WINTON

Winton builds neighbourhoods.

INTERIM FINANCIAL STATEMENTS
31 DECEMBER 2021

Contents


AYRBURN
ARROWTOWN

Letter from Chris Meehan, CEO and Chair

On behalf of the Board, I am delighted to announce Winton's inaugural interim results as a listed company for the six months ending 31 December 2021 (H1 FY22) with revenue of $44.3 million, a gross profit margin of 43% and pro forma EBITDA of $8.8 million[1]. Our pre-sale book is market-leading and continues to grow, outpacing settlements by $86 million this year to date to $738m[2].

As Chief Executive Officer and Chairman, it gives me great pleasure to bring you our interim results after listing on the NZX Main Board and ASX as a Foreign Exempt Listing in December last year. While it was just over two months ago, it is still very fresh in our minds. Thank you to everyone that helped us through the listing process and the abundance of investors that supported the Initial Public Offering raising $350 million. The Board of Directors were humbled to receive such incredible support and are pleased to share the company's success with a wider group, including Winton employees throughout New Zealand.

Since listing Winton has been assigned the Global Industry Classification Standard (GICS) code '60 – Real Estate', a requirement to be included in the S&P/NZX All Real Estate Index.

It has been great to reflect on how far the business has come since we started it in 2009 and where we are now. But what is most exciting is knowing the best is yet to come. Along with the Board of Directors and the rest of the Winton team, we are energised to deliver on what we said we would during the IPO and are excited about what's ahead as we embark on a new phase of growth in the Winton journey.

As a business, we are in incredibly robust shape. We have a landbank with the potential to yield up to 7,314 units[3] including 917 retirement living units, and a pre-sales book that is outpacing realised sales of $738 million[2] , cash holdings of c.$380 million and total debt of c.$130 million. If an inflationary environment sets in, we hold an asset class in residential and retirement property with a total estimated Gross Development Value (GDV)[4] of c.$4.5 billion, that over the last 30 years has been highly correlated to CPI. If any smaller participants in the property market should take a COVID related stumble, we are in a favourably strong position to capitalise on this in the knowledge we have both strong cash reserves and an even stronger forward pre-sales book.

Even though COVID disrupted New Zealand during the second half of the 2021 calendar year, the Winton team and its contractors remained agile and proactive to continue to safely work when restrictions allowed. Utmost care was taken onsite and in Winton offices to ensure our people and contractors stayed safe during the different alert levels and continue to do so as we path our way through the current Omicron scenario. While it has been incredibly frustrating at times, I couldn't be prouder of our team and our contractors as they navigated the various lockdowns and rebounded workflows onsite as quickly as possible.

Disruption continues and we have all experienced supply chain issues and will continue to do so. However, in acting quickly at the start of 2021 lockdowns, we confirmed as many orders as we could, well in advance, to protect ourselves. The certainty our pre-sale book provides us and our robust project planning means we can continue to order well in advance to ensure materials are in New Zealand when we need them. While we aren't immune from the ongoing supply issues, we have managed to mitigate and avoid major delays and locked in a very high proportion of our delivery costs with financially sound, capable contractors and suppliers.

Given the nature of the Winton business, pre-sales continue to be the key indicator of future revenues. For the six months ending 31 December 2021, gross pre-sales were $720 million and have continued to increase since the balance date to $738 million[2]. This is an excellent result over the summer period and the more recent sales reflect the strength and market appeal of the Winton brand.

1 Pro forma EBITDA is a non-NZ GAAP measure that includes pro forma adjustments. You can find a reconciliation to NZ GAAP measures in Winton's results presentation.
2 As at 18 February 2022
3 Units comprise residential land lots, dwellings, townhouses, apartments, retirement living units and commercial units.
4 GDV is gross development value, it is a non-GAAP measure. GDV is Winton's estimated gross sales value of the relevant project as at 30 June 2021 (including GST and excluding units already settled) as if that project were complete and sold based on prevailing market conditions on that date. For the avoidance of doubt, no escalation in the sales value of lots/units has been assumed, except for pre-sold units which are based on the relevant contractual arrangements. GDV is an important metric for Winton as it reflects Winton's estimate of market demand and planning outcomes and is continually assessed and monitored by Winton as projects progress.

Reaffirming Guidance

The Board of Directors is pleased to reaffirm FY22 revenue guidance of $158.0 million. In H1 FY22, $44.3 million revenue was recognised, and we have achieved 97% in pre-sales of forecast revenue in H2 FY22 as at 18 February 2022. The remaining $113.7 million is on target to be recognised in H2 FY22, with $10.9 million in settlements having already occurred and two major project stages to be completed and settled over the coming months. These projects are 142 lots in Stage 2 at Lakeside, which completed and are currently awaiting titles, and 39 apartments in The Marlborough at Launch Bay which is nearing Code of Compliance submission. Both of these products are entirely pre-sold.

Pro forma EBITDA FY22 guidance remains unchanged at $49.0 million, along with profit after income tax FY22 guidance of $29.7 million. Therefore, as expected, we plan to pay a 1.0 cent dividend per share for the full year.

Looking further ahead, we are on target to meet the FY23 guidance provided in the PDS. For FY23, to date, we have achieved 73% in pre-sales of forecast revenue in FY23 and expect to deliver $344.7 million in revenue for the full year, $137.5 million EBITDA and $98.8 million profit after income tax.

From FY23, dividends are expected to be declared and paid twice yearly following the release of interim and annual results, as outlined in the PDS issued on 1 December 2021.

The guidance is subject to no material adverse changes or unforeseen events, no material development delays, settlement defaults or any further material covid-19 restrictions.

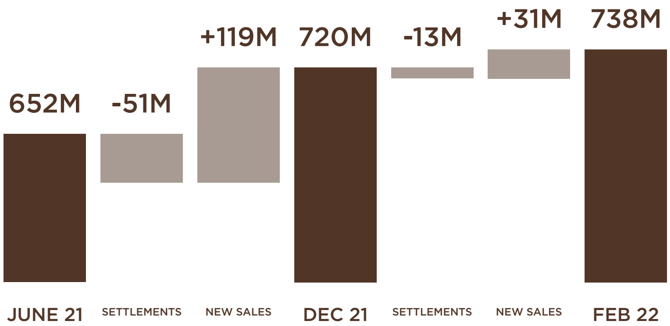
$738M
PRE-SALES

$350M
CAPITAL RAISE

LANDBANK
YIELD UP TO
7,314
UNITS

$158M
REVENUE FY22F

GROSS PRE-SALES



Financial Commentary

The first half of FY22 revenue was $44.3 million compared to $92.7 million in the comparable H1 FY21 period. The 52.2% difference reflects the timing, volume and value of settlements during the current and prior periods. The volume of units varies from year-to-year depending on the number and size of projects under development and the development lifecycle of each project, the staging of construction works, the level of pre-sales and the underlying market.

In H1 FY22, there was a 47.8% decrease in the volume of units settled, driven by fewer settlements at Lakeside following high settlement volumes in H1 FY21, and an 8.5% decrease in the average value of units settled due to the change in product mix. In H1 FY21 the average unit price was $378,000 as more dwellings sold, and in H1 FY22, the average unit price was $346,000 as more residential lots were sold.

Cost of Sales reflects the costs of the land and to develop the land and property for sale. In H1 FY22 Cost of Sales was $25.0 million, down 62.9% from $67.5 million in H1 FY21. Costs of sales are recognised in alignment with revenue; therefore, the decrease reflects the 47.8% decrease in the volume of units settled, driven primarily by the reduced settlements at Lakeside following high settlement volumes in H1 FY21. The remaining decrease reflects a 29.0% lower average cost of units settled due to the decrease in the volume of dwellings settled (versus residential lots).

Gross Profit was $19.3 million, down 23.4% compared to H1 FY21, reflecting lower revenue as explained above. Gross Profit Margin for H1 FY22 was 43.5% compared to 27.2% in H1 FY21 due to a higher average margin from the product mix settled during H1 FY22.

One-off listing and offer costs are removed in the pro forma earnings before interest depreciation and amortisation (EBITDA) to demonstrate the business's underlying performance. For H1 FY22 pro forma EBITDA was $8.7 million, down 52.5% from $18.4 million in H1 FY21. The decrease reflects lower revenue discussed above and higher selling and administrative expenses.

The higher selling expenses were attributable to additional marketing that hadn't been incurred before, including Winton brand marketing and the establishment of the new Sunfield and Northbrook projects. Given that Sunfield is such a forward-thinking and innovative project, Winton is seeking to utilise new legislation for rezoning and has sort significant public and stakeholder education to support the proposal.

Profit after income tax for the period was $1.3 million compared to $10.4 million in the comparative period.

As at 31 December 2021, cash and cash equivalents were $347.9 million, compared to $35.0 million on 30 June 2021, reflecting funds from the capital raise received in December. Total assets were $596.0 million and total liabilities were $173.3 million. Net cash as at 31 December 2021 was $250.2 million. Net cash includes the $130.0 million loan that will be assessed for repayment in full with funds from the capital raise by year end.

LAUREN CHRISTIE
GENERAL MANAGER
QUEENSTOWN

Business Update

Pre-sales have continued to grow significantly, and execution onsite has continued at pace at Winton neighbourhoods throughout New Zealand.

The already established and thriving Northlake community in Wanaka was a hive of activity during H1 FY22. Stage 14A civils and landscaping were completed during the period, with 28 residential lots settled and handed over to buyers eager to get started on the construction of their new homes. Within Stage 15, 17 residential lots and 16 new homes were settled and construction began on the 28 duplex dwellings.

Launch Bay is our beautiful absolute waterfront neighbourhood at Hobsonville Point in Auckland. Launch Bay includes various projects targeting different segments of the market. Construction of the Ovation Apartments has continued in line with the project timeline, with the brick façade currently being installed, along with the windows. At the neighbouring Ovation Townhouses and the Launch Bay Townhouses, concrete foundations are soon to be poured, kicking off vertical construction of both products. The Marlborough apartments are nearing completion, with internal finishing well underway. We also launched pre-sales of the premium Jimmy's Point apartments at the end of 2021 and received an immediately strong uptake from the market.

In Central Otago, we have some truly unique projects that we are working on. River Terrace is a boutique 17 lot lifestyle subdivision located 3km from Cromwell with generous sections ranging from 1.32 to 3.92 hectares. During H1 FY22, we started works onsite that are now complete. Application for titles is underway and these are anticipated to issue in April 2022.

Remediation of the historic farm buildings at Ayrburn near Arrowtown is in progress and will be the backbone of a prestigious hospitality precinct called Ayrburn Domain. Significant progress has also been made on the access way to Waterfall Park which also involved significant environmental initiatives to protect and improve water quality and biodiversity of the creek that runs alongside the access road including, stock exclusion, comprehensive riparian planting, creek widening, stream diversions and creating weirs in the creek.

We also delivered the final 11 residential lots at Longreach Cooks Beach, bringing the 163 residential lot development to an end. Longreach has been an incredible project from start to finish and we will continue to watch with interest as buyers build their dream homes in one of New Zealand's coastal gems.

We submitted our application to the new Urban Development Act legislation for Sunfield, our forward-thinking and sustainable 3,643 home neighbourhood, together with c.50 hectares of employment land in Papakura, Auckland. Sunfield is a first for Australasia, with 90% fewer cars and based on the principle of a 15-minute neighbourhood where residents can work, live and play. Given its innovative masterplan and the complexities involved, we believe it is perfectly suited for the new Urban Development Act legislation. The demand for housing in this area is only out-stripped by the demand for employment land, so we look forward to hearing whether Sunfield has been accepted for assessment by the Minister of Housing before the end of March 2022.

Northbrook is our luxury retirement brand focused on delivering a high-end later living experience. We are assembling an experienced team to execute the retirement strategy, led by ex-Summerset CEO Julian Cook, and have commenced the process of developing five retirement village projects which will yield 917 retirement units. Each current project is at various stages of seeking resource consents, with the first retirement properties expected to be completed during 2024.

We are looking forward to some key deliverables across different projects in the second half of the financial year. At Lakeside Te Kauwhata, we will complete and settle 142 residential lots in Stage 2A and finish and handover the school site to the Ministry of Education for a new 1,000 pupil primary school. Extensive earthworks for Stage 3 comprising 435 residential lots are underway, along with continuing construction of the neighbourhood commercial/retail centre.

Our one neighbourhood in Australia is North Ridge Cessnock. It is progressing as planned and sales have continued to be strong. During H2 FY22, we will complete and settle the 27 residential lots within Stage 2 and continue with significant earthworks and civil works in Stages 3 and 4. We also launched 42 residential lots within Stages 5 and 6.

Beaches Matarangi has had a standout summer of sales, as New Zealanders continue to secure their own piece of coastal property. Following the launch of Stages 11-15, we had more than 70 sales over the summer period, and only a handful of sections are left. While these sales don't impact current forecasts, they contribute to the ever-growing pre-sales book and, therefore, future revenue pipeline. In the remaining months of the FY22 financial year, we will settle the balance of the 48 residential lots in Stages 3 and 4 and continue with the earthworks and civil works for the future stages that are under construction.

Market and outlook

With a solid balance sheet, a reputable and high-quality brand and a proven ability to acquire land and execute large development plans, Winton is in a strong position to continue to deliver on the strategy we shared in the PDS.

The market dynamic is complex and after a buoyant 2 years, the macro settings are evolving as we move into year 3 of a COVID impacted economy where high inflation has taken its grip following the past two years of the Government supporting the economy. In addition, we are seeing rising interest rates, net migration loss, the effects of changes to lending rules, Credit Contracts and Consumer Finance Act and potential regulatory changes to the Resource Management Act.

With all of that being said, we are confident with our position given our secured revenue pipeline from comparatively high pre-sales, which mitigates market risk from shorter-term fluctuations. Should we observe short-term hesitancy in the residential market, Winton's target market is diversified to capture retirement living buyers in the upper quartile who are asset-rich and largely immune to inflation and interest rate rises.

As we look ahead, the housing shortage continues throughout New Zealand, particularly in Auckland, which will only increase when net migration returns once border controls are relaxed (for the year ended December 2021 net migration was estimated to be -3,900 versus 80,000+ for the year ended December 2019, the last pre-COVID year).

Recently reported building consent data showed significantly higher consents which will help address the housing shortage if they materialise into homes. However, potential consolidation in the sector from smaller players that are unable to weather the macro headwinds and don't have the same resiliency to mitigate supply chain issues and ongoing COVID disruptions, will impact conversion from consent to build.

In our established market-leading position, with our track record of successful developments and extensive development pipeline, we believe this is a great time for Winton to continue to execute its growth strategy, outperforming competitors and taking market share. Winton remains focused on developing thoughtfully designed neighbourhoods and creating thriving residential communities and retirement villages throughout New Zealand.

Chris Meehan
Chair

SUNFIELD
PAPAKURA

Interim Financial Statements

FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

Consolidated Statement of Comprehensive Income

For the six months ended 31 December 2021

All VALUES IN $000'S	NOTE	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2021	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2020
Revenue	2	44,328	92,682
Cost of sales		(25,047)	(67,497)
Gross profit		19,281	25,185
Other income		1,001	154
Property expenses		(279)	(298)
Selling expenses		(5,717)	(1,684)
Administrative expenses	6.1	(5,491)	(4,933)
Share-based payment expense		(62)	-
Offer costs	1.5	(5,950)	-
Earnings before interest expense, taxation and depreciation (EBITDA)		2,783	18,424
Depreciation		(309)	(342)
Earnings before interest expense and taxation (EBIT)		2,474	18,082
Interest income		215	48
Interest expense and bank fees		(360)	(3,496)
Profit before income tax		2,329	14,634
Income tax expense			
Current taxation	6.2	3,423	(2,160)
Deferred taxation	6.2	(4,413)	(2,048)
Total income tax expense		(990)	(4,208)
Profit after income tax		1,339	10,426
Items that may be reclassified to profit or loss:			
Movement in currency translation reserve		(88)	9
Total comprehensive income after income tax attributable to the shareholders of the Company	5	1,251	10,435
Basic earnings per share (cents)	5.1	0.59	5.07
Diluted earnings per share (cents)	5.2	0.58	5.07

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the six months ended 31 December 2021

ALL VALUES IN $000'S	NOTE	SHARE CAPITAL	RETAINED EARNINGS	SHARE BASED PAYMENTS RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	TOTAL EQUITY
Balance as at 30 June 2020 (audited)		49,100	7,442	-	16	56,558
Total comprehensive income		-	10,426	-	9	10,435
Dividends to shareholders	6.3	-	(17,276)	-	-	(17,276)
Balance as at 31 December 2020 (unaudited)		49,100	592	-	25	49,717
Balance as at 30 June 2021 (audited)		49,100	34,691	-	4	83,795
Total comprehensive income		-	1,339	-	(88)	1,251
Proceeds from primary issuance	6.3	350,000	-	-	-	350,000
Offer costs capitalised to equity	6.3	(15,356)	-	-	-	(15,356)
Employee share bonus	6.3	2,928	-	-	-	2,928
Share-based payment expense		-	-	62	-	62
Balance as at 31 December 2021 (unaudited)		386,672	36,030	62	(84)	422,680

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 31 December 2021

All VALUES IN $000'S	NOTE	UNAUDITED 31 DECEMBER 2021	AUDITED 30 JUNE 2021
CURRENT ASSETS			
Cash and cash equivalents		347,873	35,026
Restricted cash	6.4	30,706	34,391
Accounts receivable, prepayments and other receivables	6.5	4,994	5,217
Inventories	3	84,641	46,954
Total current assets		468,214	121,588
NON-CURRENT ASSETS			
Restricted cash	6.4	1,604	11,120
Inventories	3	122,080	116,937
Property, plant and equipment		3,392	2,926
Right-of-use asset		612	735
Intangible assets		123	123
Total non-current assets		127,811	131,841
Total assets		596,025	253,429
CURRENT LIABILITIES			
Accounts payable, accruals and other payables	6.6	19,400	16,585
Taxation payable		11,609	15,079
Total current liabilities		31,009	31,664
NON-CURRENT LIABILITIES			
Borrowings	4	128,839	128,732
Lease liability		424	547
Contract liability	6.7	7,225	7,225
Deferred tax liabilities	6.2	5,508	1,095
Long term deposits	6.8	340	371
Total non-current liabilities		142,336	137,970
Total liabilities		173,345	169,634
Net assets		422,680	83,795
EQUITY			
Share capital	6.3	386,672	49,100
Foreign currency translation reserve		(84)	4
Share-based payment reserve		62	-
Retained earnings		36,030	34,691
Total equity		422,680	83,795

These interim financial statements are signed on behalf of Winton Land Limited and were authorised for issue on 24 February 2022.

Christopher Meehan
Chairman

Anna Molloy
Chair, Audit and Risk Committee

Consolidated Statement of Cash Flows

For the six months ended 31 December 2021

All VALUES IN $000'S	NOTE	UNAUDITED 31 DECEMBER 2021	UNAUDITED 31 DECEMBER 2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		47,319	92,517
Interest received		212	48
Net GST (paid) / received		(1,370)	2,549
Payments to suppliers and employees		(50,291)	(55,347)
Deposits paid on unconditional contracts for land		(10,200)	-
Interest and other finance costs paid		(3,745)	(3,374)
Income tax (paid) / received		(47)	132
Net cash flows from operating activities		(18,122)	36,525
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(653)	(1,061)
Net cash flows from investing activities		(653)	(1,061)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issue of new shares	6.3	350,000	-
Payment of offer costs	1.5	(18,378)	-
Net repayment of related party loans		-	22
Net repayment of Clipper facility		-	(44,404)
Net cash flows from financing activities		331,622	(44,382)
Net increase in cash and cash equivalents		312,847	(8,918)
Cash and cash equivalents at beginning of year		35,026	16,980
Cash and cash equivalents at end of year		347,873	8,062

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

For the six months ended 31 December 2021

1. General Information

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

1.1. Reporting entity

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

The Group's principal activity is the development and sale of residential land properties.

1.2. Basis of preparation

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

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

These interim financial statements should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2021 which may be downloaded from the Company's website (https://www.winton.nz).

1.3. Critical judgements, estimates and assumptions

In applying the Group's accounting policies, the Board and Management continually evaluates judgements, estimates and assumptions that may have an impact on the Group. The significant judgements, estimates and assumptions made in the preparation of these financial statements were the same as those applied to the consolidated financial statements as at and for the year ended 30 June 2021.

1.4. Accounting policies

The accounting policies adopted are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2021.

1.5. Significant events and transactions

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

Initial Public Offering (IPO)

On 17 December 2021, the Group issued 90,043,735 shares at $3.8870 per share (total value $350,000,000) in an IPO. Offer costs associated with the transaction totalled $21,306,000. $5,950,000 of costs are recognised in the statement of comprehensive income. The remaining $15,356,000 of costs are capitalised against equity as these costs relate to the issue and listing of new capital. Included in these costs, $2,928,000 was settled by way of issuance of new shares (753,278 shares) to employees.

Inventories acquisitions

On 1 July 2021, the Group contracted to purchase land at Wynyard Quarter, Auckland for $70,000,000. An initial deposit of $7,000,000 was paid on 7 July 2021 and is included in inventories as at 31 December 2021.

On 9 September 2021, the Group contracted to purchase land at Avon Loop, Christchurch for $32,000,000. An initial deposit of $3,200,000 was paid on 9 September 2021 and is included in inventories as at 31 December 2021.

1. General Information (Continued)

1.6. Impact of the COVID-19 pandemic on the significant accounting judgements, estimates and assumptions.

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020. The outbreak and the response of Governments in dealing with the pandemic is interfering with general activity levels within the community, the economy and the operations of the Group. The scale and duration of these developments remain uncertain as at the date of these financial statements. The Group has considered the potential impact of the COVID-19 pandemic in the significant accounting judgements, estimates and assumptions. However, as these are subject to heightened uncertainty the actual outcomes may differ from the estimates.

The Group has managed and continues to actively manage the risks arising from COVID-19. This includes a financial response plan incorporating when necessary:

— the deferral of the commencement of new projects;

— minimising development expenditure to reflect management forecasts for COVID-19 sales rates pre-Government stimulus; and

— a strong focus on managing the settlement risk of contracts on hand.

2. Revenue

All VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2021	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2020
Revenue from contracts with customers	44,328	92,682
Total revenue	44,328	92,682

Revenue represents amounts derived from land and property sales. Land and property sales are recognised when the customer obtains control of the property and is able to direct and obtain the benefits from the property. The customer gains control of the property when the Group receives full and final consideration for the property and the Group transfers over the certificate of title.

3. Inventories

This section shows the inventories used to generate the Group's trading performance which are considered to be the most relevant to the operations of the Group.

All VALUES IN $000'S	UNAUDITED 31 DECEMBER 2021	AUDITED 30 JUNE 2021
Expected to settle within one year	84,641	46,954
Expected to settle greater than one year	122,080	116,937
Total inventories	206,721	163,891

During the six months ended 31 December 2021, $3,426,000 of interest has been capitalised to inventories (six months ended 31 December 2020: $1,103,000 and year ended 30 June 2021: $2,996,000).

4. Borrowings

This section outlines how the Group manages its capital structure, financing costs and exposure to interest rate risk.

(i) Net borrowings

All VALUES IN $000'S	UNAUDITED 31 DECEMBER 2021	AUDITED 30 JUNE 2021
MMLIC facility drawn down	130,000	130,000
Unamortised borrowings establishment costs	(1,161)	(1,268)
Net borrowings	128,839	128,732
Weighted average interest rate for drawn debt (inclusive of margins and line fees)	5.71%	5.19%
Weighted average term to maturity (years)	5.4	5.9

(ii) MMLIC facility

On 15 June 2021, Lakeside Developments 2017 Limited (a 100% subsidiary company of the Company) entered into a debt facility with Massachusetts Mutual Life Insurance Company (MMLIC) for $130,000,000. The facility expires 3 June 2027. Restricted cash includes cash of $29,906,000 (30 June 2021: $43,109,000) that has been funded by the MMLIC facility (see note 6.4). The group will consider repayment on the loan on the loans first anniversary date of 15 June 2022.

(iii) Security

The MMLIC facility is secured by way of a general security deed provided by Lakeside Developments 2017 Limited and Lakeside Residential Limited and a registered mortgage security across the Lakeside development property. The Company has provided a $10,000,000 corporate guarantee which increases to $20,000,000 should 30 day BKBM be equal or greater than 3.00%.

5. Investor Returns and Investment Metrics

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

5.1. Basic earnings per share

	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2021	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2020
Total comprehensive income for the period attributable to the shareholders of the Company ($000s)	1,251	10,435
Weighted average number of ordinary shares (shares)	213,218,653	205,816,723
Basic earnings per share (cents)	0.59	5.07

5.2. Diluted earnings per share

The calculation of diluted earnings per share has been based on the profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. Weighted average number of shares for the purpose of diluted earnings per share has been adjusted for 11,165,422 share options (31 December 2020: nil) issued under the Group's Share Option Plan as at 31 December. This adjustment has been calculated using the treasury share method.

	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2021	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2020
Total comprehensive income for the period attributable to the shareholders of the Company ($000s)	1,251	10,435
Weighted average number of ordinary shares (shares)	214,128,878	205,816,723
Diluted earnings per share (cents)	0.58	5.07

6. Other

6.1. Administrative expenses

All VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2021	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2020
Auditors remuneration:		
Audit of annual financial statements	(125)	(48)
Tax compliance and advisory fees	(122)	(57)
Directors' fees	(80)	(7)
Doubtful debts expense	-	(334)
Employee benefits expense	(3,417)	(3,549)
Operating lease and rental payments	(60)	(30)
Other expenses	(1,687)	(908)
Total administrative expenses	(5,491)	(4,933)

The Auditors also received remuneration in relation to their role as Investigating Accountant for the IPO and tax advisers. These fees for the six months ended 31 December 2021 were $691,000 (six months ended 31 December 2020: nil) and are included within offer costs capitalised to equity.

6.2. Taxation

(i) Current taxation

All VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2021	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2020
Profit before income tax	2,329	14,634
Prima facie income tax calculated at 28%	(652)	(4,098)
Adjusted for:		
Prior period adjustment	4,082	-
Non-tax deductible revenue and expenses	(335)	(105)
Movement in temporary differences	249	156
Tax losses utilised	79	1,887
Current taxation expense	3,423	(2,160)

The prior period adjustment for the six months ended 31 December 2021 of $4,082,000 relates to an IRD binding ruling issued in February 2022. There is a corresponding increase in the deferred tax liability and has no impact on the profit after income tax on the Consolidated Statement of Comprehensive Income.

6. Other (Continued)

6.2. Taxation (Continued)

(ii) Deferred taxation

All VALUES IN $000'S	AUDITED 30 JUNE 2021 AS AT	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2021 RECOGNISED IN PROFIT	UNAUDITED 31 DECEMBER 2021 AS AT
Deferred tax assets			
Employee benefits	90	66	156
Accounts payable, accruals and other payables	207	(58)	149
Lease liability	221	(32)	189
Losses available for offsetting against future taxable income	79	(79)	-
Gross deferred tax assets	597	(103)	494
Deferred tax liabilities			
Accounts receivable, prepayments and other receivables	3	-	3
Right-of-use asset	206	(34)	172
Inventories	1,483	4,344	5,827
Gross deferred tax liabilities	1,692	4,310	6,002
Net deferred tax liability	(1,095)	(4,413)	(5,508)

6.3. Equity

(i) Capital and Reserves

	NOTE	UNAUDITED 31 DECEMBER 2021 SHARES '000S	UNAUDITED 31 DECEMBER 2021 $000'S	AUDITED 30 JUNE 2021 SHARES '000S	AUDITED 30 JUNE 2021 $000'S
Shares issued 1 July		205,817	49,100	205,817	49,100
Primary issuance		90,044	350,000	-	-
Issue of share capital to employees		753	2,928	-	-
Offer costs	1.5	-	(15,356)	-	-
Total shares issued and outstanding		296,614	386,672	205,817	49,100

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

Notes to the Consolidated Financial Statements

For the six months ended 31 December 2021

6. Other (Continued)

6.3. Equity (Continued)

(ii) Dividends

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

All VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2021	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2020
8.39381 cents per qualifying ordinary share – 16-Oct-20	-	(17,276)
Total dividends	-	(17,276)

6.4. Restricted cash

All VALUES IN $000'S	UNAUDITED 31 DECEMBER 2021	AUDITED 30 JUNE 2021
Expected to be utilised within one year	30,706	34,391
Expected to be utilised greater than one year	1,604	11,120
Total restricted cash	32,310	45,511

Restricted cash includes cash of $29,906,000 (30 June 2021: $43,109,000) that is specifically available to fund the development costs associated with the Lakeside development only as a condition of the MMLIC facility.

6.5. Accounts receivable, prepayments and other receivables

All VALUES IN $000'S	UNAUDITED 31 DECEMBER 2021	AUDITED 30 JUNE 2021
Accounts receivable	-	2,021
Prepayments and other receivables	4,994	3,196
Total accounts receivable, prepayments and other receivables	4,994	5,217

6.6. Accounts payable, accruals and other payables

All VALUES IN $000'S	UNAUDITED 31 DECEMBER 2021	AUDITED 30 JUNE 2021
Accounts payable	11,034	9,452
Accruals and other payables in respect of inventories	4,134	2,444
Accruals and other payables	4,232	4,689
Total accounts payable, accruals and other payables	19,400	16,585

6. Other (Continued)

6.7. Contract liability

All VALUES IN $000'S	UNAUDITED 31 DECEMBER 2021	AUDITED 30 JUNE 2021
Contract liability	7,225	7,225
Total contract liability	7,225	7,225

Contract liability relates to the advance consideration received from a customer for land. The company has an obligation to transfer goods or services to a customer for which the entity has received consideration. This will be recognised as revenue when control of the land passes to the customer.

6.8. Long term deposits

Long term deposits as at 31 December 2021 of $340,000 (30 June 2021: $371,000) represent deposits paid by customers for future inventory purchases.

6.9. Related party transactions

All VALUES IN $000'S	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2021	UNAUDITED 6 MONTHS ENDED 31 DECEMBER 2020
Director fees	80	7
Employee benefits expense - Directors & Senior Managers	1,307	1,200
Senior Managers share bonus	2,135	-
Key management personnel	3,522	1,207

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

Senior Management were granted 3,344,484 shares options on 17 December 2021 with an exercise price of $3.8870. Of these, 1,114,828 share options have a vesting date of 17 December 2025, 1,114,828 share options have a vesting date of 17 December 2028 and 1,114,828 share options have a vesting date of 17 December 2031.

6. Other (Continued)

6.10 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Board of Directors. The Group is internally reported as a single operating segment being development and sale of residential land properties to the chief operating decision-maker.

6.11. Capital and land development commitments

As at 31 December 2021, the Group had entered into contractual commitments for development expenditure and purchase of land. Development expenditure represents amounts contracted and forecast to be incurred in future years in accordance with the Group's development programme. Land purchases represent the amounts outstanding for the purchase of land.

All VALUES IN $000'S	UNAUDITED 31 DECEMBER 2021	AUDITED 30 JUNE 2021
Development expenditure	88,380	52,905
Land purchases	161,800	70,000
Total capital and land development commitments	250,180	122,905

NORTHBROOK
ARROWTOWN

Directory

Board of Directors

Chris Meehan (Chair)
Julian Cook
Michaela Meehan
David Liptak
Anna Molloy
Glen Tupuhi
James Kemp
Jelte Bakker (alternate director)

Senior Management Team

Chris Meehan
Chief Executive Officer

Julian Cook
Director of Retirement

Michaela Meehan
Executive Director

Simon Ash
General Manager

Jean McMahon
Chief Financial Officer

Justine Hollows
General Counsel & Company Secretary

Registered Office

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New Zealand Legal Adviser

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15 Customs Street West,
Auckland 1010
New Zealand

Australia Legal Adviser

Mills Oakley
Level 7,
151 Clarence Street,
Sydney, NSW 2000
Australia

Bankers

Bank of New Zealand Limited

Share Registry

Winton Land's share register is maintained by Link Market Services Limited. Link is your first point of contact for any queries regarding your investment in Winton Land. You can view your investment, indicate your preference for electronic communications, access and update your details and view information relating to dividends and transaction history at any time by visiting the Link Investor Centre at investorcentre.linkmarketservices.co.nz (for New Zealand shareholders) and investorcentre.linkmarketservices.com.au (for Australian shareholders).

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