

Home Consortium

ASX RELEASE

18 November 2020

ANNUAL GENERAL MEETING PRESENTATION

Home Consortium provides the attached Annual General Meeting Presentation.

-ENDS-

For further information please contact:

INVESTORS

Andrew Selim
General Counsel and Company Secretary
+61 433 367 682
andrew.selim@home-co.com.au

Tom Kohlen
Investor Relations Executive
+61 419 953 526
tom.kohlen@home-co.com.au

MEDIA

John Frey
GRACosway
+61 411 361 361
jfrey@gracosway.com.au

Authorised for release by the Home Consortium Board

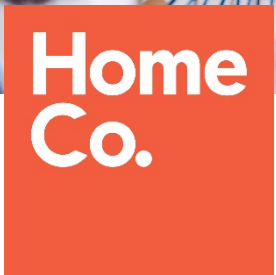
About HomeCo

HomeCo is an internally managed Australian property group focused on ownership, development and management. HomeCo is built on a platform of big brands and hyper-convenience, with each centre anchored by leading brands backed by some of Australia's most successful property development and retail organisations including predominantly national retailers spanning daily needs, leisure and lifestyle and services enterprises.

19 Bay Street
Double Bay NSW 2028
1300 466 326
info@home-co.com.au

Home Consortium Limited
ABN 94 138 990 593
(trading as Home Consortium)
home-co.com.au

Home Consortium Developments Limited
ACN 635 859 700



Annual General Meeting

10.30am (Sydney time)
Wednesday, 18 November 2020

1

Welcome and Introduction

2

Executive Chairman and Chief Executive Officer's Address

3

Formal Business



Live your way.

1. Welcome and Introduction

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Board of Directors



David Di Pilla
Executive Chairman and
Chief Executive Officer



Jane McAloon
Independent Non-Executive Director



Chris Saxon
Deputy Chairman and Lead Independent
Non-Executive Director



Brendon Gale
Independent Non-Executive Director



Zac Fried
Non-Executive Director



Greg Hayes
Non-Executive Director



Live your way.

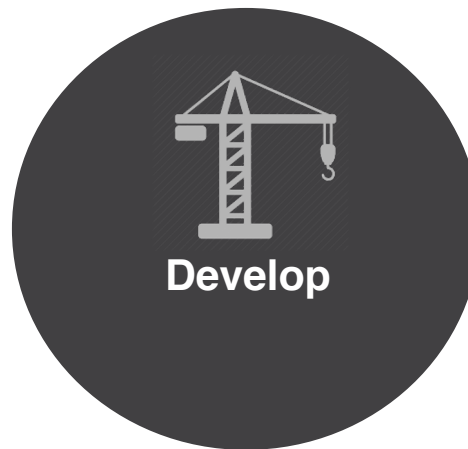
2. Executive Chairman and Chief Executive Officer's Address



HomeCo is executing on its stated strategy to own, develop & manage



- 39 assets
 - 1.5 million sqm land
 - 32% site coverage ratio
- \$1.5 billion AUM
 - 60%+ increase since IPO in Oct-19



- Jun-20 valuation uplift delivering an attractive ROIC from capex
- 6 assets repurposed since listing representing over 60,000 sqm of GLA
- Pad site developments
- Childcare initiative



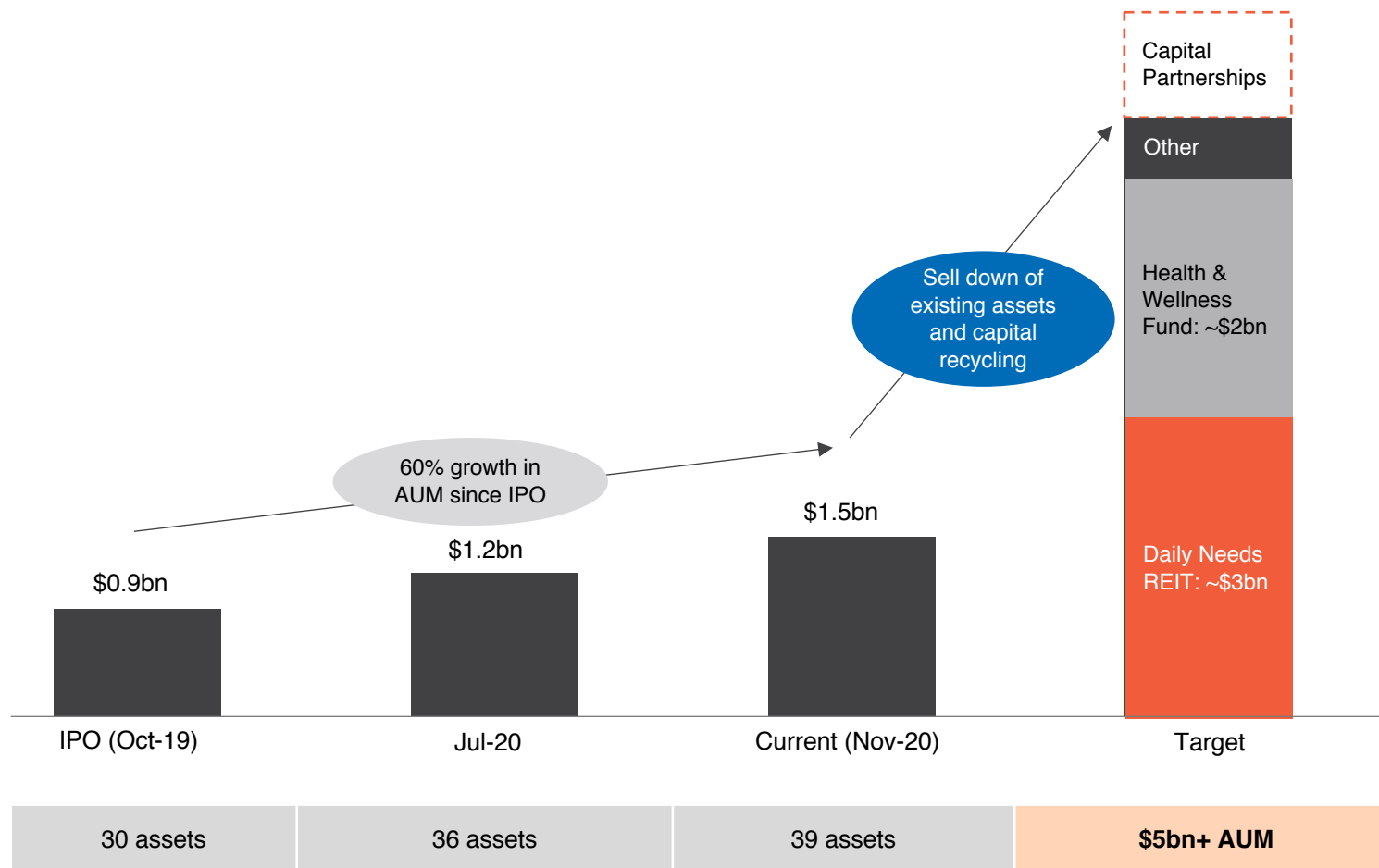
- Establishment of Daily Needs REIT
- Healthcare & Wellness fund planning well advanced
- Strong balance sheet to grow funds management business
- Target \$5bn AUM
- Strategic hires made to establish Capital Partnerships Group which will further accelerate growth in AUM



Ability to leverage existing asset base and grow AUM and FFO

60% growth in AUM since IPO with opportunity for further growth in AUM and FFO

Assets Under Management



AUM of \$1.5bn today with the ability to leverage this to ~\$5bn through selling down 100% owned assets to ~20% stakes and redeploying capital. Potential to increase this further through establishing capital partnerships



HomeCo Group—Trading Update

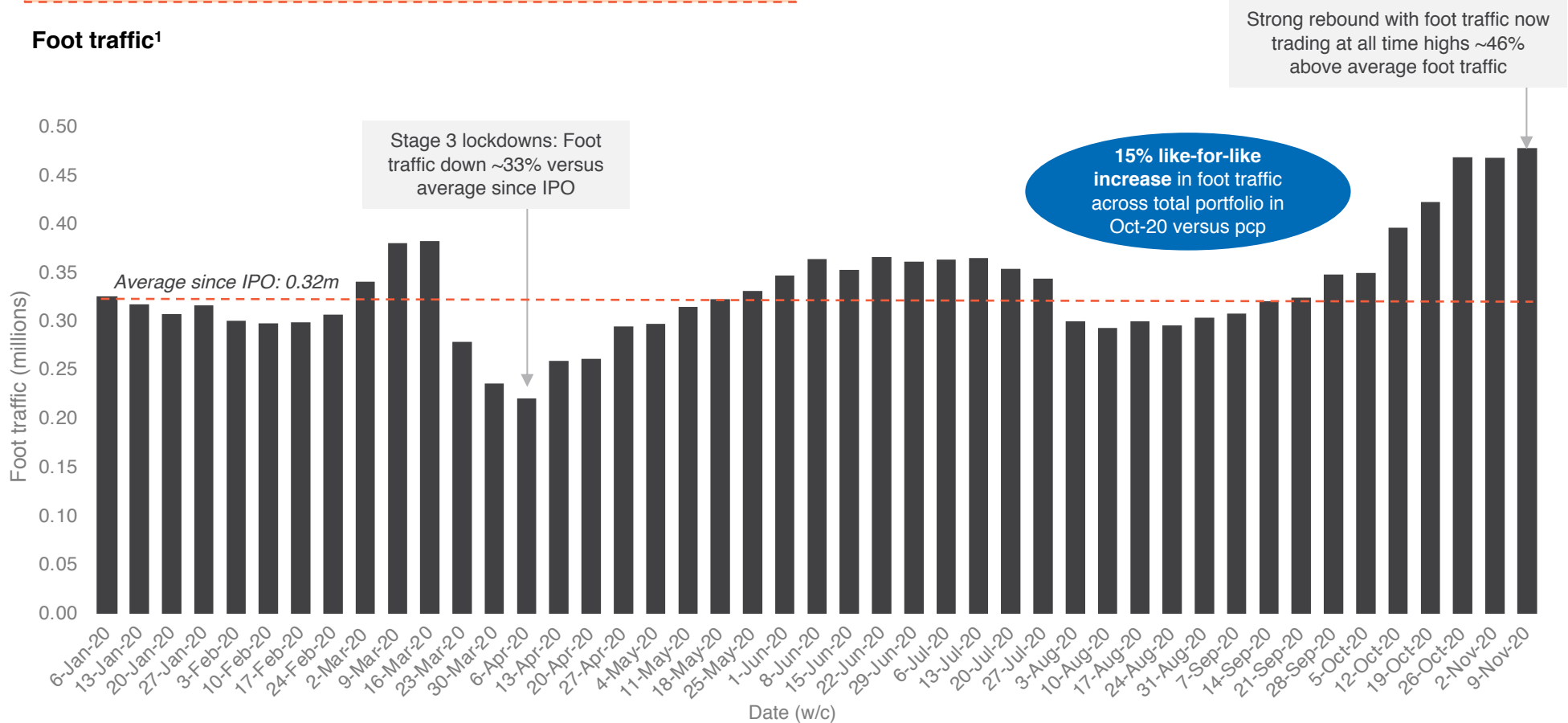
Foot traffic resilient through COVID-19 lockdowns and cash collection on track in Nov-20 to collect closer to 98–99%

Cash collection

Unadjusted cash collection of contracted rent of:

- **Oct-20: 94%**
- **Nov-20: Already 93% as at 17-Nov-20 and on track to collect closer to 98–99%**

Foot traffic¹



Notes: 1. Foot traffic across freehold and leasehold operating assets (excludes Glenmore Park, Gregory Hills, Coomera City Centre and Erina). Vincentia, Prestons and Rosenthal included from 12-Oct-20 onwards



Daily Needs REIT—Trading update

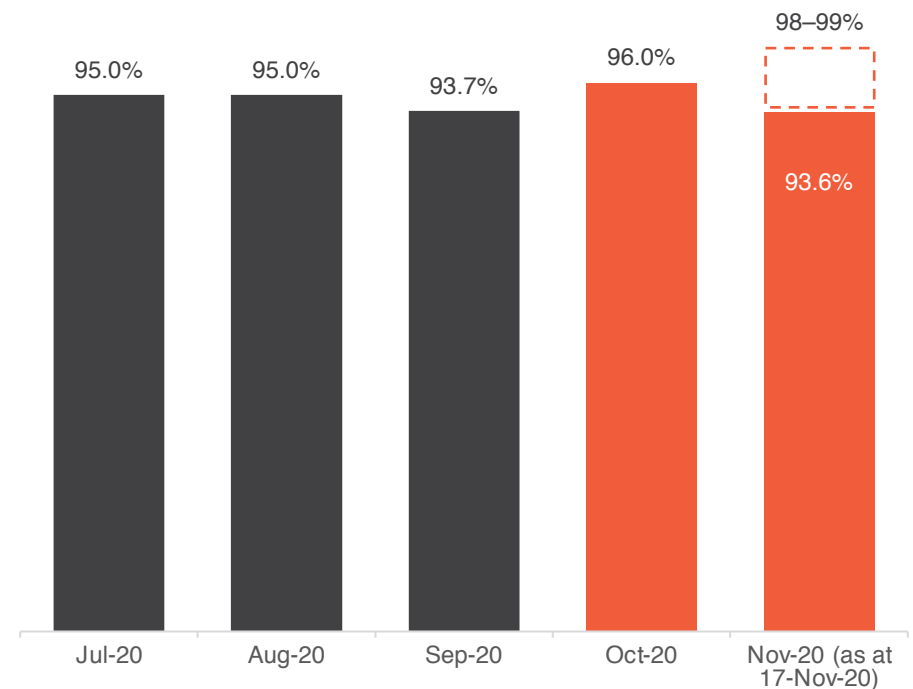
96% unadjusted cash collection in Oct-20 with Nov-20 on track to collect closer to 98–99%

Daily Needs REIT Trading update

- Foot traffic: **19% like-for-like increase** in Oct-20 versus pcp
- Anchor sales: Woolworths and Coles supermarket comparable **sales growth across the HomeCo Daily Needs REIT portfolio in Q1 of 37%** driven by relatively new asset portfolio with metro skew
- Proposed acquisition: HomeCo is in **exclusive negotiations** for HomeCo Daily Needs REIT **to acquire a Queensland based convenience focused asset for \$48 million** (refer overleaf)
- Debt facility upside: **Debt facility is proposed to be upsized from \$400 million to \$500 million** and post-acquisition the HomeCo Daily Needs REIT would have **liquidity of \$215m** to execute on developments and further acquisitions

Daily Needs REIT unadjusted cash collection of contracted rent

Unadjusted cash collection continues to improve with Oct-20 at 96% and Nov-20 already at 94% and on track to collect closer to 98–99%



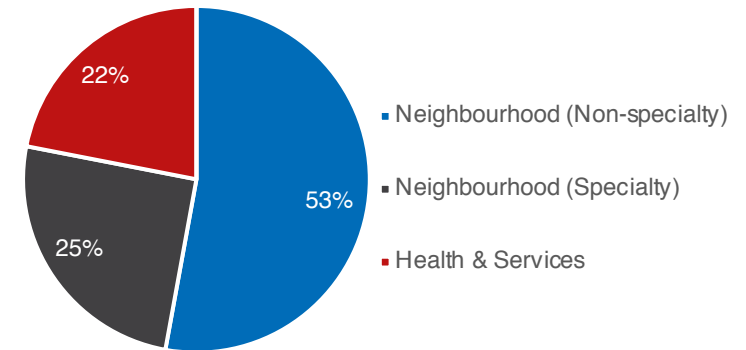
Daily Needs REIT – Acquisitions update

Proposed acquisition is expected to be fully debt funded and would result in FY21 FFO accretion of 4.5% and gearing post-transaction of 30.8%

Summary

Acquisition status	<ul style="list-style-type: none"> HomeCo is in exclusive negotiations for HomeCo Daily Needs REIT to acquire a Queensland based convenience focused asset Further details will be provided in due course and any acquisition remains subject to HDN board approval
Description	<ul style="list-style-type: none"> Coles-anchored Metro Queensland convenience asset
Purchase price	<ul style="list-style-type: none"> \$48 million representing a 6.75% cap rate Proposed acquisition will be fully debt funded
WALE	<ul style="list-style-type: none"> 8 years
Site coverage	<ul style="list-style-type: none"> 14% site coverage 5.8 ha land holding
Car spaces	<ul style="list-style-type: none"> 530

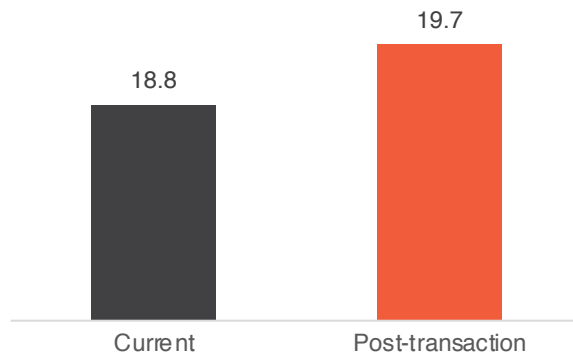
Tenant mix



Financial impacts

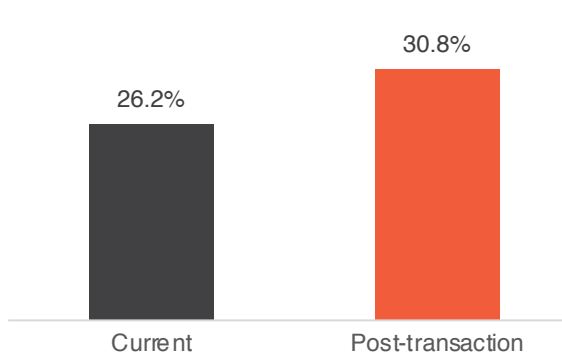
FY21 FFO accretion

4.5% FY21 FFO accretion



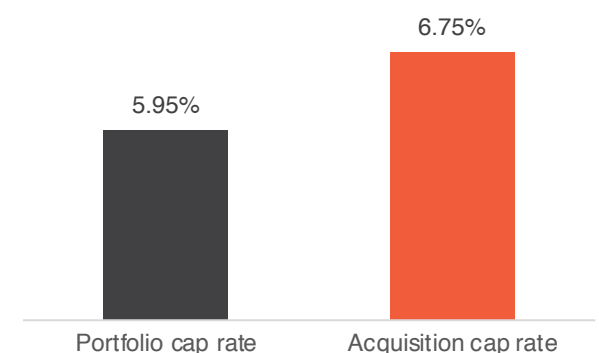
Gearing

Proposed acquisition will be fully debt funded



Portfolio cap rate

Acquisition cap rate of 6.75% is expected to increase portfolio cap rate from 5.95% to 5.99%





Daily Needs REIT – Key dates

Annual General Meeting of HomeCo Securityholders	18 November
Last day for HomeCo securities to trade on a “cum return of capital basis”	20 November
HomeCo Daily Needs REIT commences trading on ASX on a conditional and deferred settlement basis	23 November
Capital Distribution Record Date	24 November
Capital Distribution Date	26 November
Issue and allotment of Units under the Offer	26 November
Expected dispatch of holding statements	26 November
Expected commencement of trading on the ASX on a normal settlement basis	27 November



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3. Formal Business

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Annual Report 2020

Financial Report, Directors' Report and Auditor's Report

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2020

Resolution 1

Remuneration Report

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report be adopted on the terms and conditions summarised in the Explanatory Memorandum."



Resolution 1

Proxies

For:	99.87%
Open:	0.11%
Against:	0.02%

Resolution 2

Election of Director – Kelly O'Dwyer

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with clause 22.2 of the Constitution and for all other purposes, Kelly O'Dwyer being eligible, be elected as a Director on the terms and conditions summarised in the Explanatory Memorandum."



Resolution 2

Proxies

For:	99.91%
Open:	0.09%
Against:	0.00%

Resolution 3

Directors Remuneration

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of clause 23.1 of the Constitution, Listing Rule 10.17 and for all other purposes, the maximum total fees payable to non-executive Directors be increased by \$200,000 per annum to \$1,200,000 per annum on the terms and conditions set out in the Explanatory Memorandum.”



Resolution 3

Proxies

For:	98.58%
Open:	0.18%
Against:	1.23%

Resolution 4

Approval of Employee Equity Plan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 7.2, exception 13 and for all other purposes, Securityholders approve the "Employee Equity Plan" and the issue of Equity Securities under the Employee Equity Plan on the terms and conditions summarised in the Explanatory Memorandum."



Resolution 4 Proxies

For:	99.81%
Open:	0.18%
Against:	0.01%

Resolution 5

Approval of Non-Executive Director Equity Plan and issue of Rights

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, Securityholders approve the "Non-Executive Director Equity Plan" and the issue of Equity Securities under the Non-Executive Director Equity Plan on the terms and conditions summarised in the Explanatory Memorandum."



Resolution 5 Proxies

For:	99.79%
Open:	0.19%
Against:	0.02%

Resolution 6

Issue Performance Rights to David Di Pilla

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, subject to Resolution 4 being passed, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue Performance Rights to Mr David Di Pilla (and/or his nominee) under the Employee Equity Plan on the terms and conditions summarised in the Explanatory Memorandum."

Resolution 6

Proxies

For:	99.80%
Open:	0.18%
Against:	0.02%

Resolution 7

Approval for Woolworths Group to acquire a relevant interest arising under the Proposal A SSD

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of item 7 of section 611 of the Corporations Act and for all other purposes, approval is given for Woolworths Group Limited to acquire a relevant interest in the Secured Securities as a result of the Proposal A SSD and otherwise on the terms and conditions summarised in the Explanatory Memorandum."



Resolution 7

Proxies

For:	99.84%
Open:	0.15%
Against:	0.01%

Resolution 8

Approval of Capital Reduction

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, pursuant to and for the purposes of sections 256B and 256C of the Corporations Act, subject to and conditional on the conditions precedent set out in clause 2 of the Implementation Deed being satisfied or waived in accordance with that deed, a reduction in the share capital of the Company be approved as follows:

- a) the share capital of the Company be reduced on the Implementation Date by the Capital Reduction Amount, with such amount being applied equally against each Security on issue as at the Capital Distribution Record Date;*
 - b) that reduction be effected and satisfied by the in-specie distribution by the Company, to each person who is a Securityholder at the Capital Distribution Record Date, of one Unit for every 2 Securities of which that person is the registered holder as at the Capital Distribution Record Date, with any fractional entitlements being rounded down to the nearest whole number; and*
 - c) that reduction be effected otherwise in the manner and on the terms and conditions summarised in the Explanatory Memorandum."*
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Resolution 8

Proxies

For:	99.86%
Open:	0.14%
Against:	0.00%

Contacts

Investors

Andrew Selim

General Counsel and Company Secretary

+61 433 367 682

andrew.selim@home-co.com.au

Tom Kohlen

Investor Relations Executive

+61 419 953 526

tom.kohlen@home-co.com.au

Media

John Frey

GRACosway

+61 411 361 361

jfrey@gracosway.com.au

This presentation is authorised by the Home Consortium Board

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