

APPENDIX 4D

Half Year Report for the half year ended 31 December 2024

Name of Entity: Charter Hall Long WALE REIT comprising of the two Australian registered schemes listed below (collectively referred to as the Stapled Trusts, or the REIT):

- Charter Hall Direct Industrial Fund (DIF) and its controlled entities (ARSN 144 613 641);
- LWR Finance Trust (Finance Trust) and its controlled entity (ARSN 614 713 138).

Results for announcement to the market

	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000	Variance (%)
Revenue from ordinary activities ¹	94,516	110,972	(14.8%)
Profit/(loss) from ordinary activities after tax attributable to members	51,283	(258,372)	119.8%
Operating earnings ²	89,773	93,952	(4.4%)

¹ Gross revenue does not include share of net profit of joint ventures of \$88.2 million (31 December 2023: \$27.3 million net loss).

² Operating earnings is a financial measure which represents profit under Australian Accounting Standards adjusted for net fair value movements, non-cash accounting adjustments such as straight lining of rental income and amortisations and other unrealised or one-off items. The inclusion of operating earnings as a measure of Charter Hall Long WALE REIT's (the REIT) profitability provides investors with the same basis that is used internally for evaluating operating segment performance. Operating earnings is used by the Board to make strategic decisions and as a guide to assessing an appropriate distribution to declare. A reconciliation of the REIT's statutory profit to operating earnings is provided in Note A1 of the financial statements.

	6 months to 31 Dec 2024 cents per stapled security	6 months to 31 Dec 2023 cents per stapled security	Variance (%)
Basic earnings/(loss) per stapled security	7.14	(35.74)	120.0%
Operating earnings per stapled security	12.50	13.00	(3.8%)

The REIT recorded a statutory profit of \$51.3 million for the half year ended 31 December 2024 (31 December 2023: loss of \$258.4 million). Operating earnings amounted to \$89.8 million for the half year ended 31 December 2024 (31 December 2023: \$94.0 million) and a distribution of \$89.3 million (12.50 cents per stapled security) was declared for the same period (31 December 2023: \$94.0 million; 13.00 cents per stapled security).

The REIT's statutory accounting profit of \$51.3 million includes the following unrealised, non-cash and other items:

- (\$ 13.7) million of net fair value movements on investment properties;
- (\$ 22.2) million of net losses on derivative financial instruments;
- \$ 0.1 million of gain on investments at fair value through profit or loss;
- (\$ 2.0) million of straight lining of rental income and amortisation of lease fees and incentives;
- (\$ 0.6) million of foreign exchange losses;
- (\$ 0.1) million other non-operating expenses.

Refer to attached consolidated balance sheet, consolidated statement of comprehensive income and consolidated cash flow statement for further detail.

Details of distributions

Quarter	Payment date	Cents per security	\$'000
Quarter ending 30 September 2024	14 November 2024	6.25	44,939
Quarter ending 31 December 2024	14 February 2025	6.25	44,386
Total		12.50	89,325

Refer attached financial statements (Directors Report and Note A2: *Distributions and earnings per security*).

Details of distribution reinvestment plan

The REIT has established a Distribution Reinvestment Plan (DRP) under which securityholders may elect to have all or part of their distribution entitlements satisfied by the issues of new securities rather than being paid in cash.

The DRP issue price is determined at a discount of 1.0% to the daily volume weighted average price of all securities traded on the ASX during the 10 business days commencing on the third business day following the distribution record date. The DRP was not active during the period.

Net tangible assets

	31 Dec 2024	30 Jun 2024
Net tangible asset backing per stapled security ¹	\$4.62	\$4.66

¹ Under the listing rules, NTA Backing must be determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (i.e. all liabilities, preference shares, outside equity interest, etc.).

Control gained or lost over entities during the period

No control was gained or lost over entities during the period.

Details of associates and joint venture entities

Refer to attached financial statements (Note B2: *Investment in joint venture entities*).

Other significant information

For additional information regarding the results of the REIT for the half year ended 31 December 2024, please refer to the Half Year Results – ASX Media Announcement and the Half Year Results Presentation for the six months to 31 December 2024 lodged with ASX. Attached with this Appendix 4D is a copy of the interim financial report for the half year ended 31 December 2024.

Audit

This report is based on accounts to which one of the following applies:

<input type="checkbox"/>	The accounts have been audited (refer attached financial statements).	<input checked="" type="checkbox"/>	The accounts have been subject to review (refer attached financial statements).
<input type="checkbox"/>	The accounts are in the process of being audited or subject to review.	<input type="checkbox"/>	The accounts have not yet been audited or reviewed.

Charter Hall Long WALE REIT

ARSN 144 613 641

Directors' report and interim financial report
For the half year ended 31 December 2024

Comprising the stapling of securities in Charter Hall Direct Industrial Fund (ARSN 144 613 641) and securities in the LWR Finance Trust (ARSN 614 713 138)



Important Notice

The Charter Hall Long WALE REIT (REIT or CLW) consists of the securities of the two Australian registered schemes listed below (collectively referred to as the Stapled Trusts):

- Charter Hall Direct Industrial Fund (DIF) and its controlled entities (ARSN 144 613 641) and
- LWR Finance Trust (Finance Trust) and its controlled entity (ARSN 614 713 138).

Charter Hall WALE Limited ABN 20 610 772 202; AFSL 486721 (CHWALE) is the Responsible Entity of the Stapled Trusts and is a controlled entity of Charter Hall Limited ABN 57 113 531 150 (Charter Hall).

Past performance is not a reliable indicator of future performance. Due care and attention have been exercised in the preparation of forecast information; however, forecasts, by their very nature, are subject to uncertainty and contingencies, many of which are outside the control of CHWALE. Actual results may vary from forecasts and any variation may be materially positive or negative.

This report has been prepared for general information purposes only and is not an offer or invitation for subscription or purchase of, or recommendation of, securities. It does not take into account the investment objectives, financial situation or needs of any investor. Before investing, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

CHWALE does not receive fees in respect of the general financial product advice it may provide; however, it will receive fees for operating the REIT which, in accordance with the REIT's constitutions, are calculated by reference to the value of the assets. Controlled entities of Charter Hall may also receive fees for managing the assets of, and providing resources to, the REIT. Charter Hall and its related entities, together with their Officers and Directors, may hold securities in the REIT from time to time.

Contents

Directors' report	4
Auditor's independence declaration	8
Consolidated statements of comprehensive income	9
Consolidated balance sheets	10
Consolidated statements of changes in equity	11
Consolidated cash flow statements	12
About this report	13
A. REIT performance	14
B. Property portfolio assets	17
C. Capital structure	21
D. Further Information	24
Directors' declaration to stapled securityholders	25
Independent auditor's report to stapled securityholders	26

Directors' report

The Directors of Charter Hall WALE Limited (CHWALE) present their report together with the consolidated financial report of Charter Hall Direct Industrial Fund (DIF) and its controlled entities (together Charter Hall Long WALE REIT, REIT or CLW) and the consolidated financial report and other information of LWR Finance Trust and its controlled entity (together Finance Trust) for the half year ended 31 December 2024.

Principal activities

The principal activity of the REIT during the period was property investment. The principal activity of the Finance Trust during the period was financing the REIT through the Intra-Group Facility Agreement (IGFA). There were no significant changes in the nature of either the REIT's or Finance Trust's activities during the period.

Directors

The following persons have held office as Directors of the Responsible Entity during the half year and up to the date of this report:

- Glenn Fraser – Chair and Non-Executive Director
- Ceinwen Kirk-Lennox – Non-Executive Director
- Ray Fazzolari – Non-Executive Director
- David Harrison – Executive Director and Chief Executive Officer/Managing Director of Charter Hall Group
- Carmel Hourigan – Executive Director

Distributions

Distributions paid or declared during the half year ended 31 December 2024 are as follows:

	Number of securities on issue entitled to distribution	31 Dec 2024 Cents per security	\$'000	Number of securities on issue entitled to distribution	31 Dec 2023 Cents per security	\$'000
Ordinary securityholders of DIF						
30 September	719,028,825	6.25	44,939	722,955,466	6.50	46,992
31 December*	710,170,889	6.25	44,386	722,955,466	6.50	46,992
Total distributions		12.50	89,325		13.00	93,984

* A liability has been recognised in the consolidated financial statements as the interim distribution had been declared as at the balance date.

Finance Trust did not declare any distributions in its own right in the current or prior periods.

Distribution reinvestment plan (DRP)

The REIT has established a Distribution Reinvestment Plan (DRP) under which securityholders may elect to have all or part of their distribution entitlements satisfied by the issues of new securities rather than being paid in cash.

The DRP issue price is determined at a discount of 1.0% to the daily volume weighted average price of all securities traded on the ASX during the 10 business days commencing on the third business day following the distribution record date. The DRP was not active during the period.

Directors' report (continued)

Review and results of operations

The financial results of the REIT and Finance Trust are summarised as follows:

	Charter Hall Long WALE REIT		Finance Trust	
	6 months to 31 Dec 2024	6 months to 31 Dec 2023	6 months to 31 Dec 2024	6 months to 31 Dec 2023
Total revenue (\$'000)	94,516	110,972	38,199	50,615
Statutory profit/(loss) (\$'000)	51,283	(258,372)	(15,545)	(24,831)
Basic earnings/(loss) per stapled security (cents)	7.14	(35.74)	(2.16)	(3.43)
Operating earnings of the REIT (\$'000)	89,773	93,952	-	-
Operating earnings of the REIT per stapled security (cents)	12.50	13.00	-	-
Distributions (\$'000)	89,325	93,984	-	-
Distributions per stapled security (cents)	12.50	13.00	-	-
	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
Total assets (\$'000)	4,940,645	5,252,475	1,614,768	1,843,823
Total liabilities (\$'000)	1,660,535	1,882,670	1,587,808	1,801,140
Net assets attributable to securityholders (\$'000)	3,280,110	3,369,805	26,960	42,683
Stapled securities on issue ('000)	710,171	722,955	710,171	722,955
Net assets per stapled security (\$)	4.62	4.66	0.04	0.06
Balance sheet gearing - total debt (net of cash) to total assets (net of cash)	31.8%	34.0%	-	-
Look-through gearing - total debt (net of cash) to total assets (net of cash)	39.0%	40.7%	-	-

The REIT recorded a statutory profit of \$51.3 million for the half year ended 31 December 2024 (31 December 2023: \$258.4 million statutory loss). Operating earnings amounted to \$89.8 million (12.50 cents per stapled security) for the half year ended 31 December 2024 (31 December 2023: \$94.0 million; 13.00 cents per stapled security) and a distribution of \$89.3 million (12.50 cents per stapled security) was declared for the same period (31 December 2023: \$94.0 million; or 13.00 cents per stapled security).

The table below sets out income and expenses that comprise operating earnings on a proportionate consolidation basis:

	6 months to 31 Dec 2024	6 months to 31 Dec 2023
	\$'000	\$'000
Net property income	151,295	167,334
Interest income	1,538	1,277
Fund management fees	(12,954)	(15,925)
Finance costs	(47,912)	(56,284)
Administration and other expenses	(2,194)	(2,450)
Operating earnings	89,773	93,952

Further detail on operating earnings is contained in Note A1.

Operating earnings is a financial measure which represents profit under Australian Accounting Standards adjusted for net fair value movements, non-cash accounting adjustments such as straight lining of rental income and amortisations and other unrealised or one-off items that are not in the ordinary course of business or are capital in nature.

The inclusion of operating earnings as a measure of the REIT's profitability provides investors with the same basis that is used internally for evaluating operating segment performance. Operating earnings is used by the Board to make strategic decisions and as a guide to assessing an appropriate distribution to declare.

The uncertainty of the current geopolitical events and subsequent increase in consumer price inflation and interest rates in Australia may have an impact on the future performance of the portfolio. The REIT benefits from its inflation-linked revenue streams and the interest rate hedging in place.

Directors' report (continued)

The reconciliation of operating earnings to statutory profit is set out below:

	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000
Operating earnings	89,773	93,952
Net fair value movements on investment properties*	(13,730)	(306,321)
Net fair value movements on debt and derivative financial instruments*	(22,165)	(41,844)
Net fair value movements on investments at fair value through profit or loss	95	110
Straight lining of rental income, amortisation of lease fees and incentives*	(2,036)	(1,313)
Loss on debt extinguishment*	-	(1,772)
Foreign exchange losses	(556)	(63)
Income support	-	(1,115)
Other	(98)	(6)
Statutory profit/(loss) for the half year	51,283	(258,372)
Basic weighted average number of stapled securities ('000)	718,340	722,955
Basic earnings/(loss) per stapled security (cents)	7.14	(35.74)
Operating earnings per stapled security (cents)	12.50	13.00

* Includes the REIT's proportionate share of non-operating items of joint ventures on a look-through basis.

Fair value movements on investment properties

The net fair value movements on investment properties totalling a loss of \$13.7 million (31 December 2023: loss of \$306.3 million) comprised: valuation loss on a proportionate consolidation basis totalling \$15.0 million (31 December 2023: loss of \$305.3 million), revaluation decrements attributable to transaction costs of \$0.7 million (31 December 2023: \$2.3 million) and revaluation increment attributable to straight lining of rental income, amortisation of lease fees and incentives of \$2.0 million (31 December 2023: \$1.3 million).

External valuations were conducted on 31 December 2024 for 82% of the REIT's portfolio, including joint ventures.

Significant changes in the state of affairs

Acquisitions

During the period, the REIT acquired the following assets:

	Acquisition date	Acquisition price \$'000
Narrabeen Sands Accommodation, Narrabeen NSW (50% interest)*	30/09/2024	9,500
BWS, Crows Nest NSW (50% interest)*	30/09/2024	2,000
Total acquisitions		11,500

* Acquired by CH LEP Holding Trust which owns the assets.

Disposals

During the period, the REIT disposed of the following assets:

	Disposal date	Disposal price \$'000
Ingham's Portfolio (National)	21/08/2024	225,341
Red Cross, Alexandria NSW (50% interest)*	31/10/2024	74,000
Total disposals		299,341

* This asset was held as a tenants in common arrangement with a related party.

Repurchase and cancellation of stapled securities

During the six months to 31 December 2024, the REIT repurchased 12,784,577 stapled securities, on market, for a total consideration of \$50.0 million (\$3.91 per stapled security). The REIT cancelled the repurchased units. The cancellation reduced the contributed equity and increased retained profits by the repurchased stapled securities entitlement of \$59.0 million and \$9.0 million respectively.

Directors' report (continued)

Debt arrangements and hedging

During the period, the REIT cancelled \$500 million of debt facilities.

In August 2024, the REIT extended the term of \$310 million of debt facilities due to expire in 2026 for a new five-year term expiring in August 2029.

Hedging in joint ventures

In August 2024, CH BBD Holding Trust entered into a \$21 million interest rate swap with a start date of November 2024 for a period of 2.3 years.

There were no other significant changes in the state of affairs of the REIT or Finance Trust that occurred during the period under review.

Likely developments and expected results of operations

The consolidated financial statements have been prepared on the basis of current known market conditions. The extent to which a potential deterioration in either the capital or property markets that may have an impact on the results of the REIT or Finance Trust is unknown. Such developments could influence property market valuations, the ability to refinance debt and the cost of such debt, or the ability to raise equity.

At the date of this report and to the best of the Directors' knowledge and belief, there are no other anticipated changes in the operations of the REIT or Finance Trust which would have a material impact on their future results. Property valuation changes, movements in the fair value of derivative financial instruments and movements in interest rates may have a material impact on the REIT's and Finance Trust's results in future years, however, these cannot be reliably measured at the date of this report.

Matters subsequent to the end of the financial period

The Directors of the Responsible Entity are not aware of any matter or circumstance not otherwise dealt with in this report or the consolidated financial statements that has significantly affected or may significantly affect the operations of the REIT or Finance Trust, the results of their operations or the state of affairs of the REIT or Finance Trust in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 8.

Rounding of amounts to the nearest hundred thousand dollars

As permitted by ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 (as amended) issued by the Australian Securities and Investments Commission relating to the 'rounding off' of amounts in the Directors' report and consolidated financial statements. Amounts in the Directors' report and consolidated financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

This report is made in accordance with a resolution of the Board of Directors of Charter Hall WALE Limited.

Directors' authorisation

The Directors' report is made in accordance with a resolution of the Directors. The financial statements were authorised for issue by the Directors on 7 February 2025. The Directors have the power to amend and re-issue the financial statements.



Glenn Fraser
Chair

Sydney
7 February 2025



Auditor's Independence Declaration

As lead auditor for the review of Charter Hall Long WALE REIT and Finance Trust for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Charter Hall Direct Industrial Fund and the entities it controlled during the period and LWR Finance Trust and the entity it controlled during the period (together "Charter Hall Long WALE REIT") and LWR Finance Trust and the entity it controlled during the period (together "Finance Trust").

A handwritten signature in black ink that reads 'Klynton Hankin'.

Klynton Hankin
Partner
PricewaterhouseCoopers

Sydney
7 February 2025

Consolidated statements of comprehensive income

For the half year ended 31 December 2024

	Notes	Charter Hall Long WALE REIT		Finance Trust	
		6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000
Revenue					
Property income	A1	93,357	110,185	-	-
Interest income	A1	1,159	787	38,199	50,615
Total revenue		94,516	110,972	38,199	50,615
Other income					
Share of net profit from joint ventures	B2	88,221	-	-	-
Net fair value gain on financial assets	B3	95	110	-	-
Total other income		88,316	110	-	-
Total revenue and other income		182,832	111,082	38,199	50,615
Expenses					
Property expenses		(16,559)	(18,255)	-	-
Fund management fees		(12,698)	(15,625)	(85)	(170)
Finance costs	C1	(34,928)	(41,955)	(34,928)	(42,368)
Administration and other expenses		(1,901)	(1,862)	(9)	(40)
Net fair value loss on investment properties	B1	(47,123)	(229,206)	-	-
Share of net loss from joint ventures	B2	-	(27,288)	-	-
Net fair value loss on derivative financial instruments		(17,784)	(35,200)	(18,722)	(32,868)
Foreign exchange losses		(556)	(63)	-	-
Total expenses		(131,549)	(369,454)	(53,744)	(75,446)
Net profit/(loss) for the half year		51,283	(258,372)	(15,545)	(24,831)
Other comprehensive income		(1,603)	1,807	-	-
Total comprehensive income		49,680	(256,565)	(15,545)	(24,831)
Net profit/(loss) and total comprehensive income attributable to:					
DIF		65,225	(231,734)	-	-
Stapled Trusts other than DIF		(15,545)	(24,831)	(15,545)	(24,831)
		49,680	(256,565)	(15,545)	(24,831)
Basic and diluted earnings/(loss) per ordinary securityholder					
Earnings/(loss) per security of parent entity (cents)	A2	9.30	(32.30)	-	(0.03)
Earnings/(loss) per stapled security (cents)	A2	7.14	(35.74)	(2.16)	(3.43)

The above consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated balance sheets

As at 31 December 2024

	Notes	Charter Hall Long WALE REIT		Finance Trust	
		31 Dec 2024 \$'000	30 Jun 2024 \$'000	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Assets					
Current assets					
Cash and cash equivalents		26,335	22,681	3,305	5,397
Receivables		22,303	21,029	85	7
Investment properties held for sale	B1	-	299,341	-	-
Derivative financial instruments	C2	16,490	28,601	16,445	28,558
Other assets		3,542	2,431	58	14
Total current assets		68,670	374,083	19,893	33,976
Non-current assets					
Investment properties	B1	2,434,645	2,474,042	-	-
Investments in joint ventures	B2	2,427,513	2,388,446	-	-
Investment in financial assets at fair value	B3	4,118	4,023	-	-
Intra-group facility receivable	C1	-	-	1,589,176	1,797,966
Derivative financial instruments	C2	5,699	11,881	5,699	11,881
Total non-current assets		4,871,975	4,878,392	1,594,875	1,809,847
Total assets		4,940,645	5,252,475	1,614,768	1,843,823
Liabilities					
Current liabilities					
Payables		26,882	34,759	8,020	8,801
Distribution payable	A2	44,386	46,992	-	-
Derivative financial instruments	C2	994	2,317	-	-
Other liabilities		8,006	6,166	-	-
Total current liabilities		80,268	90,234	8,020	8,801
Non-current liabilities					
Borrowings	C1	1,511,153	1,704,835	1,511,153	1,704,835
Derivative financial instruments	C2	69,013	87,504	68,635	87,504
Other liabilities		101	97	-	-
Total non-current liabilities		1,580,267	1,792,436	1,579,788	1,792,339
Total liabilities		1,660,535	1,882,670	1,587,808	1,801,140
Net assets		3,280,110	3,369,805	26,960	42,683
Equity					
<i>Equity holders of DIF</i>					
Contributed equity	C3	3,212,279	3,271,183	-	-
Reserves		(5,724)	(4,121)	-	-
Retained profits		46,595	60,060	-	-
Parent entity interest		3,253,150	3,327,122	-	-
<i>Equity holders of Finance Trust</i>					
Contributed equity	C3	6,523	6,641	6,523	6,641
Retained profits		20,437	36,042	20,437	36,042
Equity holders of Finance Trust		26,960	42,683	26,960	42,683
Total equity		3,280,110	3,369,805	26,960	42,683

The above consolidated balance sheets should be read in conjunction with the accompanying notes.

Consolidated statements of changes in equity

For the half year ended 31 December 2024

	Notes	Attributable to securityholders of DIF			Total \$'000
		Contributed equity \$'000	Reserves \$'000	Retained profits \$'000	
Balance at 1 July 2023		3,271,183	(2,979)	734,414	4,002,618
Total comprehensive income		-	1,807	(233,541)	(231,734)
Distributions provided for or paid	A2	-	-	(93,984)	(93,984)
Balance at 31 December 2023		3,271,183	(1,172)	406,889	3,676,900
Balance at 1 July 2024		3,271,183	(4,121)	60,060	3,327,122
Total comprehensive income		-	(1,603)	66,828	65,225
Cancellations of stapled securities	C3	(58,904)	-	9,032	(49,872)
Distributions provided for or paid	A2	-	-	(89,325)	(89,325)
Balance at 31 December 2024		3,212,279	(5,724)	46,595	3,253,150

	Notes	Attributable to securityholders of Finance Trust			Total \$'000
		Contributed equity \$'000	Reserves \$'000	Retained profits \$'000	
Balance at 1 July 2023		6,641	-	60,534	67,175
Total comprehensive loss		-	-	(24,831)	(24,831)
Balance at 31 December 2023		6,641	-	35,703	42,344
Balance at 1 July 2024		6,641	-	36,042	42,683
Total comprehensive income		-	-	(15,545)	(15,545)
Cancellations of stapled securities		(118)	-	(60)	(178)
Balance at 31 December 2024		6,523	-	20,437	26,960

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Consolidated cash flow statements

For the half year ended 31 December 2024

	Charter Hall Long WALE REIT		Finance Trust	
	6 months to 31 Dec 2024	6 months to 31 Dec 2023	6 months to 31 Dec 2024	6 months to 31 Dec 2023
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Property rental income received	101,573	120,101	-	-
Property expenses paid	(18,074)	(20,642)	-	-
Distributions received from investment in joint venture entities	58,636	58,201	-	-
Interest received	1,159	787	469	177
Other income received	-	380	-	-
Finance costs paid	(34,512)	(40,908)	(34,547)	(40,929)
Fund management fees paid	(14,164)	(17,079)	(108)	(192)
Administration and other expenses paid	(1,860)	(2,464)	(10)	(51)
GST received/(paid) with respect to operating activities	(7,328)	(6,286)	8	20
Net cash flows from operating activities	85,430	92,090	(34,188)	(40,975)
Cash flows from investing activities				
Payments for investment properties	(12,592)	(19,628)	-	-
Receipts from sale of investment property	299,341	39,250	-	-
Payments for investments in joint ventures	(12,361)	(85,275)	-	-
Advances under Intra-Group Facility Agreement	-	-	(176,916)	(182,501)
Repayments under Intra-Group Facility Agreement	-	-	423,373	157,444
Net cash flows from investing activities	274,388	(65,653)	246,457	(25,057)
Cash flows from financing activities				
Distributions paid to securityholders	(91,931)	(97,599)	-	-
Repurchase of stapled securities	(50,050)	-	(178)	-
Proceeds from borrowings, net of borrowing costs	134,817	305,335	34,817	305,335
Repayment of borrowings	(349,000)	(229,000)	(249,000)	(229,000)
Net cash flows from financing activities	(356,164)	(21,264)	(214,361)	76,335
Net increase in cash and cash equivalents	3,654	5,173	(2,092)	10,303
Cash and cash equivalents at the beginning of the half year	22,681	19,682	5,397	1,784
Cash and cash equivalents at the end of the half year	26,335	24,855	3,305	12,087

The above consolidated cash flow statements should be read in conjunction with the accompanying notes.

About this report

The notes to these consolidated financial statements include additional information which is required to understand the operations, performance and financial position of the REIT. They are organised in four key sections:

- A. REIT performance** – provides key metrics used to measure financial performance.
- B. Property portfolio assets** – explains the structure of the investment property portfolio and investments in joint ventures and financial assets
- C. Capital structure** – details of the REIT's structure
- D. Further information** – provides additional disclosures relevant to understanding the REIT's financial statements

A. REIT performance	14	B. Property portfolio assets	17
A1. Segment information	14	B1. Investment properties	17
A2. Distributions and earnings per security	15	B2. Investments in joint ventures	19
		B3. Investment in financial assets at fair value	20
		B4. Commitments and contingent liabilities	20
C. Capital structure	21	D. Further information	24
C1. Borrowings and liquidity	21	D1. Events occurring after balance date	24
C2. Derivative financial instruments	22	D2. Other material accounting policies	24
C3. Contributed equity	23		

In preparing its financial statements the REIT has considered the ongoing impact that the future economic outlook has had on its business operations and upon the business operations of its tenant customers. In assessing such impacts management have relied upon certain key estimates to evaluate current and future business conditions. Inherent in any estimate is a level of uncertainty. Estimation uncertainty is associated with the extent and duration of a high inflation and interest rate environment, including:

- the disruption and volatility to capital markets
- deteriorating credit and liquidity concerns
- the effectiveness of government and central bank measures and
- judgements in property valuations.

A. REIT performance

This section provides additional information on the key financial metrics used to define the results and performance of the REIT, including operating earnings by segment, distributions and earnings per stapled security.

Operating earnings is a financial measure which represents profit under Australian Accounting Standards adjusted for net fair value movements, non-cash accounting adjustments such as straight lining of rental income and amortisations and other unrealised or one-off items.

The inclusion of operating earnings as a measure of the REIT's profitability provides investors with the same basis that is used internally for evaluating operating segment performance. Operating earnings is used by the Board to make strategic decisions and as a guide to assessing an appropriate distribution to declare.

A1. Segment information

(a) Description of segments

The Directors of the Responsible Entity have determined the operating segments based on the reports reviewed by the chief operating decision maker, being the Board of the Responsible Entity. The REIT has one operating segment being its Australasian operations. Finance Trust results are not separately identified and reported, and therefore, segment information for Finance Trust is not prepared and provided to the Board.

(b) Segment information provided to the Board

The operating earnings reported to the Board for the half year ended 31 December 2024 are as follows:

	6 months to 31 Dec 2024	6 months to 31 Dec 2023
	\$'000	\$'000
Property lease revenue	88,038	104,131
Services income	5,319	6,054
Property income	93,357	110,185
Income support	-	1,115
Non-cash adjustments	1,445	890
Property expenses	(16,567)	(18,255)
Net property income from wholly owned properties (NPI)	78,235	93,935
Share of operating earnings from investments in joint ventures	59,801	58,665
Interest income	1,159	787
Fund management fees	(12,698)	(15,625)
Finance costs	(34,928)	(41,955)
Administration and other expenses	(1,796)	(1,855)
Operating earnings	89,773	93,952
Weighted average number of stapled securities	718,340	722,955
Operating earnings per stapled security (cents)	12.50	13.00

Property lease revenue

Property lease revenue represents income earned from the long-term rental of the REIT's properties and is recognised on a straight line basis over the lease term. The portion of rental income relating to fixed increases in operating lease rentals in future years is recognised as a separate component of investment properties.

Services income

Services income principally includes non-lease income derived under lease agreements with tenants. Non-lease income relates to the proportion of property operating costs which are recoverable from tenants in accordance with lease agreements and relevant legislative acts.

A. REIT performance (continued)

The operating earnings on a proportionate consolidation basis (which includes the REIT's share in equity accounted investments) are set out below:

	6 months to 31 Dec 2024	6 months to 31 Dec 2023
	\$'000	\$'000
Net property income	151,295	167,334
Interest income	1,538	1,277
Fund management fees	(12,954)	(15,925)
Finance costs	(47,912)	(56,284)
Administration and other expenses	(2,194)	(2,450)
Operating earnings	89,773	93,952

The reconciliation between operating earnings to statutory profit is set out below:

	6 months to 31 Dec 2024	6 months to 31 Dec 2023
	\$'000	\$'000
Operating earnings	89,773	93,952
Net fair value movements on investment properties*	(13,730)	(306,321)
Net fair value movements on debt and derivative financial instruments*	(22,165)	(41,844)
Net fair value movements on investments at fair value through profit or loss	95	110
Straight lining of rental income, amortisation of lease fees and incentives*	(2,036)	(1,313)
Loss on debt extinguishment*	-	(1,772)
Foreign exchange losses	(556)	(63)
Income support	-	(1,115)
Other	(98)	(6)
Statutory profit/(loss) for the half year	51,283	(258,372)

* Includes the REIT's proportionate share of non-operating items of joint ventures on a look through basis.

A2. Distributions and earnings per security

(a) Distributions paid and payable

	Number of securities on issue entitled to distribution	31 Dec 2024 Cents per security	\$'000	Number of securities on issue entitled to distribution	31 Dec 2023 Cents per security	\$'000
Ordinary securityholders of DIF						
30 September	719,028,825	6.25	44,939	722,955,466	6.50	46,992
31 December*	710,170,889	6.25	44,386	722,955,466	6.50	46,992
Total distributions		12.50	89,325		13.00	93,984

* A liability has been recognised in the consolidated financial statements as the interim distribution had been declared as at the balance date.

No distributions were paid or declared during the period by Finance Trust.

Pursuant to the REIT's constitutions, the amount distributed to securityholders is at the discretion of the Responsible Entity. The Responsible Entity uses operating earnings as a guide to assessing an appropriate distribution to declare.

A liability is recognised for the amount of any distribution declared by the REIT on or before the end of the reporting period but not distributed at balance date.

Under current Australian income tax legislation, the REIT is not liable to pay income tax provided the trustee has attributed all the taxable income of the REIT to securityholders.

A. REIT performance (continued)

Earnings per stapled security

	Charter Hall Long WALE REIT		Finance Trust	
	6 months to 31 Dec 2024	6 months to 31 Dec 2023	6 months to 31 Dec 2024	6 months to 31 Dec 2023
Basic and diluted earnings				
Earnings/(loss) per stapled security (cents)	7.14	(35.74)	(2.16)	(3.43)
Operating earnings of the REIT per stapled security (cents)	12.50	13.00	N/A	N/A
Earnings/(loss) of the parent entity (cents)	9.30	(32.30)	(0.01)	(0.03)
Earnings used in the calculation of basic and diluted earnings per stapled security				
Net profit/(loss) for the period (\$'000)	51,283	(258,372)	(15,545)	(24,832)
Net profit/(loss) of the parent entity for the period (\$'000)	66,828	(233,541)	(88)	(195)
Operating earnings of the REIT for the period (\$'000)	89,773	93,952	N/A	N/A
Weighted average number of stapled securities used in the calculation of basic and diluted earnings per stapled security ('000)	718,340	722,955	718,340	722,955

Basic and diluted earnings per security is determined by dividing statutory profit/loss attributable to the stapled securityholders by the weighted average number of stapled securities on issue during the period. The REIT has no dilutive or convertible securities on issue.

Operating earnings per stapled security is determined by dividing operating earnings attributable to the stapled securityholders by the weighted average number of stapled securities on issue during the period.

B. Property portfolio assets

The REIT's property portfolio assets comprise directly held investment properties, indirectly held interests in investment properties held through joint ventures and investments in financial assets at fair value. Investment properties comprise investment interests in land and buildings held for long term rental yields.

The following table summarises the property portfolio assets detailed in this section.

	Notes	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Current assets			
Investment properties held for sale	B1	-	299,341
Total current assets		-	299,341
Non-current assets			
Investment properties	B1	2,434,645	2,474,042
Investment in joint ventures	B2	2,427,513	2,388,446
Investment in financial assets at fair value	B3	4,118	4,023
Total non-current assets		4,866,276	4,866,511
Total property portfolio assets		4,866,276	5,165,852

B1. Investment properties

Reconciliation of the carrying amount of investment properties at the beginning and end of the period

	6 months to 31 Dec 2024 \$'000	Year to 30 Jun 2024 \$'000
Carrying amount at the beginning of the period	2,474,042	3,481,539
Additions	9,167	31,381
Acquisition and disposal costs incurred	4	10,301
Disposals	-	(305,850)
Revaluation decrement	(48,564)	(433,687)
Revaluation increment / (decrement) attributable to acquisition costs, straight lining of rental income and amortisation of incentives and leasing fees	1,441	(7,874)
Straight lining of rental income and amortisation of incentives and leasing fees	(1,445)	(2,427)
Reclassification of investment properties classified as held for sale	-	(299,341)
Carrying amount at the end of the period	2,434,645	2,474,042

(a) Valuation process, techniques and key judgements

The Responsible Entity conducts an investment property valuation process on a semi-annual basis. This process is overseen by the Executive Property Valuations Committee (EPVC) which is an internal Charter Hall committee comprised of the Charter Hall Group CEO, Chief Investment Officer and and sector CEOs. The role of the EPVC is to oversee the valuation process including:

- approving a panel of independent valuers
- reviewing key valuation inputs and assumptions
- reviewing the independent valuations prior to these being presented to the Board and
- acting as an escalation point between the group and any external valuer.

Valuations are performed either by independent professionally qualified external valuers or by Charter Hall's internal valuers who hold recognised relevant professional qualifications. Fair value is determined using discounted cash flow (DCF) and income capitalisation methods.

Each investment property is valued by an independent external valuer at least once every 12 months, or earlier, where the Responsible Entity deems it appropriate or believes there may be a material change in the carrying value of the property. Independent valuers are engaged on a rotational basis. External valuations were conducted at 31 December 2024 for 82% of the REIT's portfolio, including joint ventures.

In determining the fair value of investment properties, management has considered the nature, characteristics and risks of its investment properties. Such risks include but are not limited to the property cycle, transaction evidence and structural changes in the current and future macro-economic environment.

The table below identifies the inputs, which are not based on observable market data, used to measure the fair value (level 3) of the investment properties:

B. Property portfolio assets (continued)

	Fair value \$'000	Net market rent (\$ sqm/p.a.)	Adopted capitalisation rate (% p.a.)	Adopted terminal yield (% p.a.)	Adopted discount rate (% p.a.)
December 2024	2,434,645	100 - 1,303	4.00 - 8.75	4.00 - 8.88	6.00 - 8.88
June 2024	2,474,042	100 - 1,303	4.00 - 7.75	4.00 - 8.00	5.50 - 8.00

Term	Definition
Discounted cash flow (DCF) method	A method in which a discount rate is applied to future expected income streams to estimate the present value.
Income capitalisation method	A valuation approach that provides an indication of value by converting future cash flows to a single current capital value.
Net market rent	A net market rent is the estimated amount for which a property or space within a property should lease between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and wherein the parties have each acted knowledgeably, prudently and without compulsion. In a net rent, the owner recovers outgoings from the tenant on a pro-rata basis (where applicable).
Capitalisation rate	The return represented by the income produced by an investment, expressed as a percentage.
Terminal yield	A percentage return applied to the expected net income following a hypothetical sale at the end of the cash flow period.
Discount rate	A rate of return used to convert a future monetary sum or cash flow into present value.

Sensitivity analysis

The REIT considers capitalisation rates the most significant assumption that is subject to estimation uncertainty given the nature of its portfolio. Accordingly, sensitivities to the fair value of investment properties (including those owned by the REIT's joint ventures) have been provided around reasonable possible movements in the capitalisation rate.

If the capitalisation rate expanded by 25 basis points, the fair value of all wholly owned investment properties would reduce by \$96.4 million from the fair value as at 31 December 2024 (including the REIT's share of joint venture properties \$244.4 million). And if the capitalisation rate compressed by 25 basis points, the fair value would increase by \$104.7 million from the fair value as at 31 December 2024 (including the REIT's share of joint venture properties \$268.2 million).

Movement in the inputs are likely to have an impact on the fair value of investment properties. An increase/(decrease) in net market rent will likely lead to an increase/(decrease) in fair value. A decrease/(increase) in adopted capitalisation rate, adopted terminal yield or adopted discount rate will likely lead to an increase/(decrease) in fair value.

B. Property portfolio assets (continued)

B2. Investments in joint venture entities

The REIT accounts for investments in joint venture entities and associates using the equity method. The REIT exercises joint control over the joint venture entities, but neither the REIT nor its joint venture partners have control in their own right, irrespective of their ownership interest. An associate is an entity over which the REIT has significant influence. The principal activity of all joint venture entities and associates during the period was property investment.

Management regularly reviews joint venture investments for impairment by reference to changes in circumstances or contractual arrangements, external independent property valuations and market conditions, using generally accepted market practices. When a recoverable amount is estimated through a value in use calculation, critical judgements and estimates are made regarding future cash flows and an appropriate discount rate.

Information relating to the joint venture entities is detailed below:

Name of entity	Properties	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
		Ownership	Ownership	\$'000	\$'000
Perth RDC Trust	Coles, Perth WA	49.9%	49.9%	160,755	160,039
LWIP	ALH (National Portfolio)	49.9%	49.9%	447,118	434,185
CH DC Fund	Woolworths, Dandenong VIC	26.0%	26.0%	71,714	71,714
Kogarah Trust	Westpac, Kogarah NSW	50.1%	50.1%	100,004	100,009
CH BBD Trust	Brisbane Bus Depot, Brisbane QLD	50.0%	50.0%	31,148	31,153
Charter Hall Exchange Wholesale Trust (Exchange Trust)	49% in Telstra Portfolio (National Portfolio)	30.6%	30.6%	134,525	134,818
CH 242 Exhibition Street Holding Trust	242 Exhibition St, Melbourne VIC	15.0%	15.0%	48,448	48,371
Charter Hall Australian Convenience Retail Trust (bp Aus)	49% in bp Portfolio (National Portfolio)	50.0%	50.0%	361,776	360,376
CH Dartmouth NZ Wholesale Fund (bp NZ)	49% in bp NZ Portfolio (NZ Portfolio)	50.0%	50.0%	168,701	168,200
CH LEP Holding Trust (CH LEP)	ALE Portfolio (National Portfolio)	50.0%	50.0%	818,522	794,960
Charter Hall GSA Trust (CH GSA)	Geoscience Australia, Canberra ACT	25.0%	25.0%	84,802	84,621
				2,427,513	2,388,446

Gross equity accounted value of investment in joint venture entities

	6 months to 31 Dec 2024 \$'000	Year to 30 Jun 2024 \$'000
Balance at the beginning of the year	2,388,446	2,593,708
Additions (including acquisition costs)	12,361	85,907
Disposals (including disposal costs)	-	(75,276)
Loss on disposal	-	(16,490)
Transaction costs written off	(102)	(1,521)
Share of joint venture profit/(loss)	88,221	(75,817)
Capital distribution	(1,102)	(1,351)
Distributions received and receivable	(58,708)	(119,572)
Foreign exchange loss	(1,603)	(1,142)
Balance at the end of the period	2,427,513	2,388,446

During the half year CH LEP called \$11.7 million equity to fund the acquisitions of Narrabeen Sands Accommodation and BWS Crows Nest.

B. Property portfolio assets (continued)

B3. Investments in financial assets at fair value

	6 months to 31 Dec 2024 \$'000	Year to 30 Jun 2024 \$'000
Balance at the beginning of the period	4,023	4,933
Withdrawals	-	(1,115)
Net fair value movement on investment at fair value	95	205
Balance at the end of the period	4,118	4,023

B4. Commitments and contingent liabilities

As at 31 December 2024, the REIT's capital commitments amounted to \$31.2 million (30 June 2024: \$5.2 million).

The Finance Trust has no capital commitments as at 31 December 2024 (30 June 2024: nil).

As at 31 December 2024, the REIT and Finance Trust have no contingent liabilities (30 June 2024: nil).

The REIT's share in the commitments and contingent liabilities of joint venture entities, other than those described above is \$23.5 million (30 June 2024: \$1.8 million).

C. Capital structure

C1. Borrowings and liquidity

(a) Borrowings

All borrowings are classified as non-current liabilities as they have maturities greater than 12 months. Figures below represent both the REIT and Finance Trust.

	31 Dec 2024		30 Jun 2024	
	Total carrying amount	Fair value	Total carrying amount	Fair value
	\$'000	\$'000	\$'000	\$'000
Bank loan - term debt	890,000	893,061	1,103,210	1,107,212
Australian dollar medium term notes (A\$MTNs)*	628,308	621,702	608,857	593,838
Unamortised borrowing cost	(7,155)	-	(7,232)	-
Total	1,511,153	1,514,763	1,704,835	1,701,050
Balance available for drawing	240,000		526,790	

* Includes fair value hedge adjustment of (\$71.7) million (30 June 2024: (\$91.1) million).

Bank loans

	Maturity Date	Facility limit at 31 Dec 2024	Utilised amount at 31 Dec 2024
		\$'000	\$'000
Bilateral facility	July 2026	70,000	-
Bilateral facility	November 2026	100,000	100,000
Bilateral facility	November 2027	100,000	100,000
Bilateral facility	December 2027	200,000	130,000
Bilateral facility	December 2028	100,000	-
Bilateral facility	January 2029	150,000	150,000
Bilateral facility	January 2029	100,000	100,000
Bilateral facility	August 2029	310,000	310,000
		1,130,000	890,000

Finance Trust Intra-Group Facility Agreement

	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Loans receivable under IGFA		
Charter Hall Direct Industrial Fund	1,589,176	1,797,966
	1,589,176	1,797,966

On 10 November 2016, the Finance Trust entered an Intra-Group Facility Agreement (IGFA) with DIF. This agreement expires in December 2027. Interest rates under the IGFA are variable and reset periodically.

The fair value of the loans receivable under IGFA amounts to \$1,589 million as at 31 December 2024 (30 June 2024: \$1,798 million).

C. Capital structure (continued)

Borrowings in Joint Ventures

	Maturity date	Facility limit at 31 Dec 2024 at 100% \$'000	Facility limit at 31 Dec 2024 REIT's share \$'000
LWIP – syndicated debt facility	September 2028	100,000	49,900
LWIP – US Private Placement notes (USPP)	May 2027	200,000	99,800
LWIP – US Private Placement notes (USPP)	November 2031	110,000	54,890
CH BBD Trust – debt facility	August 2027	52,250	26,125
Exchange Trust	March 2028	97,500	29,835
Exchange Trust – A\$MTN	September 2030	300,000	91,800
242 Exhibition Street	November 2028	466,500	69,975
Charter Hall Australian Retail Trust	August 2028	450,000	225,000
		1,776,250	647,325

(b) Finance costs

	Charter Hall Long WALE REIT		Finance Trust	
	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000	6 months to 31 Dec 2024 \$'000	6 months to 31 Dec 2023 \$'000
Finance costs incurred on financial instruments:				
At amortised cost	39,510	50,239	39,510	50,652
Fair value through profit and loss*	(4,582)	(8,284)	(4,582)	(8,284)
	34,928	41,955	34,928	42,368

* Net interest (received) under interest rate swap agreements.

C2. Derivative financial instruments

The REIT uses derivatives to hedge its exposure to interest rates. Derivative financial instruments are measured and recognised at fair value on a recurring basis.

Amounts reflected in the financial statements are as follows:

Balance Sheet	31 Dec 2024		30 Jun 2024	
	Asset \$'000	Liability \$'000	Asset \$'000	Liability \$'000
Current				
Forward foreign exchange contracts	45	994	43	2,317
Interest rate swaps	16,445	-	28,558	-
Total current derivative financial instruments	16,490	994	28,601	2,317
Non-current				
Forward foreign exchange contracts	-	378	-	-
Interest rate swaps	5,699	-	11,881	-
Interest rate swaps – fair value hedges	-	68,635	-	87,504
Total non-current derivative financial instruments	5,699	69,013	11,881	87,504
Total derivative financial assets/liabilities	22,189	70,007	40,482	89,821

The REIT uses derivatives to economically hedge its exposure to floating interest rates and foreign exchange exposure from the bp New Zealand portfolio. All derivative financial instruments are measured and recognised at fair value on a recurring basis.

Following the issuance of A\$MTNs in March and June 2021, the REIT, through Finance Trust, entered into contracts with two major Australian banks to swap the fixed rate exposure of the A\$MTNs to a floating rate exposure with the terms that match the issued notes. These interest rate swaps were designated as fair value hedges against a risk of changes in fair value of A\$MTNs due to the changes in interest rates.

C. Capital structure (continued)

(a) Valuation techniques used to derive level 2 fair values

Derivatives are classified as level 2 on the fair value hierarchy as the inputs used to determine fair value are observable market data but not quoted prices. There are no level 3 investments and there were no transfers between levels of the fair value hierarchy during the period.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

Credit value adjustments are calculated based on the counterparty's credit risk using the counterparty's credit default swap curve as a benchmark. Debit value adjustments are calculated based on the REIT's credit risk using debt financing available to the REIT as a benchmark.

C3. Contributed equity

	Charter Hall Long WALE REIT		Finance Trust	
	6 months to 31 Dec 2024 \$'000	Year to 30 Jun 2024 \$'000	6 months to 31 Dec 2024 \$'000	Year to 30 Jun 2024 \$'000
<i>Details</i>	<i>No. of Securities</i>			
Securities on issue - 30 June 2023	722,955,466	3,271,183		6,641
Securities on issue - 30 June 2024	722,955,466	3,271,183	6,641	6,641
Cancellations of stapled securities	(12,784,577)	(58,904)	(118)	
Securities on issue - 31 December 2024	710,170,889	3,212,279	6,523	
Balance at the end of the period attributable to the securityholders of:				
DIF	710,170,889	3,212,279	3,271,183	-
Finance Trust	710,170,889	6,523	6,641	6,641

As stipulated in the REIT's constitutions, each security represents a right to an individual share in the REIT and does not extend to a right to the underlying assets of the REIT. There are no separate classes of securities and each security has the same rights attaching to it as all other securities in the REIT.

Each stapled security confers the right to vote at meetings of securityholders, subject to any voting restrictions imposed on a securityholder under the *Corporations Act 2001* and the Australian Securities Exchange Listing Rules.

Distribution reinvestment plan (DRP)

The REIT has established a Distribution Reinvestment Plan (DRP) under which securityholders may elect to have all or part of their distribution entitlements satisfied by the issues of new securities rather than being paid in cash.

The DRP issue price is determined at a discount of 1.0% to the average of the daily volume weighted price of all securities traded on the ASX during the 10 business days commencing on the third business day following the distribution record date.

The DRP was not active during the period.

Repurchase and cancellation of stapled securities

During the six months to 31 December 2024, the REIT repurchased 12,784,577 stapled securities, on market, for a total consideration of \$50.0 million (\$3.91 per stapled securities). The REIT cancelled the repurchased units. The cancellation reduced the contributed equity and increased retained profits by the repurchased stapled securities entitlement of \$59.0 million and \$9.0 million respectively.

D. Further Information

D1. Events occurring after balance date

The Directors of the Responsible Entity are not aware of any matter or circumstance not otherwise dealt with in the interim financial statements that has significantly affected or may significantly affect the operations of the REIT or Finance Trust, the results of their operations or the state of affairs of the REIT or Finance Trust in future financial years.

D2. Other material accounting policies

(a) Basis of preparation

The interim financial report of the Charter Hall Long WALE REIT comprises Charter Hall Direct Industrial Fund, LWR Finance Trust and their respective controlled entities.

These general purpose consolidated financial statements for the half year ended 31 December 2024 have been prepared in accordance with the REIT's and Finance Trust's constitutions, Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The REIT is a for-profit entity for the purpose of preparing the consolidated financial statements. The consolidated financial statements are presented in Australian dollars, which is the REIT's functional and presentation currency.

These interim financial reports do not include all notes normally included in an annual financial report. Accordingly, these reports should be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Charter Hall Long WALE REIT during the half year ended 31 December 2024 in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Unless otherwise stated, the accounting policies adopted in the preparation of the interim financial reports are consistent with those of the previous financial year.

Net current asset deficiency

As at 31 December 2024, the REIT has a net deficiency of current assets over current liabilities of \$11.6 million. The REIT will be able to meet its day-to-day working capital requirements from readily accessible credit facilities of \$240.0 million and operating cash flow. The REIT does not foresee any issues in meeting the current liabilities over the course of the next 12 months, and therefore these consolidated financial statements have been prepared on a going concern basis.

(b) Comparative information

Where necessary, comparative information has been adjusted to conform to changes in presentation in the current period. No material adjustments have been made to comparative information in this report.

(c) Rounding of amounts

Under the option provided by ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 (as amended) issued by the Australian Securities and Investments Commission relating to the 'rounding off' of amounts in the financial statements, amounts in the REIT's and Finance Trust's consolidated financial statements have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

(d) Changes in accounting standards

No new accounting standards or amendments have come into effect for the half year ended 31 December 2024 that affect the REIT's or Finance Trust's operations or reporting requirements.

Directors' declaration to stapled securityholders

In the opinion of the Directors of Charter Hall WALE Limited, the Responsible Entity of Charter Hall Long WALE REIT and LWR Finance Trust:

- a the consolidated financial statements and notes set out on pages 9 to 24 are in accordance with the *Corporations Act 2001*, including:
 - i complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements and
 - ii giving a true and fair view of the REIT's and LWR Finance Trust's financial position as at 31 December 2024 and of its performance for the half year ended on that date and
- b there are reasonable grounds to believe that the REIT and LWR Finance Trust will be able to pay their debts as and when they become due and payable.

The Directors have been given declarations by the Fund Manager, who performs the Chief Executive Officer function, and the Head of Finance, who performs the Chief Financial Officer function, required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.



Glenn Fraser
Chair

Sydney
7 February 2025



Independent auditor's review report to the stapled securityholders of Charter Hall Long WALE REIT and the unitholders of LWR Finance Trust

Report on the interim financial reports

Conclusion

We have reviewed the interim financial reports of Charter Hall Direct Industrial Fund and the entities it controlled during the half-year and LWR Finance Trust and the entity it controlled during the half-year (together "Charter Hall Long WALE REIT" or "REIT") and LWR Finance Trust and the entity it controlled during the half-year (together "Finance Trust"), which comprise the consolidated balance sheets as at 31 December 2024, the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the half-year ended on that date, material accounting policy information and selected explanatory notes and the directors' declaration to the stapled securityholders.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial reports of Charter Hall Long WALE REIT and the Finance Trust do not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Charter Hall Long WALE REIT's and the Finance Trust's financial positions as at 31 December 2024 and of their performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

We are independent of the Charter Hall Long WALE REIT's and the Finance Trust 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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors of the Responsible Entity for the interim financial reports

The directors of Charter Hall WALE Limited (the Responsible Entity) are responsible for the preparation of the interim financial reports, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, BARANGAROO, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au
Level 11, 1PSQ, 169 Macquarie Street, PARRAMATTA NSW 2150, PO Box 1155 PARRAMATTA NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.



determine is necessary to enable the preparation of the interim financial reports that are free from material misstatement whether due to fraud or error.

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

Our responsibility is to express a conclusion on the interim financial reports based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial reports are not in accordance with the *Corporations Act 2001* including giving a true and fair view of Charter Hall Long WALE REIT's and Finance Trust's financial positions as at 31 December 2024 and of their performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'Klynton Hankin'.

Klynton Hankin
Partner

Sydney
7 February 2025

For personal use only