

FY2020 FINANCIAL RESULTS

27 AUGUST 2020



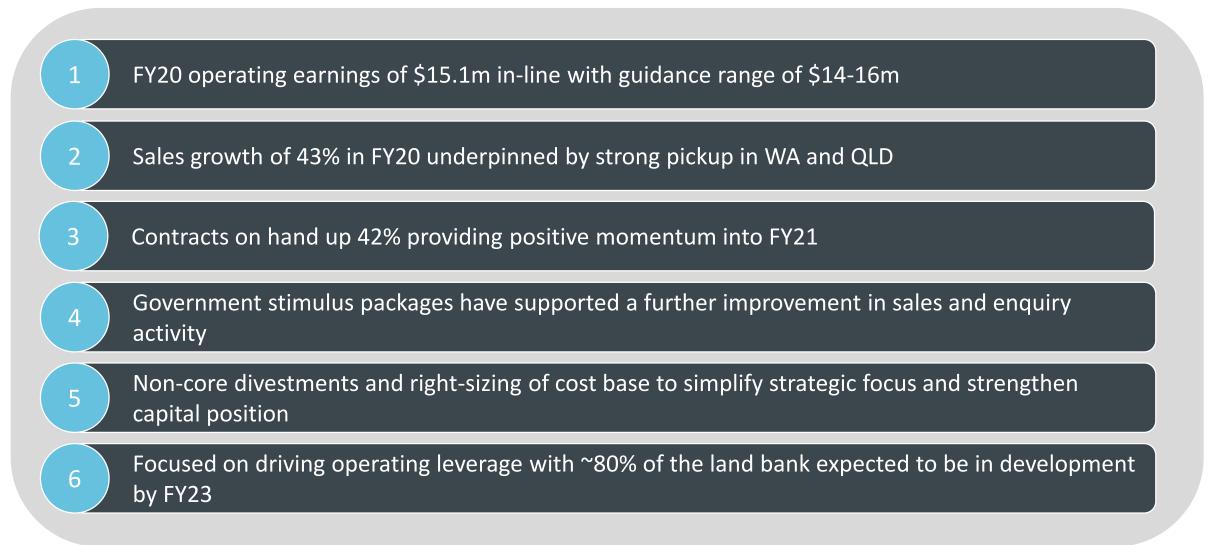
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PEET IS WELL POSITIONED TO LEVERAGE MARKET RECOVERY





COVID-19 IMPACT AND RESPONSE



PEOPLE AND SAFETY

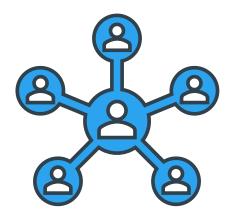
- Targeted best practice pandemic response
- Focused on protecting our people and supporting our customers
- Working from home measures implemented with gradual return to offices for employees
- Priority to support the ongoing viability of small business customers
- Community support packages





BUSINESS OPERATIONS

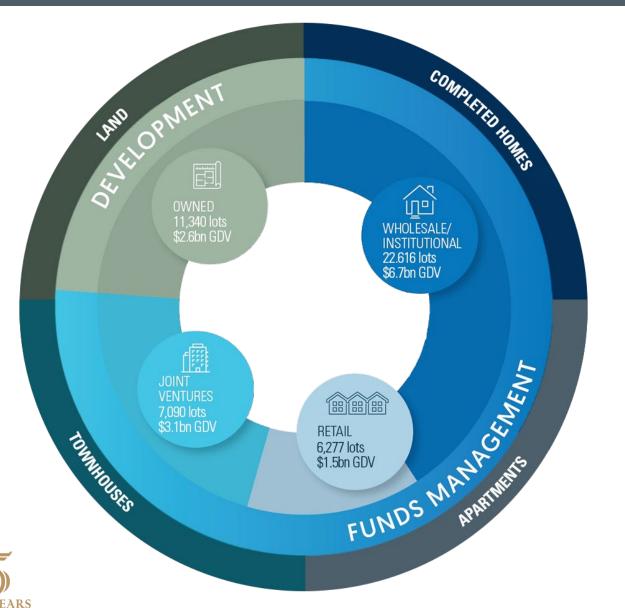
- Settlements impacted due to delays/timing and minimising development expenditure on new stock
- Deferral of new project commencements
- Right-sizing of cost base including divestment of non-core projects
- Re-sequenced masterplan staging to bring forward affordable lots
- Leveraged online product visualisation, virtual tours and interactive sales for safe buying experiences
- Accelerated production to align with expected demand due to Government stimulus
- Increased the release of affordable product to meet the surge in demand



MANAGEMENT RESPONSE

- A voluntary 20% reduction in remuneration for Leadership Team and the Board and a temporary reduction in working hours for most employees
- No FY20 Short Term Incentive
- Reduction of discretionary spend and deferral of non-essential capital expenditure
- Implemented measures to reduce operational costs
- Balance sheet liquidity of \$135m

LARGEST 'PURE PLAY' RESIDENTIAL DEVELOPER IN AUSTRALIA INTEGRATED MODEL WITH PROVEN CAPITAL PARTNERING CAPABILITY

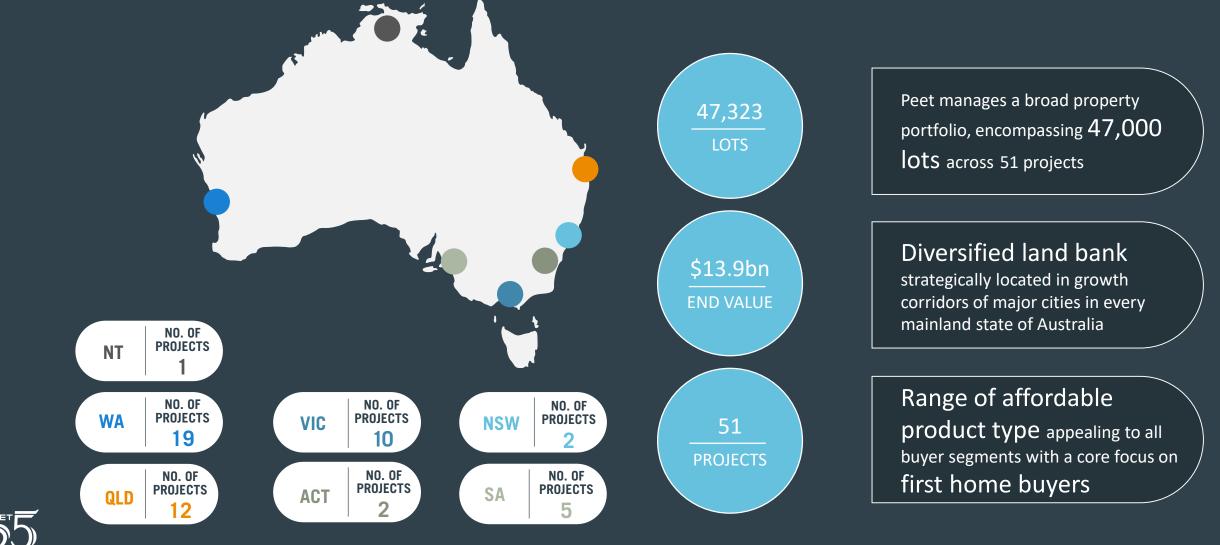


- Property development company established in 1895
- Listed on the ASX in 2004

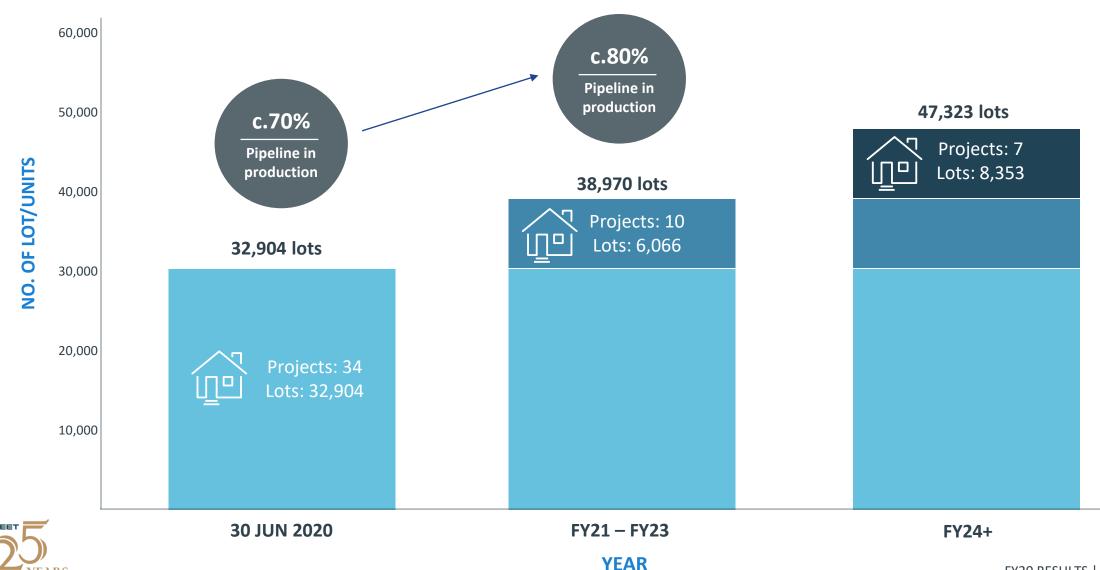
- Significant and diversified land bank encompassing more than 47,000 lots across 51 projects
- Integrated platform with broad product expertise across land, medium density townhouses and low rise apartments
- Flexible and unique funding model underpinned by proven capital partnering capability of c.36,000 lots held in capital efficient arrangements

BROAD CUSTOMER AND PRODUCT REACH

SCALE PIPELINE WITH LOW COST BASE PROVIDING SOLID EMBEDDED MARGINS

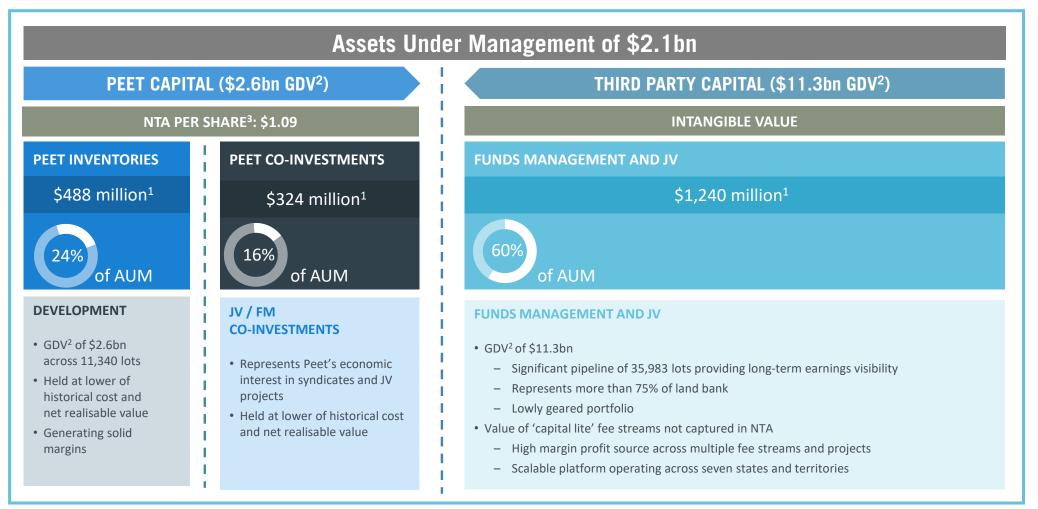


SIGNIFICANT OPERATING LEVERAGE POTENTIAL c.80% OF LAND BANK EXPECTED TO BE IN PRODUCTION BY FY23



UNIQUE FUNDS MANAGEMENT MODEL

SIGNIFICANT FUNDS MANAGEMENT PLATFORM VALUE NOT CAPTURED IN NTA





DELIVERING AGAINST OUR STRATEGY

PORTFOLIO WELL POSITIONED FOR POSITIVE MEDIUM TO LONG TERM GROWTH AND VALUE CREATION





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GROUP FY20 FINANCIAL RESULTS RESULT IMPACTED BY LOWER SETTLEMENTS AND COVID-19

KEY PERFORMANCE STATISTICS	FY20	FY19	VAR (%)		
Lot sales ¹	2,323	1,629	43%		Group sales
Lot settlements ¹	1,794	2,629	(32%)	•	Reflects the
Revenue ²	\$196.3m	\$262.9m	(25%)		minimising
EBITDA ^{3, 4}	\$37.0m	\$86.0m	(57%)	•	COVID-19
EBITDA ^{3, 4} margin	19%	33%	(14%)		Revenue w
Operating profit after tax ⁵	\$15.1m	\$47.5m	(68%)		
Restructuring and divestment-related provisions	(\$45.2m)	-	(100%)		Group EBI
Statutory (loss) / profit after tax	(\$30.1m)	\$47.5m	(163%)		Statutory lo
KEY METRICS	FY20	FY19	VAR (%)		related pro
EPS (operating)	3.1c	9.8c	(68%)		Group NTA • Value up
DPS ⁶	1.5c	5.0c	(70%)		Value of
	JUN 20	JUN 19	VAR (%)		
Book NTA per share ⁷	\$1.09	\$1.20	(9%)		

NOTES:

- 1. Includes equivalent lots
- 2. Includes share of net profit from associates and JVs
- 3. EBITDA is a non-IFRS measure that includes effects of non-cash movements in investments in associates and joint ventures
- 4. Pre restructuring and divestment-related provisions of \$61.0m (before tax)

5. Operating profit is a non-IFRS measure that is determined to present the ongoing activities of the Group in a way that reflects its operating performance. Operating profit excludes unrealised fair value gains/(losses) arising from the effect of revaluing assets and liabilities and adjustments for realised/unrealised transactions outside the core ongoing business activities

6. Fully franked

7. NTA before application of AASB 16 Leases.

Group sales were up due to improving market conditions and government stimulus

Reflects the impact of lower sales volumes in FY19 carrying into FY20 and minimising of development expenditure on new stock in response to COVID-19

Revenue was lower due to settlement volumes and COVID-19 impact

Group EBITDA^{3,4} impacted by lower settlement volumes

Statutory loss due to restructuring and non-core project divestment related provisions

Group NTA does not fully reflect:

- Value uplift on co-investment stakes in funds and JV's
- Value of Funds Management business

GROUP BALANCE SHEET

CONTINUED EXECUTION OF CAPITAL MANAGEMENT STRATEGY

CAPITAL MANAGEMENT METRICS	FY20	FY19	
Cash at bank ¹	\$46.8m	\$33.6m	•
Bank debt ²	\$59.9m	\$23.2m	•
Peet bonds/convertible notes ³	\$225.0m	\$225.0m	
Gearing ⁴	28.8%	24.6%	•
Interest cover ratio ⁵	1.6x	4.0x	•
Weighted average debt maturity	2.1 years	3.1 years	
Debt fixed/hedged	91%	91%	
Weighted average cash cost of debt	7.3%	8.0%	

- Cash and available bank debt headroom provides capacity to pursue growth opportunities
- All bank debt financial covenants waived until 30 June 2021
- Balance sheet liquidity of \$135m
- Gearing impacted by asset divestment provision remains within target range of 20% 30%
- Interest rate cover impacted by lower EBIT

Notes:

1 Includes cash at bank of syndicates consolidated under AASB10

2 Includes bank debt of syndicates consolidated under AASB10

3 Excluding transaction costs

(Total interest bearing liabilities (including land vendor liabilities) less cash) / (Total assets less cash, less intangible assets)

5 5 12 month rolling EBIT (excluding restructuring and divestment-related provisions) / Total interest cost (including capitalised interest).

GROUP CASH FLOW SUMMARY

OPERATING CASH FLOW IMPACTED BY LOWER SETTLEMENT VOLUMES IN FY20

CASH FLOWS RELATED TO OPERATING ACTIVITIES	FY20 \$M	FY19 \$M
Receipts from customers	191.6	269.8 <
Payments for development and infrastructure	(113.4)	(114.9)
Payments to suppliers and employees	(53.7)	(71.6)
Borrowing costs	(21.8)	(20.6)
Distributions and dividends from associates and joint ventures	8.0	12.3 ┥
Net taxes paid	(7.3)	(28.6)
Operating cash flow before acquisitions	3.4	46.4
Payments for land acquisitions – Term payments	-	(15.7)
Payments for land acquisitions – Land & Medium Density Sites	(11.3)	(42.8)
Net operating cash flow	(7.9)	(12.1)

Receipts lower due to lower land settlements, deferral of new project commencements and completion of two projects in FY19
Includes construction of townhouses and low rise apartments totalling \$35m during FY20
Increased capital to be deployed during FY21 into land development and construction of townhouses and apartments to deliver into government stimulus

Substantial capital expected to be recycled from settlements during FY21 and 1H22

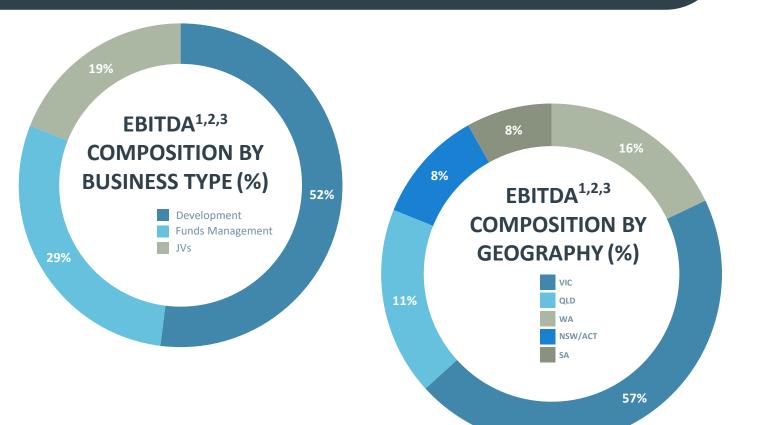
Distributions from funds and joint ventures impacted by lower settlements

OPERATING PERFORMANCE



GROUP OPERATING PERFORMANCE

FY20 SETTLEMENT VOLUMES AND GROUP PROFITABILITY IMPACTED BY LOWER SALES VOLUMES IN FY19



- Group EBITDA impacted by lower settlement volumes
- Contribution from eastern states' projects
 represented 84% of EBITDA^{1,2,3}
 - Contribution driven by low cost VIC Development projects
 - WA and QLD contribution improving on the back of government stimulus
- Approximately 70% of entire land bank is currently in development
 - c.80% of the land bank expected to be in development by FY23
- FM/JV business provided solid capital-lite earnings base representing c.48% of Group EBITDA^{1,2,3}
- Continued focus on overhead management and other operational efficiencies

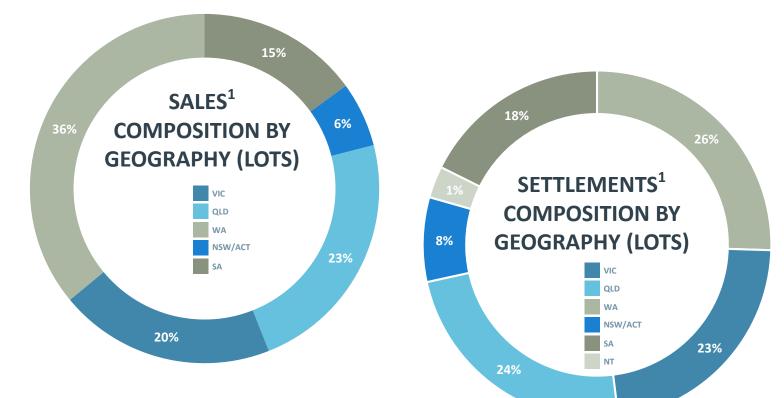


Notes:
 EBITDA is a non-IFRS measure that includes effects of non-cash movements in investments in associates and joint ventures
 Pre-overheads

Pre divestment and related provisions of \$61.0m (before tax)

GROUP SALES AND SETTLEMENT ACTIVITY

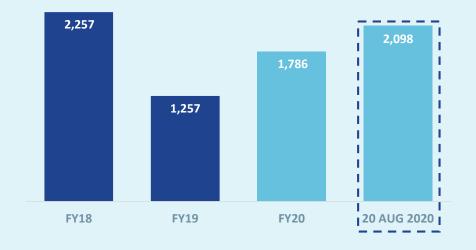
MARKET IMPROVEMENT AND GOVERNMENT STIMULUS DRIVING SALES PERFORMANCE



- Group sales¹ for FY20 of 2,323 lots up 43%
 - Group sales were up due to improving WA and QLD market conditions and government stimulus
 - Cancellation rates are moderating towards more normalised levels
- Stage 4 restrictions in Vic expected to moderate demand during 1Q21
- Credit availability and continuing low interest rates remain positive
- Group settlements¹ of 1,794 lots down 32%
 - Settlements reflects the impact of lower sales volumes in FY19 carrying into FY20 and minimising of development expenditure on new stock in response to COVID-19

CONTRACTS ON HAND

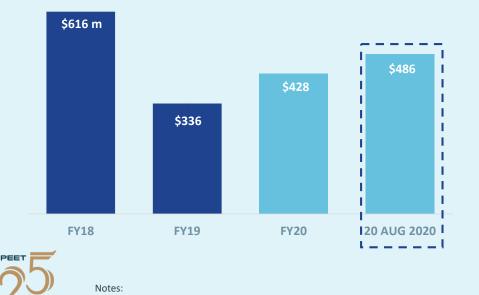
CONTRACTS ON HAND¹ (LOTS)



CONTRACTS ON HAND (VALUE)

Includes equivalent lots.

1.



CONTRACTS ON HAND REFLECT IMPROVING MARKET CONDITIONS

Contracts on hand¹ have increased by 42% since 30 June 2019 to 1,786 lots

Reflects improving market conditions and government stimulus

Contracts value of \$428m - up 27% since 30 June 2019

Cancellation rates are moderating towards more normalised levels

Since year end contracts on hand and value have increased by 18% and 14% respectively

OUTLOOK

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NEW PROJECTS PROVIDE MEDIUM TERM EARNINGS VISIBILITY

PIPELINE OF APPROXIMATELY 47,000 LOTS PROVIDING VISIBILITY OF FUTURE EARNINGS

Up to four new land projects and three townhouse/apartment sites to commence development within the next three years

- Approximately 84% of the lots in these projects sit within the FM/JV business
- Average project duration of c.9 years providing visibility of future earnings and cash flows

New projects will be fully funded from internally generated cash flows, existing debt facilities and third party capital



Notes: 1 Refers to lots and/or dwellings 2 Subject to satisfaction of conditions

FY21 – FY23 NEW PROJECT RELEASE SCHEDULE

Project	State	Segment	Commencement of Sales/Development	Lots ¹ /Units	Project Life (Years)
Townhouses	VIC/QLD	Owned	FY21 – FY23	482	2
Pier Street Apartments	WA	JV	FY21	188	4
Eglinton	WA	Funds	FY21	1,024	10
Jumping Creek	NSW	Owned	FY21	219	4
University of Canberra ²	ACT	JV	FY22	3,300	21
Fort Largs	SA	Owned	FY22	335	6
Mundijong	WA	Funds	FY23	933	15
Total	12	* *		6,481	Av 9

STRONG PLATFORM FOR SUSTAINABLE GROWTH, THROUGH CYCLES

SCALE LAND BANK	:	Strategic land bank provides long term earnings visibility Counter-cyclical acquisition strategy has allowed the Group to capitalise on value accretive opportunities Expect c.80% of land bank to be in production by FY23 from 70% currently
SOLID EMBEDDED MARGINS		Solid embedded margins given pipeline age, location and acquisition terms achieved Average age of land bank is 9 years More than 90% of lot acquisitions since FY12 have been secured on capital-efficient terms
INTEGRATED PLATFORM		Leading national operating platform across development, marketing, acquisitions and sales Broad product expertise across land, medium density townhouses and low rise apartments Funds Management platform provides highly attractive capital-lite earnings representing 48% of Group EBITDA
PROVEN TRACK RECORD	:	Proven capital partnering capability provides significant scale benefits and access to external capital High quality management team, with significant residential and commercial property market experience



GROUP OUTLOOK

FOCUSED ON POSITIONING FOR AN IMPROVING MARKET THROUGH A CONSERVATIVE APPROACH TO PROJECT DELIVERY AND IDENTIFYING GROWTH OPPORTUNITIES

- Government stimulus has contributed to strong sales in June 2020
 - Sales momentum continuing into 1Q21
- Accelerate production to meet expected demand due to Government stimulus
- Low interest rates, accommodating credit conditions and Government stimulus are positives for the residential sector
- Consider opportunistic acquisitions to restock pipeline when appropriate
- FY21 outlook remains uncertain due to economic and social consequences of COVID-19
- Peet continues to adopt a cautious approach as it enters FY21 and will closely monitor the impact of COVID-19 and its implications for the Group, while remaining agile



APPENDICES



FM OPERATING PERFORMANCE

22%

KEY PERFORMANCE STATISTICS	FY20	FY19	VAR (%)	
Lot sales ¹	1,412	909	55%	-
Lot settlements ¹	924	1,535	(40%)	
Revenue	\$22.8m	\$26.4m	(14%)	
Share of net profit of equity accounted investments	\$1.9m	\$7.9m	(76%)	◆
EBITDA ²	\$13.0m	\$24.4m	(47%)	
EBITDA ² margin	53%	71%	(18%)	Alt.
	JUN 20	JUN 19	VAR (%)	
Contracts on hand ¹	1,173	685	71%	Ser. A
			-	
9%		20/	ZI G	H
		8% 2%	10%	-

FM sales were up due to improving market conditions and government stimulus

Reflects the impact of lower sales volumes in FY19 carrying into FY20

FY20 revenue lower due to settlement volumes impacting performance fees

Equity accounted profit impacted by lower settlement volumes

19% FM EBITDA² COMPOSITION BY GEOGRAPHY (%)

VIC

QLD

SA WA

71%

48%

21%

FM SALES¹

COMPOSITION BY

GEOGRAPHY (LOTS)

VIC

OLD

WA

JV OPERATING PERFORMANCE

KEY PERFORMANCE STATISTICS	FY20	FY19	VAR (%)	
Lot sales ¹	479	414	16%	
Lot settlements ¹	436	539	(19%)	-
Revenue	\$34.6m	\$38.8m	(11%)	
Share of net profit of equity accounted investments	\$4.8m	\$5.0m	(4%)	-
EBITDA ^{2, 3}	\$8.8m	\$13.7m	(36%)	
EBITDA ^{2, 3} margin	22%	31%	(9%)	
	JUN 20	JUN 19	VAR (%)	
Contracts on hand ¹	404	361	(12%)	And the second

19% 27% 26% JV EBITDA² JV SALES¹ 24% **COMPOSITION BY GEOGRAPHY (LOTS) GEOGRAPHY** (%) QLD QLD WA WA NSW/ACT NSW/ACT SA SA 17% NT NT 29% 37% Notes: Includes equivalent lots

Reflects the impact of lower sales volumes in FY19 carrying into FY20

Revenue impacted by lower settlement volumes

Includes effects of non-cash movements in investments in JVs Pre divestment and related provisions of \$2.7m (before tax)

DEVELOPMENT OPERATING PERFORMANCE

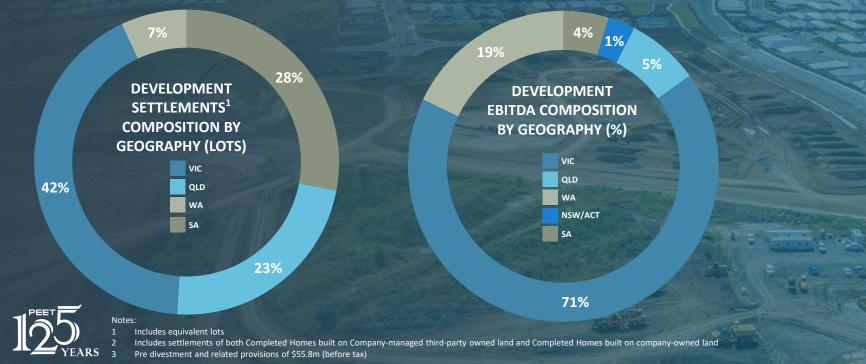
KEY PERFORMANCE STATISTICS	FY20	FY19	VAR (%)	in the second
Lot sales ¹	432	306	41%	-
Lot settlements ¹	434	555	(22%)	•
Land only	426	489	(13%)	
Medium Density product	8	66	(88%)	
Completed Homes ²	100	97	3%	till and the
Revenue	\$128.5m	\$181m	(29%)	▲
EBITDA ³	\$23.5m	\$58.5m	(60%)	•
EBITDA ³ margin	18%	32%	(14%)	
	JUN 20	JUN 19	VAR (%)	
Contracts on hand ¹	209	211	(1%)	Part of

Higher sales due to government stimulus

Reflects the impact of lower sales volumes in FY19 carrying into FY20

FY20 revenue lower due to settlement volumes and timing of product mix from Aston (VIC)

Impacted by lower settlement volumes and product mix from Aston (VIC). Next stage of Aston expected to improve 2H20 EBITDA.



SUMMARY INCOME STATEMENT

	FY20 \$M	FY19 \$M	Var (%)
Funds Management	22.8	26.4	(14%)
Development	128.5	181.1	(29%)
Joint Venture	34.6	38.8	(11%)
Share of net profit of equity accounted investments	6.7	12.9	(48%)
Other ¹	3.7	3.7	0%
Revenue	196.3	262.9	(25%)
EBITDA (pre restructuring and divestment-related provisions)	37.0	86.0	(57%)
Finance costs ²	(11.5)	(20.3)	43%
Depreciation and amortisation	(3.4)	(2.3)	(48%)
NPBT (pre restructuring and divestment-related provisions)	22.1	63.4	(65%)
Income tax expense	(7.6)	(16.1)	53%
Non-controlling interest	0.6	0.2	(200%)
Operating NPAT	15.1	47.5	(68%)
Restructuring and divestment-related provisions (net of tax)	(45.2)	-	(100%)
Statutory NPAT ³	(30.1)	47.5	(163%)



SUMMARY BALANCE SHEET

	FY20	FY19
	\$M	\$M
Assets		
Cash and cash equivalents	46.8	33.6
Receivables	119.4	125.2
Inventories	478.5	518.7
Investments accounted for using the equity method	232.1	233.7
Other	14.1	10.9
Total assets	890.9	922.1
Liabilities		
Payables	33.1	38.7
Land vendor liabilities	6.4	6.4
Borrowings	282.2	245.2
Other	54.4	71.9
Total liabilities	376.7	362.2
Net assets	514.8	559.9
Book NTA per share ¹	\$1.09	\$1.20

NOTES **RS** 1. NTA before application of AASB 16 Leases.

LAND BANK FUNDS MANAGEMENT KEY PROJECTS

PROJECT LIFECYCLE

PROJECT NAME	STATE	GDV ¹	LOTS REMAINING ²	2021	2022	2023	2024	2025
Alkimos	WA	\$1,133m	2,263	-		Selling		
Brabham	WA	\$711m	3,256	_		Selling		
Burns Beach	WA	\$189m	315		Sel	lling		Completion
Eglinton	WA	\$221m	1,024			Selling		
Golden Bay	WA	\$125m	620		Selling		Com	pletion
Lakelands	WA	\$165m	936			Selling		
Yanchep Golf Estate	WA	\$402m	1,541			Selling		
Oakford	WA	\$149m	961			Selling		
Forrestdale	WA	\$206m	971			Selling		
Movida	WA	\$158m	708			Selling		
Mundijong	WA	\$228m	933	Plan	ning		Selling	
Yanchep (Wholesale)	WA	\$171m	888			Planning		
Other	WA	\$1m	1			Planning		
Spring Mountain	QLD	\$65m	201			Selling		
Caboolture	QLD	\$124m	553			Selling		
Palmview DMA	QLD	\$120m	561		Planning		Se	elling
Flagstone City	QLD	\$3,435m	10,986			Selling		
Cornerstone	VIC	\$145m	520		Sel	lling		Completion
Newhaven	VIC	\$327m	1,114	-		Selling		
Botanic Village	VIC	\$7m	20	Selling		Comple	etion	
Cranbourne	VIC	\$10m	79			Planning		
Mt Barker	SA	\$87m	442			Selling		
Total Funds Management		\$8,179m	28,893					



LAND BANK DEVELOPMENT KEY PROJECTS

PROJECT LIFECYCLE

PROJECT NAME	STATE	GDV^1	LOTS REMAINING ²	2021	2022	2023	2024	2025
Brigadoon	WA	\$35m	88			Selling		
Greenlea	WA	, \$51m	261				Completion	
Mundijong	WA	\$187m	781	Planning Selling				
Other	WA	\$652m	4,038	Planning				
Gladstone	QLD	\$86m	337	Selling				
Flagstone North	QLD	\$385m	1,680		Planning		Sel	ing
Palmview	QLD	\$114m	421		Se	elling		Completion
Strathpine	QLD	\$56m	161	Selling				
Nudgee	QLD	\$41m	84		Selling	Completion		letion
Rochedale	QLD	\$23m	36	Selli	Selling Completion			
Other	QLD	\$99m	872			Planning		
Aston, Craigieburn	VIC	\$360m	1,146	Plann	ing		Selling	
Summerhill	VIC	\$16m	39	Selli	ng		Completion	
Lightwood	VIC	\$34m	81	Selli	ng		Completion	
Lumeah	VIC	\$28m	62	Selli	ng		Completion	
South Morang	VIC	\$37m	71	Planning	Se	lling	Comp	letion
Keysborough	VIC	\$100m	130	Planning		Se	lling	
Lightsview Apartments	SA	\$37m	104		Selling		Comp	letion
Tonsley	SA	\$158m	717			Selling		
Other	SA	\$32m	12	Planning				
Jumping Creek	NSW	\$88m	219	Selling				
Total Company-Owned		\$2,619m	11,340					



LAND BANK JOINT VENTURE KEY PROJECTS

PROJECT LIFECYCLE

PROJECT NAME	STATE	GDV ¹	LOTS REMAINING ²	2021	2022	2023	2024	2025
Wellard	WA	\$92m	433	Selling Completion			etion	
Pier Street	WA	\$103m	188	Selling Completion		etion		
Redbank Plains	QLD	\$183m	784	Selling				
Googong ³	NSW	\$699m	1,610	Selling				
Atria Apartments	ACT	\$39m	64	Selling	elling Completion			
University of Canberra ⁴	ACT	\$1,856m	3,300	Planning	ning Selling			
The Heights	NT	\$123m	520	Selling				
Lightsview	SA	\$33m	191	Selling Completion		etion		
Total Joint Venture		\$3,128m	7,090					
TOTAL PIPELINE		\$13,926m	47,323					



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