Statements of Changes in Equity.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Cash flows from operating activities				
Receipts in the course of operations (incl. GST)	23,561	13,270	5,615	4,176
Payments in the course of operations (incl. GST)	(7,938)	(9,334)	(3,595)	(3,721)
Payment of refundable construction bonds	(809)	-	-	-
Payments for leasing fees	(70)	(91)	-	-
Repayment of loans receivable from external parties	8,136	13,535	-	-
Loan advances to external parties	(25,101)	(10,664)	-	-
Interest received	540	374	86	111
Finance costs paid	(5,352)	(4,805)	-	-
Net GST refund/ (paid)	(12,247)	310	(536)	(479)
Net cash (used)/ from operating activities	(19,280)	2,595	1,570	87
Cash flows from investing activities				
Proceeds from sale of investment properties	191,135	13,500	-	-
Payments for development and capital expenditure on properties	(2,104)	(29,875)	-	-
Selling costs of investment properties	(1,728)	(303)	-	-
Net cash (used)/ from investing activities	187,303	(16,678)	-	-
Cash flows from financing activities				
Distributions paid	(7,223)	(6,344)	-	-
Dividends paid	(454)	(454)	(454)	(459)
Drawdowns from bank debt facilities	37,102	33,000	-	-
Repayment of bank debt facilities	(201,022)	(14,571)	-	-
Loans advanced to the parent entity	-	-	-	(33)
Payment of lease liabilities	(71)	(66)	(71)	(66)
Transaction costs for issue of securities	-	(7)	-	(4)
Treasury securities buy-back and cancellation/ redemption	-	-	-	(43)
Repayment of ESP loan receivable	53	-	-	-
Debt facility transaction costs paid	(560)	-	-	-
Net cash from/ (used) in financing activities	(172,175)	11,558	(525)	(605)
Net (decrease)/ increase in cash and cash equivalents	(4,152)	(2,525)	1,045	(518)
Cash and cash equivalents at beginning of the period	24,136	17,002	6,990	6,728
Cash and cash equivalents at end of the period	19,984	14,477	8,035	6,210

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

NOTES TO INTERIM FINANCIAL REPORT

NOTE 1 BASIS OF PREPARATION

a) Reporting entity

Garda Property Group was formed by the stapling of two entities: Garda Diversified Property Fund (the Fund) and Garda Holdings Limited (the Company), which are collectively referred to as Garda Property Group (Garda or the Group).

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

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

b) Statement of compliance

This consolidated interim financial report is a general purpose financial report which has been prepared in accordance with *ASIC Corporations (Financial Reporting by Stapled Entities) Instrument 2023/673*, Australian Accounting Standard *AASB 134 Interim Financial Reporting*, the requirements of the Australian Securities Exchange and the *Corporations Act 2001 (Cth)*. The report complies with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The consolidated interim financial report does not include all information required for a full annual financial report and should be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Garda during the interim reporting period.

The consolidated interim financial report was authorised for issue by the Board on 4 February 2026.

c) Basis of measurement

The interim consolidated financial statements have been prepared on a going concern basis using historical cost convention except for investment properties, derivative financial instruments, share-based payment arrangements and specific loans which are measured at fair value.

d) Functional and presentation currency

The consolidated interim financial statements are presented in Australian dollars, which is Garda's functional currency. Garda is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that Instrument, all financial information presented in Australian dollars has been rounded to the nearest thousand dollars unless otherwise stated.

e) New or amended accounting standards and interpretations

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2025 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

New standards, amendments to standards and/ or interpretations effective for reporting periods beginning on or after 1 July 2026 have not been early adopted in preparing these financial statements. None would have had a material effect on the consolidated financial statements.

NOTE 2 OPERATING SEGMENTS

a) Introduction

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expense, whose operating results are reviewed regularly by the Executive Chairman who is Garda's Chief Operating Decision Maker in assessing performance and in determining the allocation of resources.

Garda has identified three reportable operating segments, all of which currently operate in the single geographical segment of southeast Queensland. Each segment is predominantly located within a single Garda company or trust:

Operating Segments	Description	Garda entity
Property investment	Direct investment in industrial property assets.	Fund
Lending	Provision of loan finance to external real estate developers.	Garda Capital Trust
Residual corporate	Overheads for Group operations plus unallocated amounts	Company

Segment assets and results, other than for the residual corporate segment, include items directly attributable to the segment as well as those that may be allocated on a reasonable basis. They exclude non-cash expenses including fair value adjustments, security-based payments expense and depreciation. Segment results are net of all internal revenue and expenses.

Expenses pertaining to Group level functions such as finance and tax, legal, risk and compliance, company secretarial, marketing and other corporate services are all allocated to the residual corporate segment, along with all other unallocated items.

b) Segment results

	Property investment \$000	Lending \$000	Residual corporate \$000	Segment total ³ \$000	Adjustments \$000	Garda \$000
Six months to 31 December 2025						
Revenue						
Rental revenue	9,027	-	-	9,027	(946)	8,081
Recoverable rental outgoings	2,190	-	-	2,190	-	2,190
Fee and interest revenue	-	4,228	-	4,228	-	4,228
Gain on commercial loans at fair value	-	3,506	-	3,506	(420)	3,086
Other revenue	422	53	104	579	-	579
Net gain in fair value of investment properties	-	-	-	-	2,178	2,178
Revenue	11,639	7,787	104	19,530	812	20,342
Expenses						
Property expenses	(2,865)	-	-	(2,865)	-	(2,865)
Administration expenses	(544)	(14)	(498)	(1,056)	70	(986)
Finance costs	-	-	(3,801)	(3,801)	(2)	(3,803)
Employee benefits expense	-	(274)	(1,720)	(1,994)	-	(1,994)
Allowance for expected credit loss	-	(523)	-	(523)	-	(523)
Security based payment expense	-	-	-	-	(297)	(297)
Depreciation	-	-	-	-	(70)	(70)
Net loss on sale of investment properties	-	-	-	-	(2,186)	(2,186)
Net loss in fair value of financial instruments	-	-	-	-	(407)	(407)
Expenses	(3,409)	(811)	(6,019)	(10,239)	(2,892)	(13,131)
Profit/ (loss) before income tax	8,230	6,976	(5,915)	9,291	(2,080)	7,211
Income tax expense	-	-	(429)	(429)	-	(429)
Profit/ (loss) after income tax	8,230	6,976	(6,344)	8,862	(2,080)	6,782

³ Please also refer Funds From Operations (FFO) discussion in the Financial Summary of the Directors' Report.

b) Segment results cont'd

	Property investment \$000	Lending \$000	Residual corporate \$000	Segment total ⁴ \$000	Adjustments \$000	Garda \$000
Six months ended 31 December 2024						
Revenue						
Rental revenue	10,266	-	-	10,266	-	10,266
Recoverable rental outgoings	2,345	-	-	2,345	(537)	1,808
Fee and interest revenue	-	1,795	-	1,795	-	1,795
Gain on commercial loans at fair value	-	1,288	-	1,288	-	1,288
Other revenue	187	76	129	392	-	392
Revenue	12,798	3,159	129	16,086	(537)	15,549
Expenses						
Property expenses	(2,906)	-	-	(2,906)	-	(2,906)
Administration expenses	(341)	(4)	(521)	(866)	72	(794)
Finance costs	-	-	(3,135)	(3,135)	(5)	(3,140)
Employee benefits expense	-	(155)	(1,475)	(1,630)	-	(1,630)
Security based payment expense	-	-	-	-	(165)	(165)
Depreciation	-	-	-	-	(72)	(72)
Net loss on sale of investment properties	-	-	-	-	(26)	(26)
Net loss in fair value of financial instruments	-	-	-	-	(2,900)	(2,900)
Net loss in fair value of investment properties	-	-	-	-	(13,928)	(13,928)
Expenses	(3,247)	(159)	(5,131)	(8,537)	(17,024)	(25,561)
Profit/ (loss) before income tax	9,551	3,000	(5,002)	7,549	(17,561)	(10,012)
Income tax expense	-	-	(181)	(181)	-	(181)
Profit/ (loss) after income tax	9,551	3,000	(5,183)	7,368	(17,561)	(10,193)

⁴ Please also refer Funds From Operations (FFO) discussion in the Financial Summary of the Directors' Report.

c) Segment assets and liabilities

	Property investment \$000	Lending \$000	Residual corporate \$000	Segment total \$000	Adjustments \$000	Group \$000
As at 31 December 2025						
Assets						
Cash and cash equivalents	10,313	1,636	8,035	19,984	-	19,984
Investment properties	332,307	-	-	332,307	-	332,307
Investment properties held for sale	2,000	-	-	2,000	-	2,000
Commercial loans	-	68,142	-	68,142	(420)	67,722
Derivative financial instruments	6,443	-	-	6,443	-	6,443
Trade and other receivables	2,313	-	15	2,328	-	2,328
Other assets	2,222	-	256	2,478	-	2,478
Right-of-use assets	-	-	-	-	73	73
Deferred tax assets	-	-	-	-	131	131
Total assets	355,598	69,778	8,306	433,682	(216)	433,466
Liabilities						
Borrowings	105,215	-	-	105,215	-	105,215
Trade and other payables	1,085	17	541	1,643	-	1,643
Contract liabilities	52	-	-	52	-	52
Distribution payables	4,058	-	-	4,058	-	4,058
Income tax payable	-	-	564	564	-	564
Provisions	-	-	409	409	-	409
Lease liabilities	-	-	-	-	68	68
Other liabilities	-	-	262	262	-	262
Total liabilities	110,410	17	1,776	112,203	68	112,271
Net assets	245,188	69,761	6,530	321,479	(284)	321,195

c) Segment assets and liabilities cont'd

	Property investment \$000	Lending \$000	Residual corporate \$000	Segment total \$000	Adjustments \$000	Group \$000
As at 30 June 2025						
Assets						
Cash and cash equivalents	10,711	6,435	6,990	24,136	-	24,136
Investment properties	330,739	-	-	330,739	-	330,739
Investment properties held for sale	191,411	-	-	191,411	-	191,411
Commercial loans	-	44,053	-	44,053	-	44,053
Derivative financial instruments	6,850	-	-	6,850	-	6,850
Trade and other receivables	10	-	30	40	-	40
Other assets	1,833	-	183	2,016	-	2,016
Right-of-use assets	-	-	-	-	143	143
Deferred tax assets	-	-	-	-	192	192
Total assets	541,554	50,488	7,203	599,245	335	599,580
Liabilities						
Borrowings	269,543	-	-	269,543	-	269,543
Trade and other payables	1,726	31	764	2,521	-	2,521
Contract liabilities	674	-	-	674	-	674
Distribution payable	3,181	-	-	3,181	-	3,181
Dividend payable	-	-	454	454	-	454
Income tax payable	-	-	197	197	-	197
Provisions	-	-	359	359	-	359
Lease liabilities	-	-	-	-	139	139
Other liabilities	-	-	349	349	-	349
Total liabilities	275,124	31	2,123	277,278	139	277,417
Net assets	266,430	50,457	5,080	321,967	196	322,163

NOTE 3 REVENUE

a) Rental revenue

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

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

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
<i>Revenue recognised under AASB 16 Leases</i>				
Rental revenue	8,383	9,995	-	-
Lease costs and incentive amortisation	(302)	(266)	-	-
Total rental revenue	8,081	9,729	-	-

At reporting date, a single tenant occupying one investment property accounted for approximately 18% of the Group's rental revenue for the half year (1H25: 14%). This represents a concentration of credit risk as a portion of the Group's cash flows is dependent on the continued performance of this tenant. The Group holds bank guarantees in respect of this tenancy, and the tenant was not past due for its rent.

b) Recoverable rental outgoings

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

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
<i>Revenue recognised under AASB 16 Leases</i>				
Recoverable rental outgoings	2,190	2,345	-	-

c) Fund and real estate management revenue

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

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
<i>Revenue recognised under AASB 15 Revenue from contracts with customers</i>				
Fund and real estate management revenue	-	-	1,396	1,544

d) Recoveries and other fees

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

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
<i>Revenue recognised under AASB 15 Revenue from contracts with customers</i>				
Recoveries and other fees	-	-	604	776

e) Fee and interest revenue

Garda recognises income from commercial loans measured at amortised cost as interest revenue, using the effective interest rate method.

The Company recognises fees from commercial loans made by the Group at either a point in time or in alignment with the lending transaction event. On consolidation, the Group recognises these fees as interest income. In contrast, fees associated with arranging loans between external parties or other advisory services are recognised by the Company and the Group at a point in time.

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
<i>Revenue recognised under AASB 15 Revenue from contracts with customers</i>				
Fees from lending	83	96	2,724	1,203
<i>Revenue recognised under AASB 9 Financial Instruments</i>				
Interest on commercial loans measured at amortised cost	4,145	1,699	-	-
	4,228	1,795	2,724	1,203

f) Gain on commercial loans at fair value

Income from commercial loans measured at fair value is recognised as fair value gains. This income comprises interest revenue, fee income, and fair value movements arising from the remeasurement of the loan portfolio.

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
<i>Revenue recognised under AASB 9 Financial Instruments</i>				
Interest	3,685	1,288	-	-
Contingent fees	9	-	-	-
Adjustment for expected recoverability	(188)	-	-	-
Other remeasurement amounts	(420)	-	-	-
Gain on commercial loans measured at fair value	3,086	1,288	-	-

g) Other revenue

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Non-operating interest income	540	374	85	111
Sundry income	39	18	18	18
Total other income	579	392	103	129

h) Disaggregation of revenue from contracts with customers

Six months ended 31 December	2025			2024		
	Point in Time	Over Time	Total	Point in Time	Over Time	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Garda						
Recoverable rental outgoings	-	2,190	2,190	-	2,345	2,345
Fee from lending	83	-	83	96	-	96
Total	83	2,190	2,273	96	2,345	2,441
Company						
Fund and real estate management revenue	-	1,396	1,396	-	1,544	1,544
Recoveries and other fees	-	604	604	-	776	776
Fee from lending	2,724	-	2,724	1,203	-	1,203
Total	2,724	2,000	4,724	1,203	2,320	3,523

NOTE 4 EXPENSES

a) Property expenses

Investment property expenses are recognised as incurred.

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Rental outgoings	2,447	2,382	-	-
Direct expenses	269	394	-	-
Non-recoverable expenses	149	130	-	-
Property expenses	2,865	2,906	-	-

b) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

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

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Interest on borrowings	4,643	4,987	-	-
Amortisation of borrowing transaction costs	152	172	-	-
Interest expense on lease liabilities	2	5	2	5
Interest capitalised to properties under construction	(994)	(2,024)	-	-
Finance costs	3,803	3,140	2	5

c) Employee benefits expense

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Superannuation guarantee expense	104	114	169	176
Other employee benefits	1,890	1,516	2,429	2,230
Employee benefits expense	1,994	1,630	2,598	2,406

In addition to these employee benefits expenses, a security-based payment expense of \$297,000 (2024: \$165,000) was incurred by the Company during the period. See 4(d) for more information.

d) Security-based payments expense

Pursuant to AASB 2 *Share-based Payment*, the fair values at grant date for securities granted to employees are determined using the Black and Scholes option pricing model. Once fair value has been determined, a security-based payment expense is recognised over the vesting period of the equity incentive, with a corresponding movement in a security-based payments reserve.

The security-based payment expense for the six month period ended 31 December 2025, by underlying equity security, is set out in the following table:

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Exempt security awards	12	12	12	12
Performance rights	-	70	-	70
Deferred security awards	285	83	285	83
Total Security-based payment expense	297	165	297	165

NOTE 5 FAIR VALUE DISCLOSURE

a) Accounting policy

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

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

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

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

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

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

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

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

b) Assets and liabilities measured at fair value

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

	Notes	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
As at 31 December 2025					
Assets					
Commercial loans	7d	-	-	21,633	21,633
Investment properties	8c	-	-	332,307	332,307
Investment properties held for sale	8d	-	-	2,000	2,000
Derivative financial instruments	9	-	6,443	-	6,443
Total		-	6,443	355,940	362,383
As at 30 June 2025					
Assets					
Commercial loans	7d	-	-	15,523	15,523
Investment properties	8c	-	-	330,739	330,739
Investment properties held for sale	8d	-	-	191,411	191,411
Derivative financial instruments	9	-	6,850	-	6,850
Total		-	6,850	537,673	544,523

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

NOTE 6 TRADE AND OTHER RECEIVABLES

a) Accounting policies

Trade and other receivables include:

- funds management fees payable by the Fund to the Company;
- rent and outgoings receivable from tenants; and
- other contractual receivables.

Trade and other receivables are recognised at the amounts expected to be received. They are short-term in nature and are measured at amortised cost, net of any allowance for expected credit losses.

b) Trade and other receivables

As at (2025):	Garda		Company	
	31 December \$000	30 June \$000	31 December \$000	30 June \$000
Current				
Fund management fees receivable	-	-	177	212
Rent and outgoings receivable	207	25	-	-
Land resumption proceeds receivable	2,106	-	-	-
Other receivables	15	15	74	439
Total	2,328	40	251	651

Rent and outgoings receivable and land resumption proceeds receivable were received in January 2026. The land resumption proceeds relate to the compulsory resumption of land at the North Lakes property, the sale of which was completed in November 2025.

NOTE 7 COMMERCIAL LOANS

a) Overview

Garda provides commercial loans to external parties for the purchase, development, construction and/ or refinancing of Australian property assets. Loans are individually tailored for each borrower, with the expected timing and quantum of capital deployments by Garda varying in accordance with the requirements or progress of the underlying property asset.

As at (2025):	Notes	31 December \$000	30 June \$000
Current assets			
Commercial loans at amortised cost	7b	37,561	16,371
Provision for expected credit loss	7c	(392)	-
		<u>37,169</u>	<u>16,371</u>
Commercial loans at fair value	7d	12,695	5,831
Total commercial loans (current)		49,864	22,202
Non-current assets			
Commercial loans at amortised cost	7b	9,051	12,159
Provision for expected credit loss	7c	(131)	-
		<u>8,920</u>	<u>12,159</u>
Commercial loans at fair value	7d	8,938	9,692
Total commercial loans (non-current)		17,858	21,851
Total commercial loans		67,722	44,053

Liquidity for next 12 months

Committed but undrawn loan deployments	7e	(71,550)	(38,285)
Expected loan repayments	7e	37,993	62,232
Increase/ (decrease) in liquidity		(33,557)	23,947

Portfolio profile

Number of commercial loans (number)	17	13
Number of borrower groups (number)	9	7

Each commercial loan made by Garda is classified and measured at amortised cost or at fair value through profit or loss, depending on the nature of its contractual cashflows.

b) Commercial loans at amortised cost

A commercial loan will be measured at amortised cost if its contractual cashflows are solely payments of principal and interest on the principal amount outstanding, consistent with a basic lending arrangement. These loans are carried in the Consolidated Statements of Financial Position at their initial recognition value (usually the drawn amount of the principal plus directly attributable transaction costs) less subsequent repayments of principal, plus or minus the cumulative amortisation using the effective interest method or any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

As at (2025):	31 December \$000	30 June \$000
Loans at amortised cost		
Current assets	37,561	16,371
Allowance for expected credit loss	(392)	-
	<u>37,169</u>	<u>16,371</u>
Non-current assets	9,051	12,159
Allowance for expected credit loss	(131)	-
	<u>8,920</u>	<u>12,159</u>
Total commercial loans at amortised cost	46,089	28,530

c) Allowance for expected credit loss (ECL)

Approach

Included in the carrying value of Garda's loans at amortised cost is a total allowance for ECL of \$523,000 (FY25: nil).

Garda uses judgement in determining the allowance for expected credit loss, including assessment of when a significant increase in the risk of default has occurred, assignment of probability weightings to any ECLs, assessment of available collateral and general application of its credit experience.

A three-stage approach to ECL recognition for loans measured at amortised cost is used:

- **Stage 1: 12-Month ECL – performing loans**
For commercial loans where no significant increase in credit risk has been identified, any allowance for expected credit loss will include credit losses expected to occur from default events occurring over the next 12 months.
- **Stage 2: Lifetime ECL – performing loans that have experienced a significant increase in risk of default**
For commercial loans where a significant increase in credit risk has been identified, an allowance for expected credit loss equivalent to Lifetime ECL is recognised. Lifetime ECL includes credit losses expected to arise from defaults occurring over the remaining life of the loans. If credit quality improves in a subsequent period such that the increase in risk of default since origination is no longer considered significant, the exposure is reclassified to Stage 1 and the allowance for expected credit loss reverts to 12-Month ECL.
- **Stage 3: Lifetime ECL – non-performing loans**
Where a loan at amortised cost is in default, an allowance for expected credit loss equivalent to Lifetime ECL is recognised.

The assessments in all three stages are undertaken on an individual loan and a collective basis. Whether a loan has had a significant increase in credit risk is assessed by comparing the risk of default at reporting date to the corresponding risk of default at origination. Garda considers all available quantitative and qualitative information in making the assessments, but the conclusions necessarily involve considerable judgement.

Factors Garda considers in its ECL assessments include:

- i) project stage: whether the underlying development project is on track to meet original delivery expectations;
- ii) cost to complete: whether the remaining headroom on the loan exceeds the estimated cost to complete the underlying development;
- iii) contract variations: any variations to the loan contract and the reasons for any such variations;
- iv) sell-down status: progress of sales of the completed development and the prices being achieved relative to original budgets;
- v) borrower strength: any material changes in the circumstances of the borrower;
- vi) completion risks: any changes in, or additions to, the risks to project completion and loan repayment;
- vii) security: any actual or likely change in the value or accessibility of loan security and other collateral; and
- viii) market indicators: any material movement in key market indices, interest rates and other measures since loan inception.

Allowance for ECL

The outcome of Garda's credit loss assessment was to include \$523,000 in an allowance for expected credit loss at 31 December 2025 (30 June 2025: nil). The composition of the allowance is summarised below, based on the maximum facility loan to value ratio (LVR) band in which each loan falls:

LVR bands	Number of loans no.	Loan Balances \$000	Loss allowance \$000	Loss allowance %
Less than 60.0%	1	4,682	21	0.5%
60.0 to 69.9%	1	307	2	0.7%
70.0 to 79.9%	2	3,031	24	0.8%
Above 80.0%	9	39,809	476	1.2%
Total	13	47,829	523	1.1%
Less: unamortised lending fees		(1,217)	-	-
Total loans at amortised cost		46,612	523	1.1%

LVRs are calculated using the ratio of the approved amount of a loan against the value of the security on either an "as is" or "as if complete" basis as determined by an external valuer or the net (of GST) realisation of a project.

The LVR bands in the above table are for loans on a standalone basis. Some loans are subject to cross-collateralisation arrangements and their standalone LVR may differ from their cross-collateralised LVR.

d) Commercial loans at fair value

Where a commercial loan's cashflows do not solely comprise payments of principal and interest, it will be measured at fair value through profit or loss. These loans are included in the Consolidated Statements of Financial Position at fair value with any movements in fair value recorded as fair value gains or losses in the Consolidated Statements of Profit or Loss.

As at (2025):	31 December	30 June
Loans at fair value	\$000	\$000
Current assets	12,695	5,831
Non-current assets	8,938	9,692
Total commercial loans at fair value	21,633	15,523
Included in fair value of loans are the following:		
Fair value of contingent fees	83	-
Fair value of adjustment for expected recoverability	(188)	-

Fair value movements in Garda's fair value loans during the reporting period are summarised below.

Six months ended:	31 Dec 2025	30 June 2025	31 Dec 2024
	\$000	\$000	\$000
Fair value at the beginning of the period	15,523	5,104	4,452
Fair value movements			
Deployments	7,830	9,825	11,943
Repayments	(3,538)	(1,506)	(11,788)
Lending fees received during the period (before amortisation)	(1,268)	(1,238)	(791)
Fair value gains/ (losses) – refer note 3f:			
Interest income	3,685	3,338	1,288
Contingent fees	9	-	-
Adjustment for expected recoverability	(188)	-	-
Other remeasurement amounts	(420)	-	-
Fair value at the end of the period	21,633	15,523	5,104

As at 31 December 2025, four of Garda's commercial loans were measured at fair value. Each loan includes the right for Garda to receive a contingent fee at the end of the loan term following completion and/ or sale of the underlying property developments.

Depending on the particular loan, there can be no assurance that conditions precedent to receipt of the contingent fee will be met, nor that sale price/ valuation hurdles will be achieved. Based on information available, and reasonable expectations about future events and market conditions, management is required to assess the likely quantum of any contingent fee and at reporting date assign a probability to its receipt. This probability of receipt is a function of such factors as:

- whether the borrower elects to proceed with its development project;
- changes in the risk profile of the borrower;
- the stage of development relative to its expected completion date;
- changes in the cost of completing the project, including changes in the cost of labour and construction materials;
- movements in the prices and valuations of similar properties in the same geographic region;
- macro-economic developments impacting inflation, interest rates, population growth and expected demand for the property being developed; and
- the borrower's success in selling the newly developed properties.

It is only when a development project is at an advanced stage, i.e., construction costs and directly relevant valuations or sales evidence becomes available, that the probability of receipt of contingency fees may be more reliably estimated. In the ordinary course, the probability is likely to be discounted until the later stages of the development project and the loan term.

The sensitivity of Garda's loans measured at fair value to the probability of receipt of contingent fees is illustrated in the following table.

	1H26 report	Probability of receipt of contingent fees		
		Nil	+10%	+20%
	\$000	\$000	\$000	\$000
Commercial loans at fair value	83	-	554	1,025

e) Liquidity for next 12 months

Garda's cashflow projections for committed loans at 31 December 2025 indicate that over the next 12 months repayments of principal, interest and fees will exceed drawdowns by approximately \$33,557,000.

12 months commencing (2025)	31 December \$000	30 June \$000
Expected drawdowns:		
Less than 3 months	25,189	3,298
4 to 6 months	16,152	10,462
7 to 9 months	20,597	18,606
10 to 12 months	9,612	5,919
Total drawdowns	71,550	38,285
Expected repayments:		
Less than 3 months	1,056	3,447
4 to 6 months	4,473	867
7 to 9 months	15,127	48,793
10 to 12 months	17,337	9,125
Total repayments	37,993	62,232
Increase/ (decrease) in liquidity	(33,557)	23,947

Garda manages its liquidity through:

- preparation and maintenance of detailed cashflow projections;
- active management of external loan facilities with its own lenders;
- recycling of investment assets to release capital for reallocation;
- procuring third party capital for investment into loan positions held by Garda or into new loans alongside Garda; and
- monitoring its share price and equity capital market conditions ahead of potential new issues of securities.

NOTE 8 INVESTMENT PROPERTIES

a) Accounting policies

Classification

Investment properties comprise properties held for long-term rental yields and/ or capital appreciation and properties being constructed or developed for future use as investment properties.

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

Recognition

Investment properties are initially recognised at cost, including transaction costs. Subsequently to initial recognition, investment properties are carried at fair value.

Investment properties held for sale are measured at fair value, or net realisable value, and recognised as current assets in the Consolidated Statements of Financial Position.

Capitalisation

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

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

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

Fair value measurement and critical accounting estimates

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

Garda's investment properties are at Level 3 in the fair value hierarchy as their fair value is estimated using inputs for the assets that are not based on observable market data. The following table sets out the valuation techniques used to measure fair value within Level 3, including details of the significant unobservable inputs used and the relationship between unobservable inputs and fair value.

Inputs used to measure fair value	Range of unobservable inputs		Relationship between unobservable inputs and fair value
	31 Dec 2025	30 June 2025	
Discount rate	7.00%-7.50%	7.00%-8.75%	The higher the discount rate, capitalisation rate, terminal yield and expected vacancy rate, the lower the fair value.
Capitalisation rate	5.75%-6.25%	5.75%-8.38%	
Terminal yield	5.88%-6.50%	5.88%-8.62%	
Expected vacancy rate ⁵	0%	0%	The higher the rental growth, the higher the fair value. Based on Gross Face Rental growth 10-year CAGR.
Rental growth rate	3.10%-3.38%	3.10%-3.42%	

Judgement is required in determining the following significant unobservable inputs:

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

⁵ Other than 38-56 Peterkin Street, Acacia Ridge, all properties were 100% leased at 31 December 2025. The expected vacancy rates are from the last independent valuations which assume long-term expected vacancy rates of 0%.

b) Valuations

One of Garda's properties was independently valued during the period with the other properties carried at Directors' valuation.

As at (2025):		Valuation Type	31 December \$000	30 June \$000	Movement \$000
Acacia Ridge	38-56 Peterkin Street	Directors	45,080	45,039	41
Acacia Ridge	69 Peterkin Street	Directors	22,448	22,350	98
Berrinba	1-9 Kellar Street	Directors	17,007	17,000	7
Heathwood	67 Noosa Street	Directors	16,400	16,400	-
Morningside	326 & 340 Thynne Road	Directors	61,066	61,000	66
Pinkenba	70 - 82 Main Beach Road	Directors	32,217	32,200	17
Richlands	56 - 72 Bandara Street	Independent	38,800	37,500	1,300
Wacol	41 Bivouac Place	Directors	52,035	52,000	35
Wacol	498 Progress Road (Pinnacle West)	Directors	47,254	47,250	4
Total investment properties			332,307	330,739	1,568

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

c) Reconciliation

As at (2025):	Notes	31 December \$000	30 June \$000
Investment properties at independent valuation	8b	38,800	248,200
Investment properties at Directors' valuation	8b	293,507	82,539
Total		332,307	330,739
Movements:			
Opening balance		330,739	495,366
Capital expenditure on properties under construction		-	37,778
Capital expenditure on established investment properties		269	2,814
Transfer to investment properties held for sale	8d	-	(191,411)
Straight-lining of rental income		(85)	341
Net movement in leasing costs and incentives		(146)	(39)
Net gain/ (loss) in fair value of investment properties		1,530	(14,110)
Balance at the end of the period		332,307	330,739

d) Investment properties held for sale

As at (2025):	31 December \$000	30 June \$000
Property at 109-135 Boundary Road, North Lakes	-	111,911
Property at 26-30 Grafton Street, Cairns	2,000	2,000
Property at 7-19 Lake Street, Cairns	-	77,500
Total	2,000	191,411
Movements:		
Opening balance	191,411	13,298
Transfer from investment properties	-	191,411
Capital expenditure	3,014	-
Straight-line lease income	(629)	(450)
Net movement in leasing costs and incentives	(19)	(25)
Net gain from fair value adjustments	648	475
Disposal book value	(192,425)	(13,298)
Balance at the end of the year	2,000	191,411

e) Transactions

The disposals of Cairns Corporate Tower and the North Lakes industrial development property settled during the six months ended 31 December 2025, on 1 October and 19 November, respectively.

f) Contractual payables

Garda's contractual obligations with respect to investment properties at 31 December 2025 were as follows:

Properties	Nature of obligation	\$000
North Lakes, 109-135 Boundary Road	Development	20
Wacol, 41 Bivouac Place	Capex	15
Morningside, 326 & 340 Thynne Road	Capex	101
Total contractual obligations		136

g) Climate considerations

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

NOTE 9 DERIVATIVE FINANCIAL INSTRUMENTS

a) Accounting policy

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

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

b) Fair value measurement and critical accounting estimates

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

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

\$130,000,000 (30 June 2025: \$130,000,000) of interest rate hedges are currently in place, comprising:

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

On 4 September 2025, an additional \$30,000,000 swap commenced, effectively neutralising interest cash flows for the existing \$30,000,000 swap.

These derivatives are currently "in the money" with a valuation at 31 December 2025 of \$6,443,000 (30 June 2025 of \$6,850,000).

As at (2025):	Garda		Company	
	31 December \$000	30 June \$000	31 December \$000	30 June \$000
Current				
Interest rate swap contract asset	-	-	-	-
Non-Current				
Interest rate swap contract asset	6,443	6,850	-	-
Total interest rate swap asset	6,443	6,850	-	-

NOTE 10 BORROWINGS

a) Accounting policy

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

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

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

As at (2025):	Garda		Company	
	31 December	30 June	31 December	30 June
	\$000	\$000	\$000	\$000
Non-current				
Bank loans (secured)	106,000	269,920	-	-
Less: unamortised transaction costs	(785)	(377)	-	-
Total borrowings	105,215	269,543	-	-

b) Syndicated debt facility

Garda's syndicated debt facility was amended on 17 November 2025 following settlement of the Cairns Corporate Tower and North Lakes sale transactions. The quantum of the facility was reduced by \$104,000,000 to \$166,000,000 and its term was extended by three years to 3 September 2029.

Facility	Facility Limit		Amount Drawn		Amount Available	
	31 Dec 25	30 Jun 25	31 Dec 25	30 Jun 25	31 Dec 25	30 Jun 25
	\$000	\$000	\$000	\$000	\$000	\$000
Total facilities	166,000	270,000	106,000	269,920	60,000	80

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

- a first registered general security deed in respect of all assets and undertakings of Garda;
- a first registered real property mortgage in respect of each property in the Fund portfolio;
- a first registered general security deed in respect of all assets and undertakings of the Company and its secured subsidiaries; and
- a specific security agreement over tenant security deposit accounts.

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

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

- interest cover ratio of 2.00 times;
- loan to value ratio (LVR) must remain under 55%; and
- adjusted gearing ratio is to remain under 1.20 times.

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

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

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

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

NOTE 11 CONTRIBUTED EQUITY

a) Issued securities

As at (2025):	Notes	Garda		Company	
		31 December Securities	30 June Securities	31 December Shares	30 June Shares
Issued securities as per ASX		217,573,022	216,801,897	217,573,022	216,801,897
Movements during the year					
Balance at beginning of period		216,801,897	217,651,293	216,801,897	217,651,293
Buy-back and cancellation of treasury securities		-	(1,993,489)	-	(1,993,489)
Awards of deferred securities	11b	761,561	910,302	761,561	910,302
Awards of exempt securities	11b	9,564	10,356	9,564	10,356
Exercise of performance rights		-	223,435	-	223,435
Total issued securities as per ASX		217,573,022	216,801,897	217,573,022	216,801,897
Garda ESP securities		(14,680,000)	(14,840,000)	(14,680,000)	(14,840,000)
Deferred securities		(2,208,123)	(1,446,562)	(2,208,123)	(1,446,562)
Total issued securities for financial statements		200,684,899	200,515,335	200,684,899	200,515,335
Total contributed equity	\$000	342,932	342,879	(146)	(146)

b) Employee incentives

On 31 August 2025, 321,748 performance rights granted on 19 September 2022 lapsed due to their performance hurdles not being met.

On 3 October 2025, 160,000 loan-backed Garda ESP securities were exercised leaving 14,680,000 Garda ESP securities, all of which have vested, unexercised at 31 December 2025. In accordance with Australian Accounting Standards, all Garda ESP securities (including vested securities) are deducted from equity and excluded from total issued securities, until such time as the underlying limited recourse loans are repaid.

On 3 October 2025, a total of 771,125 new stapled securities were issued to employees:

- 761,561 issued as deferred security awards; and
- 9,564 issued as exempt security awards.

At 31 December 2025, a total of 2,208,123 securities remained unvested. In accordance with Australian Accounting Standards, these long term incentives are deducted from equity and excluded from total issued securities until such time the underlying restriction period or service period vesting conditions has ended.

NOTE 12 EARNINGS PER STAPLED SECURITY

Six months ended 31 December	Garda		Company	
	2025	2024	2025	2024
Profit/ (loss) after tax attributable to securityholders (\$000)	6,782	(10,193)	1,003	374
Earnings per stapled security				
Basic (cents)	3.4	(5.1)	0.5	(0.2)
Diluted (cents)	3.1	(5.1)	0.5	(0.2)
Securities at reporting period end				
Basic (number)	200,597,352	200,397,820	200,597,352	200,397,820
WANOS (number)	217,174,887	216,229,231	217,174,887	216,229,231

NOTE 13 DISTRIBUTIONS AND DIVIDENDS

a) Accounting policy

A payable is recognised for any dividend or distribution declared, being appropriately authorised and no longer at the discretion of the Board of Directors, on or before the end of the financial year but not distributed as at balance date.

b) Fund distributions payable

As at (2025):	Garda		Company	
	31 Dec \$000	30 June \$000	31 Dec \$000	30 June \$000
HY26: 2.000 cents per security (FY25: 1.575 cents)	4,058	3,181	-	-
Movement in distributions payable:				
Opening balance at beginning of year	3,181	3,163	-	-
Distributions payable	8,100	12,724	-	-
Distributions paid	(7,223)	(12,706)	-	-
Closing balance	4,058	3,181	-	-

c) Fund distributions paid and payable

Six months ended 31 December	Garda		Company	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
September: 2.000 cents per security (2024: 1.575 cents)	4,042	3,181	-	-
December: 2.000 cents per security (2024: 1.575 cents)	4,058	3,181	-	-
Total distribution	8,100	6,362	-	-

d) Company dividend payable

A payable is recognised for any dividend or distribution declared, being appropriately authorised and no longer at the discretion of the Board of Directors, on or before the end of the financial year but not distributed as at balance date.

As at (2025):	Garda		Company	
	31 Dec \$000	30 June \$000	31 Dec \$000	30 June \$000
HY26: nil (FY25: 0.225 cents per security)	-	454	-	454
Movement in dividend payable:				
Opening balance at beginning of year	454	-	454	-
Dividend payable	-	1,816	-	1,816
Dividend paid	(454)	(1,362)	(454)	(1,362)
Closing balance	-	454	-	454

e) Company dividend

Six months ended 31 December	Garda		Company	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
September: Nil (2024: 0.225 cents per security)	-	454	-	459
December: Nil (2024: 0.225 cents per security)	-	454	-	454
Total dividend	-	908	-	913

f) Franking credits

At 31 December	Garda		Company	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Franking credits available	3,586	4,204	3,586	4,204

NOTE 14 RELATED PARTY TRANSACTIONS

There have been no transactions between related parties (other than wholly owned entities) or with key management personal (KMP) and their related parties during the six month period.

NOTE 15 CONTINGENT ASSETS AND LIABILITIES

a) Contingent assets

Other than as disclosed elsewhere in this interim report, Garda did not have any material contingent assets as at 31 December 2025 (30 June 2025: nil).

b) Contingent liabilities

Other than as disclosed elsewhere in this interim report, Garda did not have any material contingent liabilities as at 31 December 2025 (30 June 2025: nil).

NOTE 16 EVENTS SUBSEQUENT TO THE END OF THE PERIOD

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

DIRECTORS' DECLARATION

In the opinion of the Directors of Garda Property Group:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the six month period ended on that date; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'M. B.', enclosed within a large, loopy oval shape.

Matthew Madsen
Executive Chairman
4 February 2026

**Independent Auditor's Review Report to the Stapled Holders of
Garda Property Group and Garda Holdings Limited****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the half-year financial report of Garda Property Group and Garda Holdings Limited, and its controlled entities "the Group", which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

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

- (a) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

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

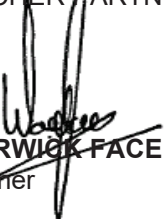
Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



PITCHER PARTNERS



WARWICK FACE
Partner

Brisbane, Queensland
4 February 2026

ADDITIONAL INFORMATION

GLOSSARY

AASB	Australian Accounting Standards Board
Adjusted gearing	Adjusted gearing ratio is calculated as adjusted total liabilities divided by adjusted total assets
CAGR	Compound annual growth rate
Company	Garda Holdings Limited (ACN 636 329 774)
DA	Development Application
EIP	Garda Equity Incentive Plan
ESP	Garda Employee Security Plan
FFO	Funds from operations are the Group's underlying and recurring earnings from its operations. It is determined by adjusting statutory net profit (under AIFRS) for certain non-cash and other one-off items. FFO is not recognised or covered by Australian Accounting Standards and has not been audited or reviewed by the auditor of the Group.
Fund	Garda Diversified Property Fund (ARSN 104 391 273)
Garda	Garda Property Group
GDF	Garda Diversified Property Fund (ARSN 104 391 273)
Gearing	$(\text{Total drawn interest-bearing debt less cash}) / (\text{total assets less cash})$
GHL	Garda Holdings Limited (ACN 636 329 774)
Group	Garda Property Group
GST	Goods and Services Tax
LVR	$(\text{Total drawn interest-bearing debt}) / (\text{total bank approved secured property})$
NTA	Net tangible assets
ROE	Return on equity. Calculated as (total distributions plus movement in NTA in financial year) divided by opening NTA.
TSR	Total securityholder return. Calculated as (total distributions plus movement in security price in financial year) divided by opening security price.
WACD	Weighted average cost of debt
WACR	Weighted average capitalisation rate
WALE	Weighted average lease expiry
WANOS	Weighted average number of securities

CORPORATE DIRECTORY

DIRECTORS

Matthew Madsen
Executive Chairman and Managing Director

Paul Leitch
Independent Director

Oliver Talbot
Non-executive Director

Andrew Thornton
Non-executive Director

COMPANY SECRETARY

Lachlan Davidson
General Counsel and Company Secretary

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STOCK EXCHANGE LISTING

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

GARDA
GARDA PROPERTY GROUP
