

GTH Project No 4 Pty Ltd

Consolidated Financial Statements

For the Year Ended 31 December 2023

GTH Project No 4 Pty Ltd

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For the Year Ended 31 December 2023

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Directors' Report

For the year ended 31 December 2023

The directors of GTH Project No 4 Pty Ltd (the "Company") present the annual report of the Consolidated Group ("the Group") for the financial year ended 31 December 2023. To comply with the provisions of the *Corporations Act 2001*, the Directors' report is as follows:

Information about the directors

Name	Particulars
Mr Adrian Puljich	Chief Executive Office and Managing Director Mr Adrian Puljich has over 20 years of experience in the Land Lease Community sector, coming from a second-generation Land Lease Community family. As the founder of GemLife Communities Group in late 2016, Mr Adrian Puljich has grown the company to over 30 communities and 9,500+ sites in his role as founder and Chief Executive Officer of GemLife Communities Group. Mr Adrian Puljich holds a Bachelor of Laws from Bond University and a Master of Laws from the Australian National University. He also holds an unrestricted building license in Queensland, New South Wales, Victoria and Western Australia, as well as an Advanced Diploma of Building and Construction (Management).
Mr Peter Puljich	Director Mr Peter Puljich has over 40 years of experience in the Land Lease Community sector. He founded Ruby Developments Pty Ltd in November 2004 and is its sole director and shareholder. He began developing manufactured home parks in the mid-1980s, which led to the establishment of Living Gems Gold Coast. Since then, his companies have developed nine award-winning lifestyle resorts, with more under construction. A licensed QLD master builder since around 1980, Mr Puljich leads Ruby Developments in creating Living Gems Lifestyle Resorts for active over 50s.
Mr Vlad Pullich	Chief Operating Officer and Director (resigned October 2023) Mr Vlad Pullich has over 30 years of experience in the Land Lease Community sector, coming from a second-generation Land Lease Community family. Mr Vlad Pullich is the Chief Operating Officer for Gemlife Communities Group and General Manager of Living Gems Lifestyle Resorts (manufactured home parks) and played an instrumental role in Living Gems' growth trajectory. On 9 October 2023, Mr Vlad Pullich resigned from his position as a company director in Gemlife Communities Group.
Mr Ashmit Thakral	Chief Financial Officer and Director Mr Ashmit Thakral brings more than 10 years of experience in the finance industry and has been Chief Financial Officer since 2019. Mr Ashmit Thakral has been involved with GemLife since its inception when Thakral Capital partnered with the Puljich family to form the Gemlife Communities Group with Thakral Capital serving as the capital partner. Mr Ashmit Thakral holds a Bachelor's and a Master's degree in Mathematics from the University of Oxford, United Kingdom.

Directors' Report (continued)

For the year ended 31 December 2023

Name	Particulars
Mr Gregory Piercy	Director Mr Gregory (Gregg) Piercy brings over 40 years of experience in financial markets, banking and real estate investment. From 1984 to 2010, he held various roles across major banks including ANZ Capital Markets, Lloyds and SG Australia. During this time, he also established Presidio Capital in Singapore, co-founded Asia Equity Partners Pte Ltd and served as Managing Director of Heritage Capital. In 2010, Gregg co-founded Thakral Capital Australia, where he served as Managing Director. In 2015, in partnership with the Puljich family, he co-founded GemLife as a Director.
Mr Kevin Barry	Director (Alternate Director to Gregory Piercy) Mr Kevin Barry has over 30 years' experience in the legal, investment banking and property investment/funding industries across Australia and the UK. Since 2016, Mr Kevin Barry has acted as one of the founding directors and stakeholders in GemLife and Prospecta Utilities. Mr Kevin Barry has Bachelor of Laws and Commerce from the University of NSW and is also registered as a solicitor in NSW. He has also acted in the capacity as Chairman of a number of ASX listed companies including, Open Learning Limited and ICS Global Limited over a 12 year period from 2010.
Mr Victor Shkolnik	Director (Alternate Director to Gregory Piercy) Mr Victor Shkolnik has over 38 years' experience in the investment banking and property financing industries in Australia. He is one of the founding directors and stakeholders in GemLife. Mr Victor Shkolnik has a Bachelor of Economics from the University of Sydney and is a Fellow of the Financial Services Institute of Australasia and a Fellow of CPA Australia.

The above named directors held office during the whole of the financial year and since the end of the financial year unless stated otherwise.

Principal activities

The Company and the entities within the Gemlife Communities group of entities ("the Group") is a leading developer, builder, owner and operator with Australia's Land Lease Community sector. The Group provides premium resort-style living for homeowners aged 50 and over, designed to support a high quality, active, and socially engaged lifestyle. GemLife aims to deliver master-planned residential communities to support a smooth transition for senior downsizers, with high-quality modern homes that are low-maintenance and well-equipped, together with recreational and leisure facilities to support community-oriented living.

Review of operations

A review of the operations of the Group during the financial year and the results of those operations show the Group performed as expected in the opinion of the directors.

The profit of the Group after providing for tax amounted to \$52.7m (2022: \$51m).

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year (2022: \$nil). No recommendation for dividends has been made in respect of the financial year.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Group during the year.

Directors' Report (continued)

For the year ended 31 December 2023

Events after the reporting date

As at 23 May 2025 the Group is engaged in a process which may result in an initial public offering and listing on the Australian Securities Exchange.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected or may significantly affect, the operations of the Consolidated Group, the results of the those operations, or the state of affairs of the Consolidated Group in future financial years.

Future Development and results

The Consolidated Group will continue to deliver on its strategy relating to the development of land lease communities and ongoing operation and management of its land lease communities' assets, including maintenance and capital expenditure for communal recreational and leisure facilities.

The Group is engaged in a process which may result in an initial public offering and listing on the Australian Securities Exchange.

Environmental issues

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Indemnification of officers and auditors

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the Company (as named above) and all officers of the Company and of any related body corporate against a liability incurred as such a director, officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as an officer or auditor.

Proceeding on behalf of Company

No person has applied for leave of court under Section 237 of the Corporations Act 2001 to bring proceedings on behalf of the Company or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group is not a party to any such proceedings during the year.

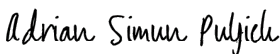
Rounding off of amounts

The Company is the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars unless otherwise indicated.

Auditor's independence declaration

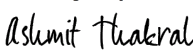
The auditor's independence declaration in accordance with section 307C of the Corporations Act 2001 for the year ended 31 December 2023 has been received and can be found on page 4 of the financial report.

Signed, on behalf of the directors, in accordance with a resolution of the Board of Directors made pursuant to s.298(2) of the Corporations Act 2001:

Signed by:

D5E6217A99F6437...

Director
Mr Adrian Puljich

Dated this 23rd of May 2025

DocuSigned by:

48044D63092B46F...

Director
Mr Ashmit Thakral

23 May 2025

The Board of Directors
GTH Project No 4 Pty Ltd
Level 2
120 Siganto Drive
Helensvale QLD 4212

Dear Board Members

Auditor's Independence Declaration to GTH Project No 4 Pty Ltd

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of GTH Project No 4 Pty Ltd.

As lead audit partner for the audit of the financial report of GTH Project No 4 Pty Ltd for the year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Tendai Mkwanzani
Partner
Chartered Accountants

GTH Project No 4 Pty Ltd**Consolidated Statement of Profit or Loss and Other Comprehensive Income****For the Year Ended 31 December 2023**

		2023	Restated 2022
	Note	\$'000	\$'000
Revenue	4	242,115	137,677
Cost of sales	5	(126,279)	(71,175)
Gross profit		115,836	66,502
Other income		7,276	3,617
Finance income		619	-
Employee expenses		(14,047)	(9,982)
Administration expenses		(12,932)	(14,939)
Depreciation and amortisation		(5,315)	(4,706)
Finance expenses	5	(32,003)	(21,474)
(Loss) / gain on change in fair value of investment property	12	(10,825)	31,975
Gain on change in fair value of derivative financial instruments		3,255	-
Profit before income tax		51,864	50,993
Income tax benefit / (expense)	6	821	(17)
Profit for the year		52,685	50,976
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year, net of income tax		52,685	50,976
Total comprehensive income/(loss) attributable to:			
Owners of the parent entity - GTH Project No 4 Pty Ltd		(6,965)	(6,077)
Owners of other stapled entities		59,650	57,053
		52,685	50,976
		2023 Cents	2022 Cents
Loss per share attributable to:			
GTH Project No 4 Pty Ltd (as parent entity)	26	(348,250)	(303,850)

The accompanying notes form part of these financial statements.

GTH Project No 4 Pty Ltd**Consolidated Statement of Financial Position****As At 31 December 2023**

	Note	2023 \$'000	Restated 2022 \$'000
Current assets			
Cash and cash equivalents	7	6,129	7,923
Trade and other receivables	8	10,261	6,746
Inventories	9	40,319	28,621
Other assets	14	4,078	44,091
Assets classified as held for sale	10	15,259	9,717
Total current assets		76,046	97,098
Non-current assets			
Trade and other receivables	8	8	210
Property, plant and equipment	11	19,001	15,320
Investment properties	12	798,600	613,950
Intangible assets	13	1,474	1,743
Deferred tax assets	16	1,355	1,964
Derivative financial assets		3,255	-
Right of use assets	20	4,674	-
Total non-current assets		828,367	633,187
Total assets		904,413	730,285
Current liabilities			
Trade and other payables	15	15,395	14,135
Contract liabilities	19	45,574	34,217
Current income tax liability		407	-
Employee benefits	18	1,478	1,049
Borrowings	17	67,360	74,351
Lease liabilities	20	747	-
Total current liabilities		130,961	123,752
Non-current liabilities			
Employee benefits	18	289	238
Borrowings	17	566,133	452,136
Deferred tax liabilities	16	9,786	11,331
Other non-current liabilities		1,296	1,170
Lease liabilities	20	4,353	-
Total non-current liabilities		581,857	464,875
Total liabilities		712,818	588,627
Net assets		191,595	141,658
Equity			
Equity attributable to owners of the parent entity			
Issued capital	21	500	500
Retained earnings		13,213	20,178
Total equity attributable to owners of the parent entity		13,713	20,678
Total equity attributable to owners of other stapled entities		177,882	120,980
Total equity		191,595	141,658

The accompanying notes form part of these financial statements.

GTH Project No 4 Pty Ltd**Consolidated Statement of Changes in Equity****For the Year Ended 31 December 2023**

	Attributable to owners of the parent entity			Attributable to owners of the other stapled entities	Total Equity
	Issued Capital	Retained Earnings	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000
Total equity at 1 January 2023	500	20,178	20,678	120,980	141,658
Profit/(loss) for the year	-	(6,965)	(6,965)	59,650	52,685
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive (expense)/income for the year	-	(6,965)	(6,965)	59,650	52,685
Distribution to unitholders	-	-	-	(2,748)	(2,748)
Total equity at 31 December 2023	500	13,213	13,713	177,882	191,595
Total equity at 1 January 2022	500	26,255	26,755	64,716	91,471
Profit/(loss) for the year	-	(6,077)	(6,077)	57,053	50,976
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive (expense)/income for the year	-	(6,077)	(6,077)	57,053	50,976
Contribution of equity	-	-	-	4	4
Distribution to unitholders	-	-	-	(793)	(793)
Total equity at 31 December 2022	500	20,178	20,678	120,980	141,658

The accompanying notes form part of these financial statements

GTH Project No 4 Pty Ltd

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2023

	Note	2023 \$'000	Restated 2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		281,166	151,435
Payments to suppliers and employees		(187,812)	(101,728)
Interest paid		(36,264)	(32,058)
Interest received		619	-
Income taxes paid		(116)	(17)
Net cash generated by operating activities		57,593	17,632
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(8,868)	(7,027)
Purchase and development of investment properties		(151,025)	(211,641)
Payments for intangible assets		(21)	-
Proceeds from sale of assets		7,202	-
Payments for acquisition of a business, net of cash acquired		-	(1,540)
Net cash used in investing activities		(152,712)	(220,208)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	4
Proceeds from / (repayment of) notes		-	(47,994)
Loans to related parties		(10)	(26)
Borrowing costs paid		(934)	-
Asset finance facilities		6,457	2,859
Borrowings raised		177,964	286,638
Borrowings repaid		(89,574)	(37,600)
Repayment of lease liabilities		(578)	-
Net cash generated from financing activities		93,325	203,881
Net (decrease)/ increase in cash and cash equivalents held		(1,794)	1,305
Cash and cash equivalents at beginning of year	7	7,923	6,618
Cash and cash equivalents at end of year	7	6,129	7,923

The accompanying notes form part of these financial statements

GTH Project No 4 Pty Ltd

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2023

1 Reporting entity

The Group represents a number of companies and Trusts that have been “stapled” together to form a single consolidated group. The stapling effectively requires that all of the stapled companies and trusts are traded as a single economic unit, and held by respective shareholders in equal proportions at all times.

AASB 3 *Business Combinations* and AASB 10 *Consolidated Financial Statements* require one of the stapled entities of a stapled structure to be identified as the parent entity for the purpose of preparing consolidated financial statements. In accordance with this requirement, GTH Project No 4 Pty Ltd has been identified as the parent entity of the Group, with all other entities treated as subsidiaries of the Group.

The equity structure of the Group is split between the equity of the parent entity and the equity of the other stapled entities within the Group. The equity of the other stapled entities is classified as a non-controlling interest in the Group in the consolidated financial statements.

Basis of preparation

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB).

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The Group does not have ‘public accountability’ as defined in AASB 1053 *Application of Tiers of Australian Accounting Standards* and is therefore eligible to apply the ‘Tier 2’ reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

The consolidated financial statements were authorised for issue by the Directors of the Group on 23 May 2025.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the consolidated statement of financial position:

- Investment properties are measured at fair value
- Derivatives – interest rate swaps are measured at fair value

The consolidated financial statements are presented in Australian dollars, which is the functional and presentation currency of the parent entity.

Going concern

As at 31 December 2023, the Group’s current liabilities exceeded current assets by \$54.9m (2022: \$26.7m). The Group generated a profit after tax of \$52.7m for the year ended 31 December 2023 (2022: \$51m) and also generated positive cash flows from operating activities of \$57.6m for the year ended 31 December 2023 (2022: \$17.6m). The net assets of the Group at 31 December 2023 was \$191.2m (2022: \$141.7m).

The net current liability position at 31 December 2023 is primarily attributable to secured bank loan borrowings of \$62.5m (2022: \$70.2m) classified as current due to the prepayment terms attached to the borrowings (refer to note 17). The amount of the prepayment required under the terms of the loan agreement is a portion of the net sale proceeds received by the Group from each home sale. Further, under the secured bank loan terms, the Group may immediately reborrow any amounts prepaid towards the loan. The directors have assessed the net current liability position and determined that the Group has sufficient liquidity to meet the Group’s obligations as they fall due.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****Going concern (continued)**

Accordingly, the directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the Group has applied the going concern basis of accounting in preparing the financial statements.

Rounding off of amounts

The Group meets the criteria of ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191 and, accordingly amounts in the consolidated financial statements and Directors' Report have been rounded to the nearest thousand dollars. Amounts in these financial statements are stated in Australian dollars (which is the functional and presentation currency) unless otherwise noted.

2 Summary of material accounting policies

Material Accounting Policies adopted in the preparation of these consolidated financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

(a) Revenue, lease and other income

Revenue from contracts with customers is recognised when performance obligations have been met and control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled to exchange for those goods or services. The following specific recognition criteria must also be met before revenue is recognised:

Home settlement revenue

The Group constructs and sells moveable homes and leases the land to the customer. Revenue from home settlement is recognised at the point in time when control of the home is transferred to the customer, on settlement of the home. Customer deposits and milestone payments are recognised as a contract liability until the point of delivery of the home.

Site fee income

The site fee income relates to the fee for the lease of the land by the homeowner and services provided in relation to the operation and management of the common community facilities. Income from operating leases is recognised on a straight line basis over the term of the relevant lease. Revenue from rendering services is recognised in accordance with performance obligations under the terms and conditions of the service agreements. The Group recognises site fees over time because the customer simultaneously receives and consumes the benefit provided to them.

Statement of financial position balances relating to revenue recognition**Contract assets and liabilities**

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, the Group presents the contract as a contract asset, unless the Group's rights to that amount of consideration are unconditional, in which case the Group recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Group presents the contract as a contract liability.

Customer deposits

Customer deposits are classified as current liabilities until control of the home is passed to the customer at which time deposits are recognised as revenue.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****2 Summary of Significant Accounting Policies (continued)****(a) Revenue, lease and other income (continued)****Other income**

Other income comprises recharges to external parties. Other income is recognised on an accruals basis when the Group is entitled to it.

(b) Income Tax

The income tax expense represents the sum of the tax currently payable and deferred tax.

The Group comprises of both companies and units trusts. Unit trusts are regarded as flow through for Australian income tax purposes. Under current income tax legislation the unit trusts are not liable for income tax provided that unitholders are presently entitled to all the net income of the trusts each year. Trust income includes site fees and gains and losses on the revaluation of investment properties. Current and deferred taxation is only recognised in respect of taxable entities.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****2 Summary of Material Accounting Policies (continued)****(b) Income Tax (continued)****Tax consolidation**

The Group is not part of a tax consolidated Group. Each entity within the Group accounts for their own current and deferred tax amounts. The financial statements include the Consolidated current and deferred tax amounts of all entities within the Group, with no offsetting of any tax assets or liabilities unless it is in a single entity.

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

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

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs directly attributable to the acquisition or issue of the financial instruments. (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

(g) Derivative financial instruments

The Group uses derivative financial instruments such as interest rate swaps to hedge its risks associated with interest rate fluctuations. Such derivative financial instruments are initially recognised at fair value on the date the contract is entered and are subsequently remeasured to fair value and included in the statement of comprehensive income in the period they arise, including the corresponding tax effect.

Financial assets

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

GTH Project No 4 Pty Ltd

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies (continued)

Financial assets (continued)

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Impairment of financial assets

Trade and other receivables

Impairment of trade receivables has been determined using the simplified approach in *AASB 9 Financial Instruments* which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate loss account. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in *AASB 9 Financial Instruments*. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs. Subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables, bank and other loans.

Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****2 Summary of Material Accounting Policies (continued)****(h) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Inventories comprises completed homes and homes in progress.

Home construction costs include direct materials and labour, costs of conversion and other costs that are required to bring the homes to their present location and condition. The cost of homes does not include land development costs.

Net realisable value is determined based on an estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

(i) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated using the straight-line method (except in the case of assets allocated to a low-value pool), commencing when the asset is ready for use.

The depreciation useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation useful life
Plant and Equipment	2 - 20 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(j) Investment property

Investment properties comprise interests in land and buildings held for long-term rental yields and / or for capital appreciation. Investment properties includes land under development as well as fully developed land.

Investment properties are measured initially at cost, including transaction costs and construction costs incurred to develop the investment property, such as costs in relation to civil works, community facilities and infrastructure charges. Subsequently, investment properties are stated at fair value, reflecting market conditions at reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the consolidated statement of profit or loss and other comprehensive income in the period they arise.

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at measurement date, in the principal market for the asset or liability, or the most advantageous market in its absence.

It is the policy of the Group to review the fair value of each investment property at each reporting date and revalue investment properties to fair value when their carrying value is deemed to be materially different to their fair value.

In determining fair values, the Group considers relevant information including the capitalisation of rental streams using market assessed capitalisation rates, expected net cash flows discounted to their present value using market determined risk-adjusted discount rates, and other available market data such as recent comparable transactions. The assessment of fair value of investment properties does not take into account potential capital gains tax assessable.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the investment property is derecognised.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****2 Summary of Material Accounting Policies (continued)****(k) Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(l) Assets classified as held for sale

Components of the entity are classified as held for sale if their carrying value will be recovered principally through a sale transaction rather than through continuing use.

They are measured at the lower of their carrying value and fair value less costs to sell, except for assets such as investment property, which are carried at fair value.

(m) Leases**Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets which are recognised as an expense on a straight-line basis over the lease term. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****2 Summary of Material Accounting Policies (continued)****(m) Leases (continued)*****Lease liabilities***

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Right of Use Assets and Lease Liabilities (Note 20).

(n) Employee benefits**Wages, salaries, annual leave and sick leave**

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within twelve months of the reporting date, are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(o) Secured notes

The issue of secured notes to note holders is recognised upon satisfaction of the terms of the Note Issue Deed which includes payment of the issue price.

The payment of subordinated note debt is subordinated to the payment of preferred note debt. The payment of both preferred note debt and subordinated note debt is subordinated to the payment of senior debt which has been provided by ANZ under the syndicated facility agreement.

(p) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 1 January 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

(q) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards. None of these are expected to have a significant effect on the financial statements of the Group.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****3 Critical Accounting Estimates and Judgements**

In applying the group's accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant estimates and judgements made have been described below.

Capitalisation of borrowing costs

The Company capitalises borrowing costs that are directly attributable to the development of sites. Judgement is applied in the determination of the period over which borrowing costs are capitalised, particularly in relation to the determination of the point at which capitalisation ceases. Management have determined that the capitalisation of borrowing costs is discontinued when construction of a site has been completed.

Key judgements on deferred tax

Deferred tax assets are recognised on unused tax losses to the extent that it is considered probable that future taxable profit will be available against which the unused tax losses can be utilised. Judgement is required in assessing whether there will be sufficient future taxable profit against which unused tax losses may be utilised. The directors regularly review the Group's tax position, and these judgements and related estimates are subject to risk and uncertainty. To the extent that assumptions regarding future taxable profits change, there could be a material change to the amount of deferred tax assets recognised and the amount recognised in the statement of profit or loss in the period in which the change occurs.

Valuation of investment property

The Group's investment properties represent a significant balance in the Consolidated Statement of financial position. Investment properties are measured at fair value using valuation methods that utilise inputs based on estimates.

The methodology applied is a combination of the valuations determined using the discounted cashflow (DCF) method, the income capitalisation method, the direct comparison method and transaction prices where relevant.

Independent valuations are adopted for investment properties determined using property valuation models that rely on the use of inputs that are not based on readily observable market data. The valuation methods and inputs are as follows:

1. Market Approach - direct comparison

This method is utilised primarily to value balance land relating to greenfield and pipeline sites.

The market approach provides an indication of the value by comparing the property with identical or comparable properties for which price information is available.

2. Capitalisation of income method

This method is utilised primarily to value operational communities.

Under the capitalisation method, fair value is estimated using assumptions regarding the expectation of future benefits. This method involves estimating a sustainable net operating income profile of a property and applying a capitalisation rate into perpetuity. The capitalisation rate is based on current market evidence. The sustainable net operating income profile of a property takes into account occupancy, rental income and operating expenses.

GTH Project No 4 Pty Ltd

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2023

3 Critical Accounting Estimates and Judgements (continued)

Valuation of investment property (continued)

3. Discounted cash flow method (DCF)

The discounted cashflow method is primarily used to value balance land relating to under development sites.

Under the discounted cash flow method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. The DCF utilises the forecasted cash flow of the property for a defined future period, discounted back to the valuation date, resulting in a present-day value estimate. The discount rate in the DCF model is typically a market driven rate and has regard to the time value of money, along with the risk profile of the cash flow.

All methods require the determination of net market rent for a particular property, being the income capitalised or used to determine the present value of cash flows from the properties.

Significant unobservable inputs are as follows:

- Annual net property income – represents the contracted amount for which the property is leased.
- Capitalisation rate – the rate at which the net market income is capitalised to determine the value of the property. The rate is determined with regard to market evidence.
- Discount rate – the rate of return used to convert the monetary sum, payable or receivable in the future, into present value. It reflects the opportunity cost of capital, that is, the rate of return the capital can earn if put to other uses having similar risk. The rate is determined with regard to market evidence.
- Terminal yield – the capitalisation rate used to estimate the residual value of the cash flows associated with the investment property at the end of the expected holding period.

Changes in these unobservable inputs will ultimately impact on the fair value of the investment properties recorded.

4 Revenue

Revenue from continuing operations

	2023 \$'000	2022 \$'000
Revenue from contracts with customers:		
Home settlement revenue*	230,146	128,159
Site rental income**	11,427	8,927
Commission on resales*	542	591
Total revenue	242,115	137,677

* revenue is recognised at a point in time

** revenue is recognised over time

No revenue from transactions from a single customer amount to 10% or more of the recognised revenue.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****5 Result for the year**

The result for the year includes the following specific expenses.

	2023	2022
	\$'000	\$'000
Cost of sales		
Home construction costs	121,735	66,898
Community operating costs	4,544	4,277
Total cost of sales	126,279	71,175
	2023	2022
	\$'000	\$'000
Finance expenses		
Establishment and other borrowing costs	4,525	-
Debt facility interest expense	17,658	11,869
Secured notes interest expense	9,820	9,605
Total finance expenses	32,003	21,474

Interest and loan establishment costs of \$17.024m have been capitalised into investment properties associated with development assets (2022: \$8.552m).

6 Income tax expense**(a) Income tax expense/(benefit)**

	2023	2022
	\$'000	\$'000
Current tax expense		
- Current year	687	61
- Over provision prior year	(572)	-
	115	61
Deferred tax benefit		
- Current year	(1,684)	(44)
- Under provision prior year	748	-
	(936)	(44)
Total income tax (benefit)/expense	(821)	17

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****6 Income tax expense (continued)****(b) Reconciliation of income tax to accounting profit:**

	2023	2022
	\$'000	\$'000
Profit before tax	51,864	50,993
Income tax rate	30%	30%
Prima facie tax payable on profit before tax	15,559	15,298
Add/(less) tax effect of:		
- Other non-allowable items	43	26
- Trust income/gains not subject to tax ¹	(16,598)	(18,648)
- Other movements	-	3,341
- Under/(over) provision prior year	175	-
Income tax expense/(benefit)	(821)	17

¹The Group comprises of both companies and units trusts. Unit trusts are regarded as flow through for Australian income tax purposes. Under current income tax legislation the unit trusts are not liable for income tax provided that unitholders are presently entitled to all the net income of the trusts each year. Trust income includes site fees and gains and losses on the revaluation of investment properties.

(c) Tax consolidation

The Group is not part of a tax consolidated Group. Each entity within the Group accounts for their own current and deferred tax amounts. As outlined in Note 2(b), the financial statements include the consolidated current and deferred tax amounts of all entities within the Group, with no offsetting of any tax assets or liabilities unless it is a single tax entity.

7 Cash and cash equivalents

	2023	2022
	\$'000	\$'000
Cash at bank	6,129	7,923
Total cash and cash equivalents	6,129	7,923

8 Trade and other receivables

	2023	2022
	\$'000	\$'000
Current		
Trade receivables	10,166	5,080
GST receivables	-	1,346
Other receivables	95	320
Total current trade and other receivables	10,261	6,746

The average credit period on trade receivables is 7 days. No interest is charged on outstanding trade receivables.

Trade and other receivables are recognised initially at transaction price and subsequently adjusted for Expected Credit Losses (ECL). An allowance is recognised by analysing the age of outstanding balances and applying historical default percentages. Historical loss rates are adjusted to reflect current and forward-looking observable data affecting the ability of customers to settle their debts. Settlement of homes does not proceed until customers have paid all amounts owing in full. As at 31 December 2023, no ECL has been recognised as it is not material.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****8 Trade and other receivables (continued)**

	2023	2022
	\$'000	\$'000
Non-current		
Related-party loan	8	70
Bonds paid	-	140
Total non-current trade and other receivables	8	210

9 Inventories

At lower of cost and net realisable value

	2023	2022
	\$'000	\$'000
Current		
Raw materials and consumables	234	44
Manufactured homes	40,085	28,577
Total current inventories	40,319	28,621

The Group holds inventory in relation to the development of land lease homes. Inventories are held at the lower of cost and net realisable value. Costs of inventories comprise all acquisition costs, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventory includes work in progress and raw materials used in the production of land lease home units. Net realisable value is determined based on an estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories recognised as an expense during the year was \$121.7m (2022: \$66.9m). The cost of inventories recognised as an expense does not include any amount in respect of write-downs of inventory to net realisable value (2022: nil).

10 Assets classified as held for sale

	2023	2022
	\$'000	\$'000
Eden Court, Nerang, QLD	6,094	-
Nerang St, Nerang, QLD	9,165	9,717
Total assets classified as held for sale	15,259	9,717

The directors resolved to dispose of the above assets that comprise of undeveloped pieces of land which are being actively marketed for sale. These assets, have been classified as held for sale and presented separately in the statement of financial position.

11 Property, plant and equipment

	2023	2022
	\$'000	\$'000
Plant and equipment		
Cost	33,067	25,969
Accumulated depreciation	(14,066)	(10,649)
Total property, plant and equipment	19,001	15,320

Movements in carrying amounts of property, plant and equipment

	Plant and equipment
	\$'000
Carrying value at the beginning of the year	15,320
Additions	9,084
Disposals	(1,165)
Depreciation	(4,238)
Carrying value at the end of the year	19,001

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****12 Investment Properties**

	2023	2022
	\$'000	\$'000
At fair value		
Investment properties	798,600	613,950
Total investment properties	798,600	613,950
Movements in carrying amounts of investment properties		
	2023	2022
	\$'000	\$'000
Carrying value at the beginning of the year	613,950	415,038
Acquisitions	65,432	67,616
Expenditure capitalised	141,188	109,040
Transferred to assets classified as held for sale	(5,540)	(9,719)
Disposals	(5,605)	-
Net (loss)/gain from fair value adjustments	(10,825)	31,975
Carrying value at the end of the year	798,600	613,950

Investment properties relate to land and facilities owned by the Group. The main categories being:

- i) **Balance Land** - Greenfield and DA Approved Pipeline - Greenfield Pipeline reflects projects which GemLife owns, or will own on completion, but for which DA approval has not been granted. DA Approved Pipeline reflects communities / sites where DA approval has been granted but development is yet to commence.
- ii) **Sites Under Development** - reflects communities which are under development by GemLife.
- iii) **Active or Operational Sites** - reflects communities which are completed and occupied by homeowners (Occupied Homes).

Valuations of investment properties are carried out at each reporting period and the following are the methodologies applied.

1. Market Approach - direct comparison

This method is utilised primarily to value land relating to greenfield and pipeline sites.

The market approach provides an indication of the value by comparing the property with identical or comparable properties for which price information is available.

2. Capitalisation of income method

This method is utilised primarily to value active communities.

Under the capitalisation method, fair value is estimated using assumptions regarding the expectation of future benefits. This method involves estimating a sustainable net operating income profile of a property and applying a capitalisation rate into perpetuity. The capitalisation rate is based on current market evidence. The sustainable net operating income profile of a property takes into account occupancy, rental income and operating expenses.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****12 Investment Properties (continued)****3. Discounted cash flow method (DCF)**

The discounted cashflow method is primarily used to value balance land relating to under development sites.

Under the discounted cash flow method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. The DCF utilises the forecasted cash flow of the property for a defined future period, discounted back to the valuation date, resulting in a present-day value estimate. The discount rate in the DCF model is typically a market driven rate and has regard to the time value of money, along with the risk profile of the cash flow.

The key assumptions applied in the valuations are noted in the below table:

Unobservable inputs used in determining fair values				
Carrying value		Range of unobservable inputs		
Class of assets (Level 3)	2023 \$'000	Inputs used to measure fair value	2023	Valuation technique
Active or Operational Sites	86,550	Capitalisation rate	4.8% - 5.05%	Market approach – Direct comparison / Income Capitalisation
Sites Under Development	477,900	Site rental per villa per week (inc. GST)	\$205-\$229	Market approach – Direct comparison / Discounted cash flow / Income capitalisation
		Discount rate	12.5%-17.5%	
		Terminal yield	5.15%-5.25%	
Balance Land - Greenfield and DA Approved Pipeline		Site rental per villa per week (inc. GST)	\$225-\$235	Market approach – Direct comparison / Discounted cash flow
	234,150	Discount rate	16%-20%	
Total	798,600			

When investment property (undeveloped land) is acquired by the Group, it is recognised at cost including acquisition costs (for example stamp duty). After Development Approval is obtained and development commences, the fair value of investment property typically increases to reflect land improvement costs incurred and the market value of the sites included in that investment property based on future cash flows from home development profits and long-term operating net cash from rental of the sites.

As a result of Group's business model, when a home is sold this reduces the value attributed to that site included in the investment property valuation. This reduction in value is reflected in the value of the investment property at the next reporting date. This reduction represents the realisation of the development value as properties are transferred from development to completed sites.

The net change in value of investment property in each reporting period is influenced by many different other factors, in addition to the decrease in fair value of investment property due to home sales during the period:

- DA approval being received, or other changes to the scope of the project in the period, may result in an increase in value.
- Capital expenditure in the period, which is expected to increase the value of sites (i.e. beyond the value of the capital expenditure).

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****12 Investment Properties (continued)**

- Development milestones (i.e. certain milestone such as completion of the community clubhouse) which would drive up average price/margin for homes.
- Additions/disposal of adjacent land sites which would increase/decrease the fair value of investment property.
- Unwinding of net present value of cash flows from development sites not sold during the reporting period.
- Change in macroeconomic factors, which impact average sale price, construction costs, discount rates and cap rates.
- Changes in average sales prices due to changes in the mix of the number of units remaining to be settled and the valuation of the units (i.e. generally positive through the life of the development).

The net loss on changes in fair value of investment properties of \$10.8m (2022: \$32.0m) comprises of:

- Gains of \$60.8m relating to Greenfield and DA approved pipeline sites as at reporting date
- Losses of \$79.7m relating to sites under development as at reporting date
- Gains of \$8.1m relating to active or operational communities as at reporting date

13 Intangible assets

	2023	2022
	\$'000	\$'000
Goodwill	1,248	1,474
Other	226	269
Total intangible assets	1,474	1,743

14 Other assets

	2023	2022
	\$'000	\$'000
Current		
Prepayments	1,402	699
Bonds paid	-	204
Investment property deposits	2,676	43,188
Total current other assets	4,078	44,091

15 Trade and other payables

	2023	2022
	\$'000	\$'000
Current		
Trade payables	2,432	3,002
GST payable	492	882
Accrued expenses	7,572	8,603
Sundry payables	1,358	855
Unpaid present entitlements	3,541	793
Total current trade and other payables	15,395	14,135

The average credit period of trade payables is 30 days. The carrying amount of trade payables approximates their fair value.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****16 Deferred tax assets and liabilities**

	2023	2022
	\$'000	\$'000
Deferred tax assets	1,355	1,964
Deferred tax liabilities	(9,786)	(11,331)
	(8,431)	(9,367)

Deferred tax assets and liabilities are attributable to the following:

Unused tax losses	67,763	1,964
Land Development costs	(79,862)	(11,331)
Other	3,668	-
	(8,431)	(9,367)

The unused tax losses above can be carried forward indefinitely, subject to meeting certain criteria of relevant taxation law. At the reporting date the Group has unutilised tax losses of \$225.9m (2022: \$6.5m).

Reconciliation of net deferred tax liabilities

	Unused tax losses	Development costs	Other	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2022	3,712	(13,035)	-	(9,323)
Charged to profit or loss	(1,748)	1,704	-	(44)
As at 31 December 2022	1,964	(11,331)	-	(9,367)
Charged to profit or loss	65,799	(68,531)	3,668	936
As at 31 December 2023	67,763	(79,862)	3,668	(8,431)

17 Borrowings

	2023	2022
	\$'000	\$'000
Current		
Secured bank loans ¹	62,520	70,224
Asset finance facilities ³	4,840	4,127
Total current borrowings	67,360	74,351

	2023	2022
	\$'000	\$'000
Non-current		
Secured bank loans ¹	457,767	356,703
Borrowing costs ²	(2,657)	(2,568)
Asset finance facilities ³	10,898	10,010
Secured notes ⁴ :		
- Related parties	100,119	87,985
- Other notes	6	6
Total non-current borrowings	566,133	452,136

¹ As at 31 December 2023, \$520.3m was drawn from the syndicated loan facility. Interest on the bank loan is variable and the average rate for the year was 5.9%. The syndicated loan facility matures on 29 November 2026.

² Borrowing costs relate to loan establishment fees. These costs are amortised and capitalised over the term of the syndicated loan facility. The carrying value is recorded as a reduction against borrowings.

³ Asset finance facilities relate to the financing of plants and machinery. Interest is fixed under each asset finance contract over the term of the agreement. The term of asset finance contract is typically 5 years.

⁴ Secured notes relate to notes issued by the current shareholders. Interest on secured notes is accrued at a rate of 13.26%.

GTH Project No 4 Pty Ltd

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2023

17 Borrowings (continued)

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Banks have first ranking security over all entities within the Group and first ranking mortgage over all land & assets held within the Group.

The carrying value of investment properties, assets classified as held for sale and inventories at reporting date pledged as security is \$854m (2022: \$652m). The Group has met all required covenants since the arrangements commenced and therefore expects that all current arrangements will continue until the sooner of repayment, refinance or expiry.

The Group's Loans (the "Loans") under the Syndicated Facility Agreement (the "Agreement") are repayable by 29 November 2026. Under the terms of the Agreement, the Group is required to make prepayments towards the Loans when the Group has completed a home sale. The amount of the prepayment is determined under the Agreement and is a portion of the net sale proceeds received by the Group from each home sale. The prepayment towards the Loans is required to be made no later than the last day of the calendar month following the month in which the net sale proceeds are received.

Under the terms of the Agreement, the Group may reborrow any amounts prepaid towards the Loans. AASB 101 *Presentation of Financial Statements* requires the Group to disclose as current all liabilities due to be settled within twelve months after the reporting period. The Group has, accordingly, determined that prepayments towards the Loans that are expected and due to be made within 12 months after the reporting period arising from unconditional home sale contracts held by the Group at the end of the reporting period are classified as current.

Below is a summary of the amounts included as the current portion of Loans at reporting date.

	2023 \$'000	2022 \$'000
Prepayments towards the Loans arising from net sale proceeds already received by the Group as at 31 December	7,736	2,240
Prepayments towards the Loans due to be made within twelve months after 31 December arising from unconditional sale contracts held by the Group as at 31 December	54,784	67,984
Total	62,520	70,224

18 Employee Benefits

	2023 \$'000	2022 \$'000
Current		
Provision for employee benefits – annual leave	1,478	1,049
Total current employee benefits	1,478	1,049
Non-current		
Provision for employee benefits – long service leave	289	238
Total non-current employee benefits	289	238

19 Contract liabilities

	2023 \$'000	2022 \$'000
Current		
Contract liabilities ¹	45,262	34,149
Deposits received	312	68
Total current contract liabilities	45,574	34,217

¹Contract liabilities are progress claims for manufactured homes sent to customers throughout the construction timeline but only recognised as revenue on settlement. Revenue is expected to be recognised within the next 12 months.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****20 Right of use assets and Lease liabilities**

	Right of use assets - Buildings \$'000
Cost	
At 1 January 2022	-
Additions	-
Disposals	-
At 31 December 2022	-
Additions	5,678
Disposals	-
At 31 December 2023	5,678
Accumulated Depreciation	
At 1 January 2022	-
Charge for the year	-
Disposals	-
At 31 December 2022	-
Charge for the year	1,004
Disposals	-
At 31 December 2023	1,004
Carrying amount	
At 31 December 2023	4,674
At 31 December 2022	-

	2023 \$'000	2022 \$'000
Lease liabilities		
Current		
Lease liabilities	747	-
Total current	747	-
Non-current		
Lease liabilities	4,353	-
Total non-current	4,353	-

The Group leases several buildings for office space and storage with the main lease being the head office building located at 120 Siganto Drive, Helensvale QLD. The current lease termination date for the head office lease is 31 March 2030.

21 Issued Capital

	Attributable to owners of the parent			
	2023 \$'000	2022 \$'000	2023 Number of shares	2022 Number of shares
Ordinary shares	500	500	2,000	2,000

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****22 Entities within the Group****Composition of the Group**

These consolidated financial statements have been prepared for accounting purposes only, and do not seek to alter or in any way affect the separate status of the entities for legal and taxation purposes.

Where relevant, each of the entities within the Group are for-profit proprietary companies and trusts, incorporated and domiciled in Australia.

Below is a list of entities included within the financial statements:

	Included in the Group for the year ended 31 December 2023	Included in the Group for the year ended 31 December 2022
GemLife Communities Pty Ltd	Yes	Yes
GemLife Administration Pty Ltd	Yes	Yes
GemLife Assets Pty Ltd	Yes	Yes
Gemstone Joinery Pty Ltd^	Yes	Yes
GemLife Finance Pty Ltd	Yes	Yes
GemLife Funds Pty Ltd	Yes	Yes
Prospecta Utilities Pty Ltd	Yes	Yes
GTH Project No. 1 Pty Ltd	Yes	Yes
GTH Project No. 2 Pty Ltd	Yes	Yes
GTH Project No. 4 Pty Ltd (deemed parent entity for accounting purposes)	Yes	Yes
GTH Project No. 6 Pty Ltd	Yes	Yes
GTH Resorts No. 1 Pty Ltd (as trustee for GTH Resorts No. 1 Unit Trust)	Yes	Yes
GTH Resorts No. 2 Pty Ltd (as trustee for GTH Resorts No. 2 Unit Trust)	Yes	Yes
GTH Resorts No. 3 Pty Ltd (as trustee for GTH Resorts No. 3 Unit Trust)	Yes	Yes
GTH Resorts No. 4 Pty Ltd (as trustee for GTH Resorts No. 4 Unit Trust)	Yes	Yes
GTH Resorts No. 5 Pty Ltd (as trustee for GTH Resorts No. 5 Unit Trust)	Yes	Yes
GTH Resorts No. 6 Pty Ltd (as trustee for GTH Resorts No. 6 Unit Trust)	Yes	Yes
GTH Resorts No. 7 Pty Ltd (as trustee for GTH Resorts No. 7 Unit Trust)	Yes	Yes
GTH Resorts No. 8 Pty Ltd (as trustee for GTH Resorts No. 8 Unit Trust)	Yes	Yes
GTH Resorts No. 9 Pty Ltd (as trustee for GTH Resorts No. 9 Unit Trust)	Yes	Yes
GTH Resorts No. 10 Pty Ltd (as trustee for GTH Resorts No. 10 Unit Trust)	Yes	Yes
GTH Resorts No. 11 Pty Ltd (as trustee for GTH Resorts No. 11 Unit Trust)	Yes	Yes
GTH Resorts No. 12 Pty Ltd (as trustee for GTH Resorts No. 12 Unit Trust)	Yes	Yes
GTH Resorts No. 14 Pty Ltd (as trustee for GTH Resorts No. 14 Unit Trust)	Yes	Yes
GTH Resorts No. 15 Pty Ltd (as trustee for GTH Resorts No. 15 Unit Trust)	Yes	Yes
GTH Resorts No. 16 Pty Ltd (as trustee for GTH Resorts No. 16 Unit Trust)	Yes	Yes
GTH Resorts No. 17 Pty Ltd (as trustee for GTH Resorts No. 17 Unit Trust)	Yes	Yes
GTH Resorts No. 18 Pty Ltd (as trustee for GTH Resorts No. 18 Unit Trust)	Yes	Yes
GTH Resorts No. 19 Pty Ltd (as trustee for GTH Resorts No. 19 Unit Trust)	Yes	Yes
GTH Resorts No. 20 Pty Ltd (as trustee for GTH Resorts No. 20 Unit Trust)	Yes	Yes
GTH Resorts No. 21 Pty Ltd (as trustee for GTH Resorts No. 21 Unit Trust)	Yes	Yes
GTH Resorts No. 22 Pty Ltd (as trustee for GTH Resorts No. 22 Unit Trust)	Yes	Yes
GTH Resorts No. 23 Pty Ltd (as trustee for GTH Resorts No. 23 Unit Trust)	Yes	Yes
GTH Resorts No. 24 Pty Ltd (as trustee for GTH Resorts No. 24 Unit Trust)	Yes	Yes
GTH Resorts No. 25 Pty Ltd (as trustee for GTH Resorts No. 25 Unit Trust)	Yes	Yes
GTH Resorts No. 26 Pty Ltd (as trustee for GTH Resorts No. 26 Unit Trust)	Yes	Yes
GTH Resorts No. 27 Pty Ltd (as trustee for GTH Resorts No. 27 Unit Trust)	Yes	Yes

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****22 Entities within the Group (continued)**

	Included in the Group for the year ended 31 December 2023	Included in the Group for the year ended 31 December 2022
GTH Resorts No. 1 Unit Trust	Yes	Yes
GTH Resorts No. 2 Unit Trust	Yes	Yes
GTH Resorts No. 3 Unit Trust	Yes	Yes
GTH Resorts No. 4 Unit Trust	Yes	Yes
GTH Resorts No. 5 Unit Trust	Yes	Yes
GTH Resorts No. 6 Unit Trust	Yes	Yes
GTH Resorts No. 7 Unit Trust	Yes	Yes
GTH Resorts No. 8 Unit Trust	Yes	Yes
GTH Resorts No. 9 Unit Trust	Yes	Yes
GTH Resorts No. 10 Unit Trust	Yes	Yes
GTH Resorts No. 11 Unit Trust	Yes	Yes
GTH Resorts No. 12 Unit Trust	Yes	Yes
GTH Resorts No. 14 Unit Trust	Yes	Yes
GTH Resorts No. 15 Unit Trust	Yes	Yes
GTH Resorts No. 16 Unit Trust	Yes	Yes
GTH Resorts No. 17 Unit Trust	Yes	Yes
GTH Resorts No. 18 Unit Trust	Yes	Yes
GTH Resorts No. 19 Unit Trust	Yes	Yes
GTH Resorts No. 20 Unit Trust	Yes	Yes
GTH Resorts No. 21 Unit Trust	Yes	Yes
GTH Resorts No. 22 Unit Trust	Yes	Yes
GTH Resorts No. 23 Unit Trust	Yes	Yes
GTH Resorts No. 24 Unit Trust	Yes	Yes
GTH Resorts No. 25 Unit Trust	Yes	Yes
GTH Resorts No. 26 Unit Trust	Yes	Yes
GTH Resorts No. 27 Unit Trust	Yes	Yes

^ On 23 December 2022, the Group acquired 100% of the ordinary shares in Allen Kitchens Pty Ltd for total consideration of \$1,660,420. Allen Kitchens Pty Ltd operates a kitchen and cabinetry making business. In March 2023, the entity was renamed Gemstone Joinery Pty Ltd.

23 Events after the end of the Reporting Period

As at 23 May 2025 the Group is engaged in a process which may result in an initial public offering and listing on the Australian Securities Exchange (ASX).

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

GTH Project No 4 Pty Ltd

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2023

24 Segment Information

Segment information is presented in respect of the Group's management and internal reporting structure. Operating segments are reported based on internal reporting assessed by the Chief Executive Officer (who is identified as the Chief Operating Decision Maker ("CODM")).

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise corporate assets and expenses.

Segment capital expenditure is the total costs incurred during the period to acquire segment assets that are expected to be used for more than one period.

The Group predominantly invests in land for future development and sale of homes in luxury lifestyle communities in Australia. The Group also manages the communities and receives site rental income from the management of these communities.

The Group consists of 3 segments that contribute to the running of its business operations.

- 1. Development** – This segment develops the land and sells the home on behalf of the landowner. A deed of development exists between the developer and the landowner.
- 2. Community Operations** – This segment operates the community which involves the maintenance of the common areas such as the clubhouse, managers residence, gardening and landscaping.
- 3. Corporate** – This segment provides various centralised shared services to the Group.

GTH Project No 4 Pty Ltd

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2023

24 Segment Information (continued)

2023

	Development \$'000	Community Operations \$'000	Corporate \$'000	Total \$'000
Segment revenue				
Home settlement revenue	230,146	-	-	230,146
Site rental income	-	11,427	-	11,427
Other revenue	-	542	-	542
Other income	5,816	38	1,422	7,276
Total revenue	235,962	12,007	1,422	249,391
Segment profit				
External segment revenue	235,962	12,007	1,422	249,391
Home construction costs	(121,735)	-	-	(121,735)
Cost of community operations	-	(4,544)	-	(4,544)
Employee expenses	(7,192)	-	(6,855)	(14,047)
Administrative expenses	(6,860)	-	(6,072)	(12,932)
Earnings before interest, tax, depreciation and amortisation and fair value gains/(losses)	100,175	7,463	(11,505)	96,133
Interest income				619
Finance expense				(32,003)
Net gain/(loss) on change in fair value of:				
Investment properties				(10,825)
Financial instruments				3,255
Depreciation & amortisation				(5,315)
Income tax expense				821
Profit/(loss) after tax				52,685
Segment assets				
Segment assets	555,033	241,500	92,621	889,154
Assets held for sale	-	-	-	15,259
Total assets	555,033	241,500	92,621	904,413

GTH Project No 4 Pty Ltd

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2023

24 Segment Information (continued)

2022

	Development \$'000	Community Operations \$'000	Corporate \$'000	Total \$'000
Segment revenue				
Home settlement revenue	128,159	-	-	128,159
Site rental income	-	8,927	-	8,927
Other revenue	-	591	-	591
Other income	2,013	51	1,553	3,617
Total revenue	130,172	9,569	1,553	141,294
Segment profit				
External segment revenue	130,172	9,569	1,553	141,294
Home construction costs	(66,898)	-	-	(66,898)
Cost of community operations	-	(4,277)	-	(4,277)
Employee expenses	(5,867)	-	(4,115)	(9,982)
Administrative expenses	(8,245)	-	(6,694)	(14,939)
Earnings before interest, tax, depreciation and amortisation and fair value gains/(losses)	49,162	5,292	(9,256)	45,198
Interest income				-
Finance expense				(21,474)
Net gain/(loss) on change in fair value of:				
Investment properties				31,975
Financial instruments				-
Depreciation & amortisation				(4,706)
Income tax expense				(17)
Profit/(loss) after tax				50,976
Segment assets				
Segment assets	41,907	654,700	23,961	720,568
Assets held for sale				9,717
Total assets	41,907	654,700	23,961	730,285

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****25. Auditor's Remuneration**

	2023 \$'000	2022 \$'000
Remuneration of auditor, for:		
- Auditing or reviewing the financial statements	136	149
- Other services	91	-
Total auditor's remuneration	227	149

The auditor of GTH Project No 4 Pty Ltd is Deloitte Touche Tohmatsu (2022: Thomas Nobel & Russell).

26. Earnings per share**(a) Earnings used in calculating earnings per share**

	Attributable to owners of the parent 2023 \$'000	2022 \$'000
Profit/(loss) for the year	(6,965)	(6,077)

(b) Weight average number of shares

	Attributable to owners of the parent 2023	2022
Weighted average number of ordinary shares for basic earnings per share ¹	2,000	2,000

¹EPS has been calculated with reference to the earnings attributable to the owners of GTH Project No 4 Pty Ltd and the number of shares in issue by GTH Project No 4 Pty Ltd.

27. Related party transactions**(a) The Company's main related parties are as follows:****(i) Key management personnel**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

(ii) Controlling shareholders

The Group is controlled by shareholders PVAP Pty Ltd, which is incorporated in Australia and owns 50.1% and TCAP Partners Pty Ltd, which is incorporated in Australia and owns 31.7% of GTH Project No 4 Pty Ltd.

Effective 30 June 2023, TCAP Partners Pty Ltd undertook a corporate restructuring whereby the shareholdings reduced to 31.7% (2022: 49.9%). The other shareholders collectively own 18.2%.

1. GMC Gem Pty Ltd – 5.35%
2. BHTC Pty Ltd – 5.35%
3. Aljebri Pty Ltd – 5.35%
4. JSP Group Holdings Pty Ltd – 2.15%

(b) Remuneration of key management personnel

Key management personnel are the people with authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly. They are the senior decision makers in the company.

The directors of the Group are deemed to be key management personnel. The directors are paid through management fees, invoiced directly to the Group under common control.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****27. Related party transactions (continued)****(c) Transactions with related parties**

The following transactions occurred with related parties:

		2023
		\$'000
Controlling shareholders		
Management fees		3,152
Service fees		2,363
	Opening Balance	Closing balance
Loan from related parties	\$'000	\$'000
Controlling shareholders		
2023	87,985	100,119

28. Parent entity financial information

Summary financial information about the parent of the Group is:

	2023	2022
	\$'000	\$'000
Current assets	178,558	97,123
Non current assets	85,421	90,962
Total assets	263,979	188,085
Current liabilities	55,735	40,932
Non current liabilities	194,531	126,474
Total liabilities	250,266	167,406
Net assets	13,713	20,679
Equity:		
Issued capital	500	500
Retained earnings	13,213	20,178
Total equity	13,713	20,678
Profit/(loss) from continuing operations	(6,965)	(6,077)
Profit/(loss) attributable to owners	(6,965)	(6,077)
Total comprehensive income/(loss)	(6,965)	(6,077)

29. Retrospective correction of the consolidated financial statements

In prior periods, GTH Project No 4 Pty Ltd had prepared standalone financial statements not consolidating any subsidiaries. However, during the reporting period it was identified that GTH Project No 4 Pty Ltd is considered the parent of the Group, and so applying the requirements of AASB 3 and AASB 10, was required to prepare consolidated financial statements since transitioning to general purpose financial statements for the year ended 31 December 2022.

To correct this issue, these financial statements have been restated as if, upon transition to general purpose financial statements for the year ended 31 December 2022, the Group had applied the "short-cut consolidation" method available in AASB 1 *First-time Adoption of Australian Accounting Standards*. In doing so, the following adjustments have been made in respect of the entity's subsidiaries:

- All subsidiaries are consolidated in accordance with the recognition and measurement requirements of AASB 10
- The carrying amount of each subsidiary's assets and liabilities was determined by reference to the amounts that Australian Accounting Standards would require in that subsidiary's statement of financial position as at 1 January 2021, which would have been the Group's date of transition to Australian Accounting Standards had the 31 December 2022 financial statements appropriately transition to the Tier 2 framework.
- In accordance with the optional transitional provisions for business combinations in AASB 1, an equal adjustment was made to reflect the equity attributable to non-controlling interest (the equity holders of the stapled securities).
- Opening retained earnings as at 1 January 2022 was restated to reflect the retrospective impact of the above corrections.

GTH Project No 4 Pty Ltd**Notes to the Consolidated Financial Statements****For the Year Ended 31 December 2023****29. Restatement information (continued)**

The impact of this on the opening equity of GTH Project No 4 Pty Ltd was as follows:

<i>Equity reported as at 31 December 2021</i> \$'000	<i>Effect of consolidating subsidiaries, recognised as non-controlling interest within equity</i> \$'000	<i>Equity at 1 January 2022</i> \$'000
\$26,755	\$64,716	\$91,471

The impact on the equity last reported by GTH Project No 4 Pty Ltd was as follows:

<i>Equity reported as at 31 December 2022</i> \$'000	<i>Effect of consolidating subsidiaries, recognised as non-controlling interest within equity</i> \$'000	<i>Equity at 1 January 2023</i> \$'000
\$20,678	\$120,980	\$141,658

The impact on the profit last reported by GTH Project No 4 Pty Ltd was as follows:

<i>Profit/(Loss) reported for the period ended 31 December 2022</i> \$'000	<i>Effect of consolidating subsidiaries, recognised as non-controlling interest within equity</i> \$'000	<i>Restated profit reported for the period ended 31 December 2022</i> \$'000
\$(6,077)	\$57,053	\$50,976

The impact on the cashflows last reported by GTH Project No 4 Pty Ltd was as follows:

<i>Cashflows reported for the period ended 31 December 2022</i> \$'000	<i>Effect of consolidating subsidiaries</i> \$'000	<i>Restated cashflows reported for the period ended 31 December 2022</i> \$'000
Net operating cashflows - \$(77,352) Net investing cashflows - \$0 Net financing cashflows - \$74,400 Net change in cash and cash equivalents - \$(2,952)	Operating cashflows - \$94,984 Investing cashflows - \$(220,208) Financing cashflows - \$129,481 Net change in cash and cash equivalents - \$4,257	Net operating cashflows - \$17,632 Net investing cashflows - \$(220,208) Net financing cashflows - \$203,881 Net change in cash and cash equivalents - \$1,305

The parent entity note disclosures have been included in note 28. The parent entity financial information included therein agrees with the previously issued standalone accounts.

GTH Project No 4 Pty Ltd

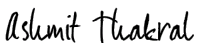
Directors' Declaration

The directors declare that, in the directors' opinion:

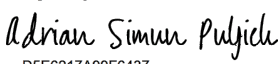
- (a) the attached consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - i) giving a true and fair view of the consolidated Group's financial position as at 31 December 2023 and its performance for the year ended on that date; and
 - ii) complying with the Australian Accounting Standards and the *Corporations Regulations 2001*;
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (c) the attached financial statements are in compliance with Accounting Standards, as stated in note 1 to the consolidated financial statements.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the Directors

DocuSigned by:

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Director
Mr Ashmit Thakral

Signed by:

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Director
Mr Adrian Puljich

Dated this 23rd day of May 2025

Independent Auditor's Report to the Members of GTH Project No 4 Pty Ltd

Opinion

We have audited the financial report of GTH Project No 4 Pty Ltd (the "Company") and the entities forming the consolidated group (the "Group") which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the 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 report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the directors' report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards – Simplified Disclosures; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Tendai Mkwanzani
Partner
Chartered Accountants
Brisbane, 23 May 2025