Home Consortium

ASX RELEASE

24 February 2021

1H FY21 FINANCIAL RESULTS PRESENTATION

Home Consortium (ASX: HMC) provides the attached 1H FY21 Financial Results Presentation.

-ENDS-

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Authorised for release by the Home Consortium Board

About HomeCo

HomeCo is focused on the ownership, development and management of real assets. HomeCo manages a property portfolio of approximately $1.7 billion with our tenants spanning daily needs, leisure and lifestyle, healthcare, wellness and government services enterprises across Australia. HomeCo's objective is to provide above average risk-adjusted returns for our securityholders.

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1H FY21 Financial Results presentation

24 February 2021

Agenda

1. Highlights
2. Property investments
3. Funds management
4. Financial performance
5. Outlook
6. Supplementary information

David Di Pilla
Managing Director and CEO

Sid Sharma
COO

Will McMicking
CFO

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Head of Capital Partnerships

1H FY21 highlights[1]

For the period 30-Jun-20 to 31-Dec-20

Financial	Property Investments	Funds Management
+38% TSR **SINCE IPO IN OCT-19** +50% outperformance (adjusted for value of in-specie HDN unit) vs ASX200 A-REIT Index	**$634m** **23 DIRECT PROPERTY INVESTMENTS** Post-HDN in-specie distribution and asset recycling	**$1.7bn** **FUNDS UNDER MANAGEMENT** +82% increase since IPO[2]
7.3cps **1H FY21 FFO PER SECURITY**	**3** **MAJOR DEVELOPMENTS UNDERWAY** ~7-9% target cash yield[3]	**1st ASX-listed fund** **HOMECO DAILY NEEDS REIT** Successfully listed in November 2020 with 16% growth in FUM since IPO
13.6% **BALANCE SHEET GEARING** 22% decrease versus 35.6% in pcp ~$200m in liquidity available for deployment[5]	**$40 million** **DISPOSALS (ASSET RECYCLING)** $23m completed, $17m contracted for settlement 1Q CY21. Average ungeared IRR of 10%	**2nd fund HealthCo** **~$350 MILLION PROPOSED SEED ASSETS[4]** Target $500m first close by 1H FY22

ESG policy: to create an institutional grade strategy and approach

Source: IRESS market data as at 23 February 2021
Notes. 1. All metrics represent the portfolio for the 6 months ended 31 December 2020. 2. Includes assets contracted at Proxima and Gregory Hills Home Centre 3. Estimated cash yield based on assumptions relating to future income, valuation, capex and calculated on a fully stabilised basis. 4. As-complete valuation, including Ballarat call option. 5. Includes cash and undrawn debt

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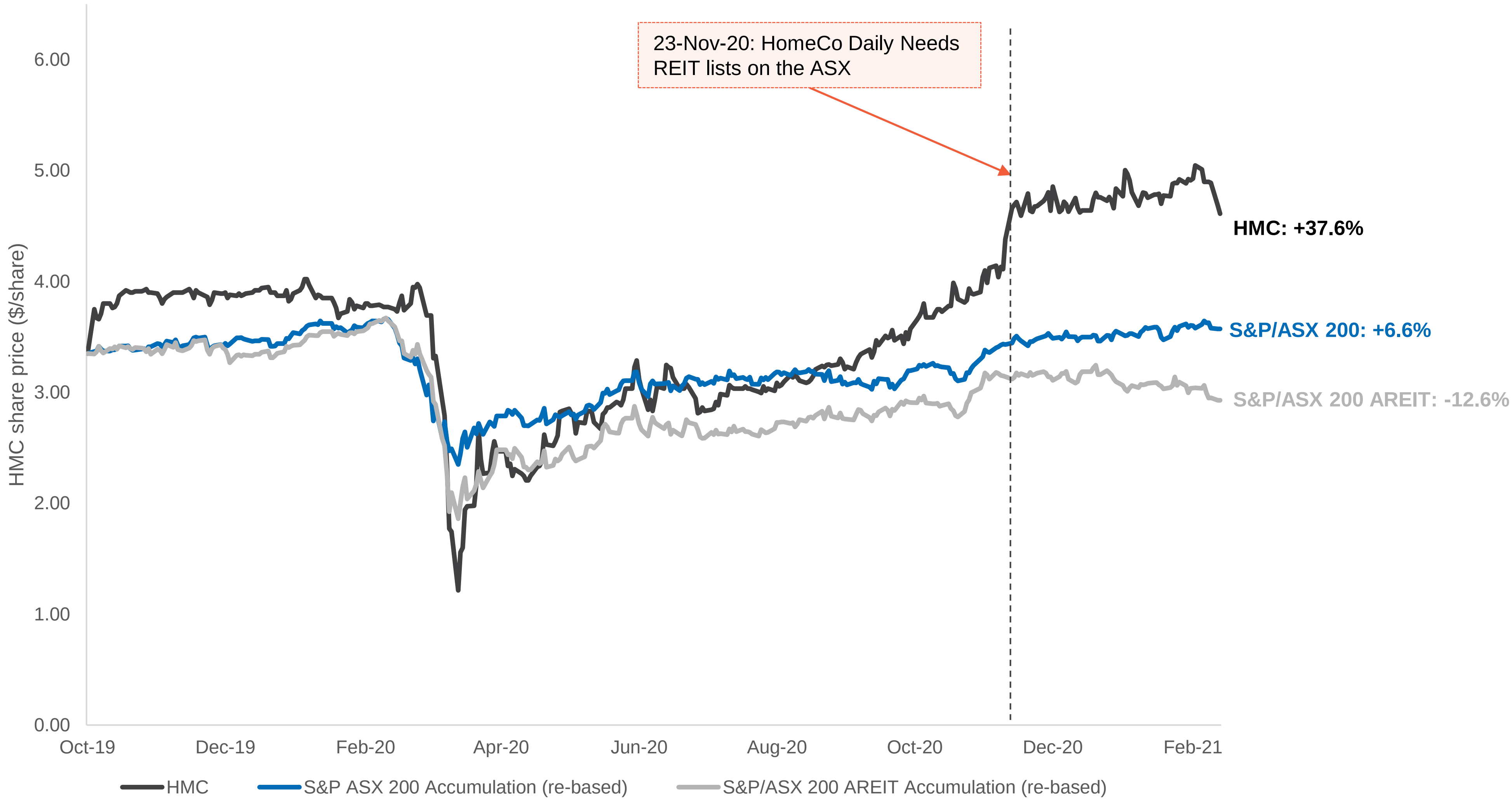
Total shareholder return since IPO

HMC has significantly outperformed the S&P/ASX 200 Index (+31.0%) and the S&P/ASX 200 AREIT Index (+50.2%) since IPO



Source: IRESS (23-Feb-21)
Notes: 1. Assumes dividends reinvested on ex dividend date and in-specie distribution received on IPO date (23-Nov-20)

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Funds management strategy

Well positioned to meaningfully grow earnings and FUM by leveraging existing asset base

- HMC is transitioning towards becoming a capital light manager with minimal balance sheet debt and higher return on invested capital
  - HomeCo Daily Needs REIT was established in Nov-20 and has outperformed the S&P/ASX200 A-REIT index by 4% since listing
  - HealthCo dual track process underway targeting a 1H FY22 first close
- Ability to **grow fee generating FUM to ~$5bn** with existing capital by recycling direct property investments on HMC balance sheet into equity co-investments (medium-term goal to hold ~10-15% stakes with potential to hold greater stakes initially that are diluted down over time)

Home Consortium (HMC.ASX)

26.6% ownership | *100% ownership* | *Target ~10–15% ownership post-selldown*

HomeCo Daily Needs REIT (HDN.ASX)

Listed in November 2020

- ✓ ~$1bn portfolio invested in convenience-based assets targeting consistent and growing distributions
- ✓ Recently acquired 2 assets for $104m
- ✓ 99% cash collection since IPO (Nov-20 to Jan-21)
- ✓ Target ~$3bn FUM through value accretive acquisitions
- ✓ Growing annuity-like management fee income for HMC

Direct Property Investments

- ✓ Remaining 100% balance sheet owned assets provide future acquisition pipeline for HDN and seed assets for HealthCo
- ✓ Larger property developments can be warehoused with the intention to selldown over time into relevant managed funds

Health, Wellness & Government Services Fund (HealthCo)

Target first close in 1H FY22

- ✓ HealthCo to be seeded with ~$350m of assets (on an as-complete basis)
- ✓ Exposure to healthcare & government megatrends
- ✓ Significant investor demand for healthcare, wellness and government exposed assets given defensive qualities and growth characteristics
- ✓ Target $500m first close by 1H FY22
- ✓ ~$2bn FUM target in the medium term

Source: IRESS market data as at 23 February 2021

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

HomeCo strategic focus

Own

- $1.7 billion total FUM
  - 82% growth since IPO in Oct-19
  - 44 assets[1]
  - 1.5 million sqm land
- $634m direct property investments
  - Intention to sell-down into managed funds
- 26.6% equity interest in HDN representing a ~$168m asset

Develop

- 30 assets comprising 350,000 sqm GLA repurposed since Masters property acquisition
- Significant undeveloped landbank in high growth corridors provides long term pipeline
- Active HDN developments:
  - 25,000 sqm major developments (7% target cash yield)
  - $22m brownfield developments (10%+ target cash yield)
- Active HomeCo balance sheet developments
  - ~40,000 sqm GLA across 3 assets (~7-9% target cash yield)

Manage

- HomeCo Daily Needs REIT listed in Nov-20
- HealthCo on track to be established 1H FY22 with ~$350m[2] in proposed seed assets currently owned by HomeCo
- Existing asset base supports ~$5bn+ FUM target through capital recycling
  - Low gearing of 13.6%
  - ~$200m in cash and undrawn debt facilities

Notes: 1. Includes assets contracted at Proxima and Gregory Hills Home Centre. 2. 'As-complete' valuation

ESG policy

HomeCo's ESG ambition is to be a leader amongst its peers – to create an institutional grade strategy and approach to investing and asset management

HomeCo's Sustainability Approach and Policy

- *We believe that sustainable investments are aligned to long-term value creation and should not be dilutive to returns. It is how 'good' investments are done*
- *HomeCo became a signatory to the **UNPRI** and a **GRESB** participating member in February 2021. These two organisations will provide an investment and reporting framework to help shape HomeCo's future initiatives and strategies, including how we tackle the defining issue of our time – Climate Change*
- *In addition to setting targets to achieve the de-carbonisation agenda, HomeCo will be establishing a "CommunityCo" strategy to support local community engagement across its assets*
- *HomeCo's sustainability strategy and initiatives will enjoy the oversight of a newly created sustainability sub-committee of the Board. Given the strategic intent of HomeCo, a dedicated governing committee will ensure the delivery of HomeCo's Sustainability ambition*

ESG framework

Environmental	Social	Governance
▪ Energy efficiency programs being planned and implemented ▪ Focus on better water and waste management ▪ Renewal and regeneration of ageing assets	▪ Investment into essential retail and service providers ▪ Supporting ageing population through healthcare and wellness ▪ Creation of daily needs infrastructure in high growth areas	▪ Establishment of a sustainability sub-committee of the Board ▪ Consistent standard in diligence to target attractive returns on investments ▪ Transparent reporting ▪ Systematic monitoring of assets

Driving positive impact through deliberate sustainable portfolio construction

HomeCo participating memberships

GRESB

PRI Principles for Responsible Investment

HomeCo Hawthorn East (HomeCo Daily Needs REIT)

Property Investments

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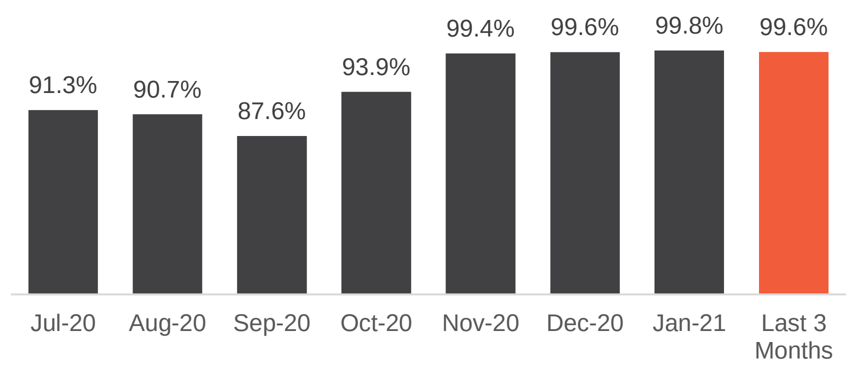
Direct property investments – summary

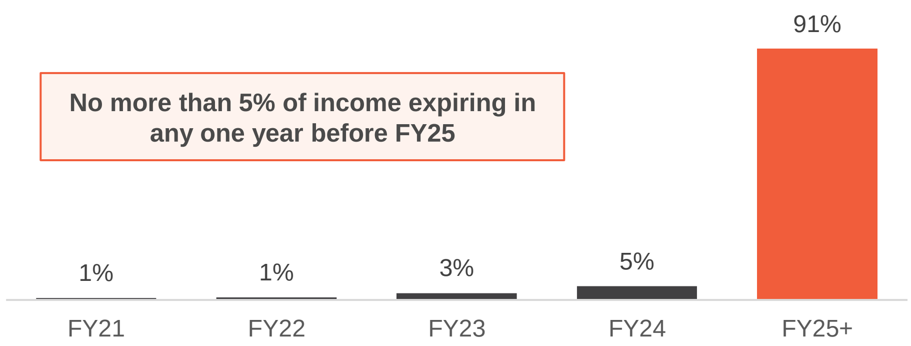
Portfolio statistics

	Jun-20[1]	In-specie / Disposals[2]	Completed Acquisitions	Current Portfolio (31-Dec-20)[3]
Number of properties	35	15	3	**23**
Fair value (direct property)	$1,174m	$606m	$35m	**$634m**
Weighted average capitalisation rate ("WACR")	6.58%	6.20%	5.32%	**6.61%**
Occupancy (by GLA)[4]	97.8%	98.2%	100.0%	**99.0%**
Trading occupancy (by GLA)[4]	88.5%	92.3%	100.0%	**94.6%**
Weighted average lease expiry ("WALE")[5]	8.1	8.5	13.3	**7.7**
Site coverage ratio	32%	32%	81%	**31%**
Rent composition (Fixed / CPI / Supermarket)	74% / 16% / 10%			**78% / 22% / -%**
Fixed escalation weighted average rent review ("WARR")[6]	3.06%			**3.06%**

Cash collection (% of unadjusted rent)[7]



Lease expiry profile (by income, financial year)[3]



Note: 1. Jun-20 portfolio statistics pro forma adjusted for the acquisition of Prestons, Rosenthal, Vincentia and Erina (acquisition value of $160m) and excludes Parafield. 2. In-Specie / Disposals includes the 13 assets HomeCo sold down to HDN as part of the in-specie distribution (statistics as at Sep-20, excludes Parafield) as well as Bathurst and Rutherford (statistics as at Dec-20). 3. Current portfolio statistics reflect 31-Dec-20 asset revaluations in addition to movements caused by the HDN in-specie, disposals and completed acquisitions. 4. By GLA for operating assets only and includes rental guarantees. Based on signed leases and signed MoU's. 5. By gross income for signed leases and signed MoUs 6. Fixed escalation relates to portion of tenants that are contracted under fixed escalation rental agreements. 7. Includes assets that were sold down to HDN (as part of the in-specie) from 1-Jul-20 to 23-Nov-20

Direct property investments – major developments

FY21 developments	Anchor tenant(s)	Status	Leasing pre-commitments[1]	Target open	Forecast cash yield
1. Cairns (QLD) ▪ ~11,400 sqm GLA commercial development with Services Australia as ~5,000 sqm anchor tenant ▪ Property nominated for HealthCo fund ▪ ~$1m cost to complete[2,3]	Australian Government Services Australia	▪ Services Australia handover complete	84%	1H FY22	9%
2. Ballarat (VIC) ▪ ~12,500sqm GLA health & services commercial development ▪ Property nominated for HealthCo fund ▪ Contracted for acquisition[4]	Australian Government Services Australia Chemist Warehouse	▪ Services Australia tenancy opened in Aug-20 as part of Stage 1	70%	Stage 1: Open (Aug- 20) Stage 2: 1H FY22	na
3. Wagga Wagga (NSW) ▪ ~15,500 sqm GLA large format retail development ▪ ~4,200 sqm GLA open and trading ▪ ~$11m cost to complete[2,3]	Spotlight Anaconda	▪ Spotlight as anchor tenant to main building	50%	1H FY22	7%

Notes: 1. Leasing pre-commitments (% GLA) is the sum of signed Leases, signed MoUs and issued MoUs. 2. Development capex spend (incl. construction and incentives) 3. Estimated cash yield based on assumptions relating to future income, valuation, capex and calculated on a fully stabilised basis. 4. HomeCo holds a call option to acquire Ballarat

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Acquisitions update

~$150m in contracted acquisitions over Q4 CY20 predominantly focused on HealthCo properties

Overview of recent acquisitions

Acquisitions	Entity	Description	Status	Valuation	WALE (years)	Cap rate
Essendon, VIC	HealthCo	▪ 131 place childcare centre	Settled	$9m	10.5	5.40%
Tarneit, VIC	HealthCo	▪ 140 place childcare centre	Settled	$7m	15.0	5.80%
Everton Park, QLD	HealthCo	▪ Newly constructed freestanding medical and 112 place childcare facility	Settled	$20m	13.9	5.00%
Proxima, QLD	HealthCo	▪ Two-year fund-through development project with government, university, medical and childcare tenant exposure	Exclusive DD, expected to settle Mar-21	~$80m[1]	na	5.65% (rental guarantee)
HealthCo acquisitions				**~$116m[1]**		
Gregory Hills Home Centre	HomeCo	▪ Large Format Retail centre anchored by Services NSW	Exchanged, expected to settle Mar-21	$32m	5.3	6.25%
Total acquisitions				**~$148m[1]**		

- HomeCo previously announced it had agreed terms to acquire two additional Sydney childcare centres ($15m contracted price)
  - HomeCo has decided not to proceed with these transactions as they did not meet internal due diligence requirements.

Everton Park, QLD

Essendon, VIC

Tarneit, VIC

Notes: 1. 'As complete' valuation. Proxima represents land value plus fund-through commitment for two years.

Selective asset divestments

Following recent transactions, HomeCo now has significant gearing capacity and liquidity to accelerate its capital light growth strategy

Overview of recent transactions

	HDN in-specie	Rutherford (NSW) asset sale	Bathurst (NSW) asset sale
Date	▪ 23-Nov-20	▪ 22-Dec-20	▪ 29-Jan-21
Valuation	▪ $566m (Sep-20)[1]	▪ $23.2m sale price ▪ 7% ungeared IRR on IPO (Oct-19) valuation	▪ $17.0m sale price ▪ 13% ungeared IRR on IPO (Oct-19) valuation

Divestment rationale

- ✓ In November 2020, HomeCo established its **first fund** through the listing of the **HomeCo Daily Needs REIT** on the ASX
  - This represented HomeCo's first step in executing on its **capital light strategy**
- ✓ HomeCo has also **sold two non-core regional NSW assets** at Bathurst and Rutherford for **$40m achieving blended ungeared IRR of ~10%**[2]
- ✓ As a result of these transactions, HomeCo has **lowered its gearing to 13.6%** and now has **~$200m in dry powder[3]** to execute on asset recycling initiatives to **efficiently grow FUM to $5bn+**

Notes: 1. Excludes Parafield. 2. Blended ungeared IRR calculated as weighted average asset IRR's. 3. Dry powder refers to the sum of cash and undrawn debt facilities

HomeCo Hawthorn East (HomeCo Daily Needs REIT)

Funds management

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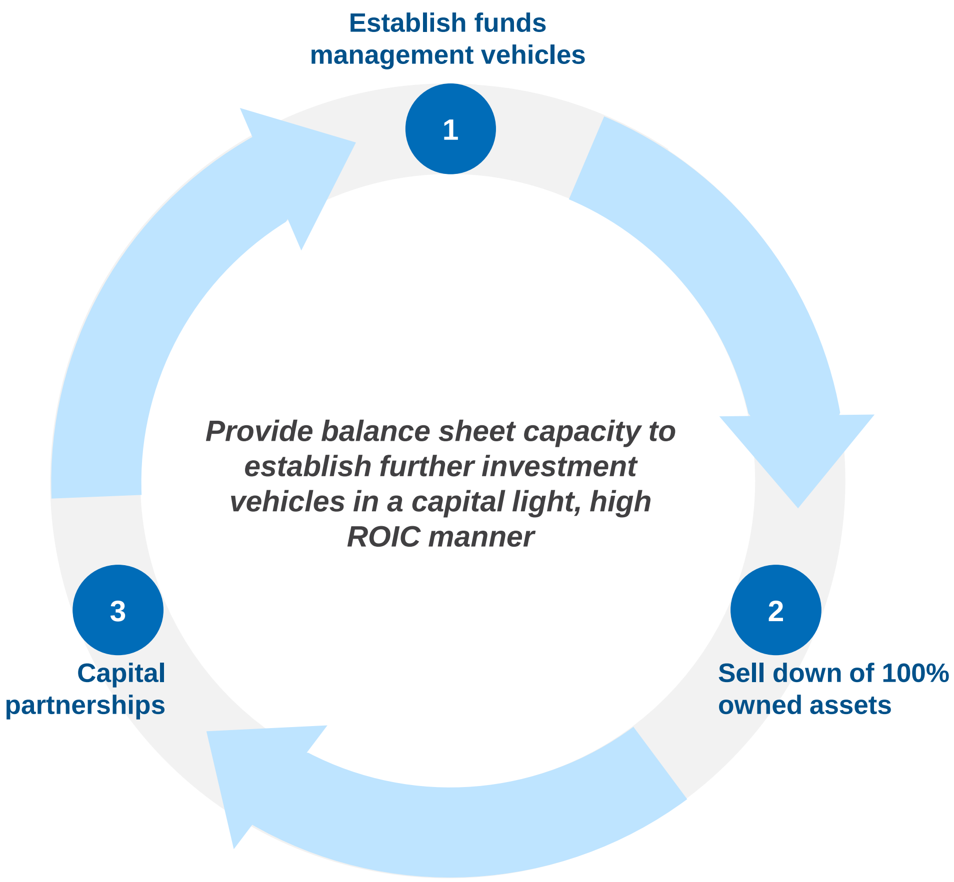
Asset recycling

Asset recycling to drive further FUM growth under a capital light model



Asset recycling initiatives

1 Establish funds management vehicles

- ✓ *Established first fund through the listing of the HomeCo Daily Needs REIT on the ASX in Nov-20*
- ✓ *Health, Wellness & Government Services Fund dual track process underway with target 1H FY22 first close of ~$500m*

2 Sell down of 100% owned assets

- ✓ *2 non-core regional NSW assets sold (Bathurst & Rutherford – refer page 11)*
- ✓ *$634m[1] of remaining direct property investments to:*
  - *Seed HealthCo fund*
  - *Provide additional assets to HDN*
  - *Complete developments and sell non-core assets to third parties for attractive returns*

3 Capital partnerships

- ✓ *Key focus to drive further FUM growth with institutional capital partners via co-investments in large scale assets or investment in unlisted wholesale funds*

Notes: 1. Excludes Parafield

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Funds management – HomeCo Daily Needs REIT

Since listing, HDN has grown to comprise ~$1bn in daily needs focused properties

Home Co. Daily Needs REIT

Key highlights

- Established via in-specie distribution and listed on the ASX in Nov-20
- Since listing, HDN has outperformed the S&P/ASX 300 A-REIT Index by 4%[1]
- Highlights of HDN's 1H20 financial results include:
    - ✓ 99% cash collections on unadjusted contracted rent since IPO (Nov-20 to Jan-21)
    - ✓ 9% upgrade to FY21 FFO guidance versus PDS
    - ✓ 5.5% forecast FY21 distribution yield now 100% FFO covered
    - ✓ Successful execution of $104m in acquisitions since IPO with Dec-20 total assets of $1.0bn
- Brownfield development pipeline embedded within the HDN portfolio

Key HDN statistics[2]

NTA per unit	$1.34 (+1% since IPO)
Total assets	$1.0bn (+16% since IPO)
HMC Co-investment	26.6%
Market capitalisation	~$650m
Occupancy[3]	98.7% (+0.2% since IPO)
WALE	8.1 years

Recent HDN acquisitions

Bunnings Seven Hills (NSW), settled December 2020

Marsden Park (QLD), settled November 2020

Notes. 1. As at 23 February 2021. 2. All metrics as at 31 December 2020 unless otherwise indicated. 3. By GLA, includes signed leases and signed MOU's. Excludes Richlands and Ellenbrook and includes rental guarantees.

Funds management – HomeCo Daily Needs REIT

Significant NTA and income growth is expected for HDN

HomeCo. Daily Needs REIT

Attractive portfolio characteristics

- ✓ Model Portfolio providing diversification
- ✓ Metropolitan growth corridors
- ✓ Attractive WALE of 8.1 years
- ✓ **Conservative cap rates (WACR of 5.9%) versus recent transactions**
- ✓ Significant exposure to defensive national tenants (76% of portfolio)
- ✓ Low specialty tenant exposure (15% of portfolio)

Income growth

- **Fixed rental escalations** across 75% of portfolio
- Completion of Richlands and Ellenbrook developments
- Existing land bank provides **significant opportunity to create additional income through value accretive pad site developments** (32% site coverage)
- Rents set at sustainable level for tenants providing opportunity for outsized growth potential over time
  - Average gross rent of ~$330/sqm at the bottom of the landlord cost curve

+

Cap rate compression

- Critical real estate infrastructure underpinned by high quality and defensive tenant base
  - **99% cash collection (Nov-20 to Jan-21)**
- Significant demand for neighbourhood and LFR assets
- Significant spread to long term interest rates provides opportunity for further cap rate compression
- Further 15bps cut to RBA cash rate since 30-Sep-20 valuations were undertaken

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Valuation uplift and headroom for growth

- ✓ Increase in property valuations expected to result in **NTA uplift**
- ✓ NTA uplift will improve **balance sheet gearing**
- ✓ Improved gearing to provide **balance sheet capacity for further growth opportunities**

Funds management – HealthCo

HomeCo is well progressed towards establishing HealthCo by 1H FY22

Health Co.

HealthCo status update

- HomeCo continues to progress the establishment of its Health, Wellness and Government Services Fund (HealthCo)
- Dual track process underway unlisted whole sale fund versus listed REIT
  - Target 1H FY22 first close of ~$500m
- HMC will seek to appoint advisers in coming weeks and will separately provide an update around the proposed board and management personnel
- HMC to own a target 10–15% co-investment in HealthCo and will seed the investment vehicle with ~$350m of proposed seed assets[1]
- Subject to final Board approval and all other required approvals
- Further information to be provided to securityholders in due course

HealthCo rationale: Why target Health, Wellness & Government Services?

1 Ageing population with increasing rates of chronic illness

The number of people in Australia aged 65+ is set to grow by 70% to a total of 6.5 million over the next 20 years, whilst the very aged cohort (>85 years old) within this group is set to quadruple over this time to 1.8 million

2 Medical advancements driving improvements in detection and treatment

In Australia, life expectancy is increasing in part due to improvements in detection technologies along with new chronic disease treatments

3 Significant and growing government expenditure on aged care, healthcare, childcare and welfare

The Australian Government estimates it will spend in excess of $1 trillion on essential health services and social welfare from FY20-24

4 Greater consumer focus and expenditure on Health & Wellness

The Health sector currently represents ~6.7% of Australian's household consumption versus ~4.5% 20 years ago

5 Australian Government expenditure on Health & Government services is at all time highs and will continue to grow

Treasury estimates Australia's net debt-to-GDP ratio will reach ~36% in FY21 post-COVID and continue growing to ~44% by FY24 with the face value of Australian Government bonds to exceed $1 trillion by FY22

Global megatrends underpin these segments creating a compelling investment proposition for these alternative asset classes

Source: ABS, Productivity Commission, Federal Government Budget, Australian Treasury
Notes: 1. 'As-complete' valuation

Funds management – HealthCo

~$350m of Health, Wellness & Government proposed assets to be used to seed HealthCo fund

HealthCo proposed seed assets

Property	State	Valuation	Cap rate
Cairns	QLD	$35m	6.75%
Erina	NSW	$35m	6.25%
Everton Park	QLD	$20m	5.00%
Essendon	VIC	$9m	5.40%
Proxima (fund-through)	QLD	$11m / $80m[1]	5.65%
Rouse Hill	NSW	$55m	6.00%
Roxburgh Park	VIC	$23m	7.50%
Springfield	QLD	$14m	7.00%
St Marys	NSW	$20m	5.75%
Tarneit	VIC	$7m	5.80%
Ballarat (contracted)	VIC	To be independently valued on settlement	

- HealthCo proposed **seed assets current valuation ~$250m**
- **Expected 'as-complete' valuation of ~$350m** following the completion of planned developments / fund-through projects

Proxima, QLD (renders)

Everton Park, QLD

Erina, NSW

Rouse Hill, NSW

Notes: 1. 'As-complete' valuation.

HomeCo Keysborough (HomeCo Daily Needs REIT)

Financial Performance

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Earnings summary

$ million	1H FY20A Freehold	1H FY21A Consolidated
Direct property income	28.9	37.2
Direct property expenses & outgoings	(12.2)	(13.4)
Direct property earnings	**16.5**	**23.8**
Share of associate profit (adjusted)[1]	0.0	0.8
Property investments	**16.5**	**24.6**
Management fee income	-	2.9
Property funds management expenses	-	(0.2)
Corporate expenses	(3.9)	(4.0)
Operating EBITDA	**12.6**	**23.3**
Finance costs (net)	(11.2)	(4.5)
Leasehold rent net of leasehold interest	(1.1)	0.0
FFO	**0.3**	**18.7**
Weighted average securities outstanding (m)	197.8	256.6
FFO per security	**0.15**	**7.3**

- HomeCo's earnings now comprise two key sources:
  - Property investments: comprising direct property (100% owned on balance sheet) and co-investments which comprises HDN.ASX
  - Funds management: management fee income received from HDN and HICT (from Nov-20) and associated expenses
- HomeCo reported FFO of $18.7m for the six months to Dec-20 which increased on the prior period driven by new property income from developments and reduced finance costs (net) following the 2019 listing of HomeCo
- Share of associate profit comprises the co-investment in HDN and share of FFO (from November 2020 listing)
- Management fees comprise funds management and property management income received from HDN and includes ~$1.0m in acquisition fees in relation to 2 properties acquired in 1H FY21

Notes: 1. Share of associate profit (adjusted) represents HMC's share of HDN FFO, not recognised in statutory profit / (loss)

Balance sheet

$ million	30-Jun-20	31-Dec-20
Cash and cash equivalents	29.6	89.8
Trade / other receivables and other assets	9.0	10.9
Freehold investment property	1,013.8	633.7
Leasehold investment property	84.3	-
Investment in Associate	-	168.3
Assets held for sale	-	35.7
Deferred tax asset	141.1	86.0
Total assets	**1,277.8**	**1,024.4**
Trade / other payables	40.7	38.4
Borrowings	361.4	202.5
Lease liabilities	143.1	0.4
Derivative financial liability	3.1	2.7
Total liabilities	**548.3**	**244.8**
Net assets	**729.5**	**779.6**
Securities on issue (m)	197.9	290.1
Adjusted NTA per security[1]	$3.20	$2.39
Gearing[2]	35.6%	13.6%
Look-through gearing	35.6%	21.9%

- NTA of $2.39 per unit as at 31-Dec-20 which reflects the impact from the HDN in-specie distribution in Nov-20
- HomeCo also completed the sale of the former Masters Hardware leasehold properties to Home Investment Consortium Trust in Nov-20
- Following the HDN in-specie distribution, HomeCo has retained 128.6m units in HDN (26.6% interest) valued at $168.3m at 31-Dec-20
- Deferred tax asset was reduced from the impact of the HDN in-specie distribution and leasehold transaction
- Assets held for sale as at 31-Dec-20 comprises the regional property Bathurst (NSW) which is now completed and Parafield (SA) which is scheduled to transfer to HDN in Q3 FY21 following the receipt of third party approvals

Freehold investment property bridge

Notes: 1. Net tangible assets adjusted to exclude the following balance sheet items: (i) Lease Mitigation Account, (ii) Leasehold investment property, (iii) Leasehold liabilities and (iv) Deferred tax assets. 2. Gearing is defined as Borrowings (excluding unamortised debt establishment costs) less Cash and cash equivalents divided by Total Assets less Lease liabilities and Cash and cash equivalents. 3. Acquisitions (Jul-20) include Prestons, Rosenthal, Vincentia and Erina (Jun-20 valuation of $160m) and excludes Parafield.

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Capital management

Strong capital position with 13.6% gearing and $200 million cash and undrawn debt

$ million	30-Jun-20	31-Dec-20
Senior secured facility summary		
Maturity	Oct-22	Oct-22
Limit	500.0	315.0
Drawn	366.0	204.8
Liquidity		
Senior facility undrawn	134.0	110.2
Cash at bank[1]	2.9	89.8
Total cash and undrawn debt	**136.9**	**200.0**
Key metrics		
Gearing[2]	35.6%	13.6%
Look through gearing	35.6%	21.9%
% of debt hedged	47.8%	85.4%
Weighted avg. debt cost[3] (% p.a.)	2.42%	2.97%

- HomeCo reduced its facility limit by $185m to $315m as part of the HDN transaction (pro-rata across term and revolver facility, now $204.75m and $110.25m respectively)
- $200.0m in cash and undrawn debt as at 31 December 2020 and balance sheet gearing of 13.6%
- No new hedging has been undertaken versus Jun-20 however the reduced drawn debt has increased the hedged % (and weighted average cost of debt)

Notes: 1. 30-Jun-20 cash balance excludes lease mitigation account. 2. Gearing is defined as Borrowings (excluding unamortised establishment costs) less cash and cash equivalents divided by total assets excluding cash and cash equivalents, lease mitigation account, leasehold investment property and deferred tax assets. 3. Weighted average cost of debt includes undrawn line fees and excludes establishment fees.

HomeCo Braybrook (HomeCo Daily Needs REIT)

Outlook

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Outlook and dividend

- HomeCo provides FY21 FFO guidance of no less than $35.0m (12.9 cents per security)
  - FY21 guidance reaffirms the 4% upgrade provided on 4 December 2020
  - FY21 guidance is provided on the basis of no unforeseen circumstances or further extended COVID-19 lockdowns and government-mandated restrictions
- HomeCo's distribution policy is expected to evolve as it transitions to a capital light funds management model with enhanced reinvestment opportunities which can drive attractive returns in excess of HomeCo's cost of capital. This compares to HomeCo's managed funds (e.g. HDN.ASX) which intends to payout a higher proportion of funds from operations consistent with their respective distribution policies and broader strategies to provide stable and growing distributions
  - Interim FY21 dividend of 6.0 cents per security (100% franked) declared. Record date: 3-Mar-21, Payment date: 17-Mar-21
  - Full year FY21 dividend guidance of 12.0 cents per security

Bunnings Seven Hills, NSW (HomeCo Daily Needs REIT)

HomeCo Rosenthal, VIC (HomeCo Daily Needs REIT)






Supplementary Information

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HomeCo FUM

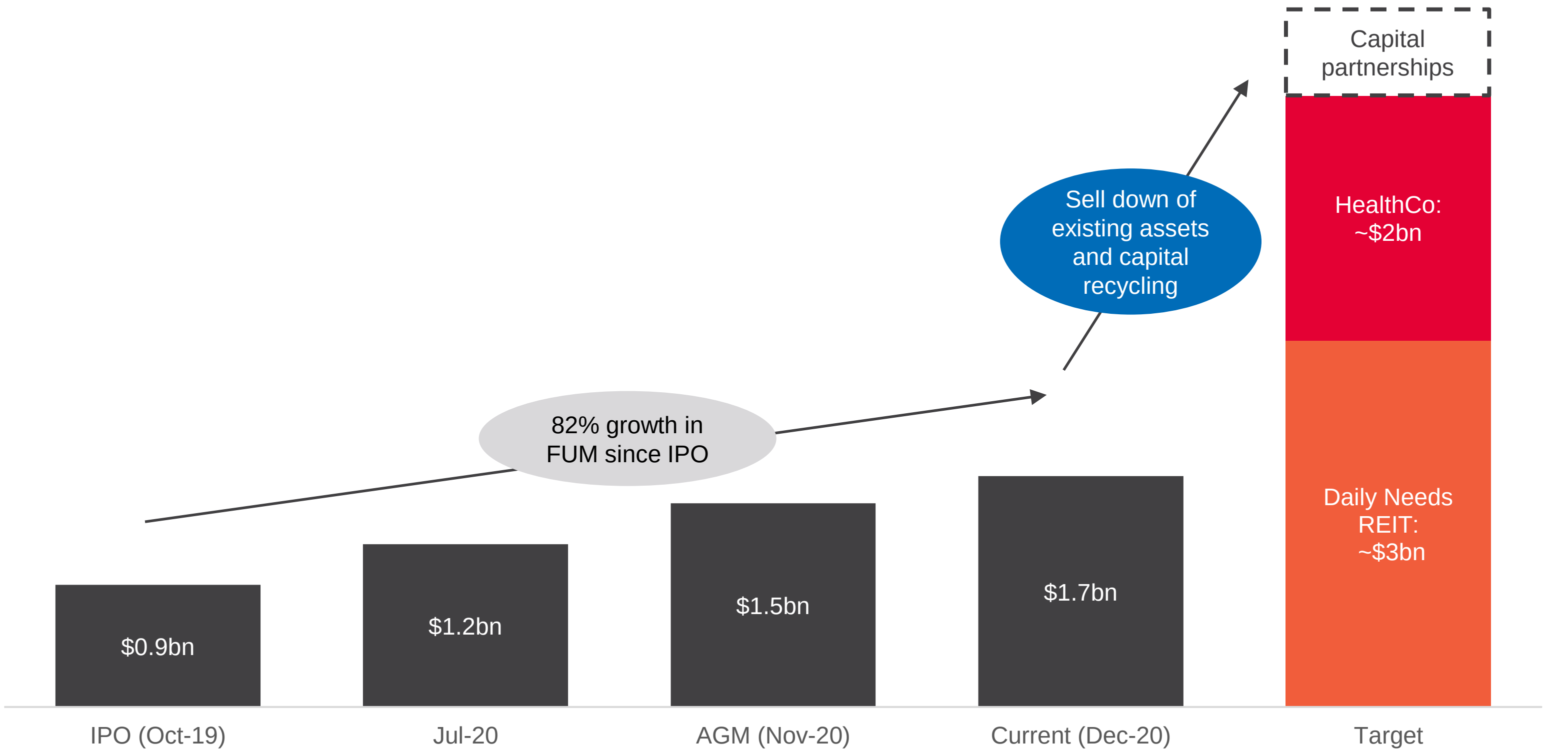
	HMC.ASX		
	HomeCo Daily Needs REIT (HDN.ASX)	**Direct Property Investments**	**Health, Wellness & Government Services Fund (HealthCo)**
FUM (A$m)[1]	▪ ~$1bn	▪ ~$450m	▪ ~$250m (~$350m as-complete)
No. assets (#)[1]	▪ 19	▪ 15	▪ 11
HMC ownership	▪ 26.6%	▪ 100% owned	▪ ~10-15% target
Stabilised assets	▪ Braybrook ▪ Hawthorn East ▪ Keysborough ▪ Mornington ▪ Butler ▪ Joondalup ▪ Tingalpa ▪ Penrith ▪ Rosenthal ▪ Prestons ▪ Vincentia ▪ Parafield ▪ Glenmore Park ▪ Gregory Hills ▪ Coomera City Centre ▪ Seven Hills Bunnings ▪ Marsden Park (QLD) ▪ Ellenbrook ▪ Richlands	**Owned properties:** ▪ Knoxfield ▪ Bundall ▪ Mackay ▪ North Lakes ▪ Morayfield ▪ Toowoomba South ▪ Box Hill ▪ Upper Coomera ▪ Lismore ▪ Marsden Park (NSW) ▪ Coffs Harbour ▪ Wagga Wagga ▪ South Morang ▪ Richlands (excess land) **Contracted for acquisition:** ▪ Gregory Hills Home Centre	**Owned properties:** ▪ Rouse Hill ▪ Cairns ▪ Erina ▪ Tarneit ▪ Essendon ▪ Everton Park ▪ Roxburgh Park ▪ St Marys ▪ Springfield **Contracted for acquisition:** ▪ Ballarat (Call Option) ▪ Proxima

Notes: 1. Total includes Ballarat, Gregory Hills Home Centre and Proxima

Ability to leverage existing asset base and grow FUM and FFO

Existing asset base supports significant growth in fee generating FUM and FFO

Funds Under Management (FUM)



30 assets	36 assets	40 assets	44 assets[1]	**$5bn+ FUM**

FUM of $1.7bn today with the ability to leverage this to ~$5bn through selling down 100% owned assets to ~10-15% stakes and redeploying capital. Potential to increase this further through establishing capital partnerships

Notes: 1. Includes assets contracted at Proxima and Gregory Hills Home Centre. Excludes Ballarat call option.

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HomeCo portfolio

Direct property portfolio summary metrics

Property	State	Classification	GLA (sqm)	Site area (sqm)	Site Coverage (%)[1]	Trading occupancy (by area)[2]	Occupancy (by area)[2]	WALE (by income)[3]	Fair Value ($m)	Cap rate (%)
Box Hill	VIC	Operating	13,911	40,475	34.4%	92.5%	100.0%	10.1	$49.5	6.75%
Bundall	QLD	Operating	10,458	16,450	63.6%	100.0%	100.0%	5.9	$31.8	7.00%
Coffs Harbour	NSW	Operating	10,073	24,270	41.5%	100.0%	100.0%	8.9	$20.6	7.00%
Erina	NSW	Operating	14,570	33,280	43.8%	100.0%	100.0%	9.7	$35.0	6.25%
Essendon	VIC	Operating	804	1,894	42.4%	100.0%	100.0%	10.5	$8.6	5.40%
Everton Park	QLD	Operating	2,923	2,629	111.2%	100.0%	100.0%	13.9	$20.3	5.00%
Knoxfield	VIC	Operating	13,620	43,400	31.4%	97.6%	97.6%	11.0	$30.3	7.00%
Lismore	NSW	Operating	9,029	34,750	26.0%	74.5%	99.4%	5.9	$16.2	7.25%
Mackay	QLD	Operating	11,929	108,730	11.0%	99.2%	99.2%	6.0	$26.3	7.50%
Marsden Park	NSW	Operating	11,924	34,920	34.1%	96.3%	100.0%	5.6	$52.0	6.00%
Morayfield	QLD	Operating	11,280	28,350	39.8%	72.3%	100.0%	5.7	$27.4	7.00%
North Lakes	QLD	Operating	11,399	39,910	28.6%	99.2%	99.2%	7.1	$36.3	6.75%
Rouse Hill	NSW	Operating	14,015	36,100	38.8%	100.0%	100.0%	7.2	$54.5	6.00%
South Morang	VIC	Operating	11,417	35,870	31.8%	98.0%	100.0%	6.3	$32.4	7.00%
Tarneit	VIC	Operating	2,307	2,907	79.4%	100.0%	100.0%	15.0	$6.6	5.80%
Toowoomba South	QLD	Operating	11,360	32,248	35.2%	97.1%	97.1%	6.3	$29.1	7.25%
Upper Coomera	QLD	Operating	11,261	34,990	32.2%	89.0%	93.4%	7.5	$45.3	6.50%
Operating centres			**172,280**	**551,173**	**31.3%**	**94.6%**	**99.0%**	**7.7**	**$522.2**	**6.59%**
Cairns	QLD	Development	11,391	27,200	41.9%	nm	nm	nm	$35.4	6.75%
Richlands (excess land)	QLD	Development	nm	14,040	nm	nm	nm	nm	$3.5	nm
Roxburgh Park	VIC	Development	11,115	54,140	20.5%	nm	nm	nm	$23.2	7.50%
Springfield	QLD	Development	10,923	31,030	35.2%	nm	nm	nm	$13.7	7.00%
St Marys	NSW	Development	12,901	31,860	40.5%	nm	nm	nm	$20.0	5.75%
Wagga Wagga	NSW	Development	15,487	41,310	37.5%	nm	nm	nm	$15.7	8.00%
Development centres			**61,817**	**199,580**	**31.0%**	**nm**	**nm**	**nm**	**$111.5**	**6.72%**
HMC portfolio			**234,097**	**750,753**	**31.2%**	**94.6%**	**99.0%**	**7.7**	**$633.7**	**6.61%**

Notes: 1. Ratio of GLA to site area, where GLA does not include carparks. 2. By GLA for operating centres only and includes rental guarantees. Based on signed leases and signed MoUs. 3. By gross income for signed leases and signed MoUs

Additional financial information

FFO reconciliation to statutory profit/(loss) after tax

$ million	1H FY20A Freehold	1H FY21A Consolidated
FFO	**0.3**	**18.7**
Straight lining & amortisation	(0.2)	(2.0)
Amortisation of borrowing costs	(6.4)	(2.3)
Fair value movements	1.0	(11.8)
Acquisition and transaction costs	(5.6)	(1.4)
Leasehold properties (discontinued)	-	9.9
Loss on demerger	-	(15.4)
Share of associate profit/(loss)	-	(5.9)
Income Tax	7.1	(21.9)
Other	1.1	(0.9)
Underlying profit/(loss) after tax	**(2.7)**	**(33.0)**
Share of associate profit (adjusted)[1]	-	(0.8)
Statutory profit/(loss) after tax	**(2.7)**	**(33.8)**

Investment property bridge

$ million	1H FY21A Consolidated
Opening Balance at 30 June 2020	**1,013.8**
Acquisitions and additions (including transaction costs)	255.9
Disposals & assets held for sale	(58.3)
Disposal to HDN	(565.7)
Fair value loss - transaction costs	(12.7)
Fair value gain / (loss)	0.7
Closing Balance at 31 Dec 2020	**633.7**

- Statutory loss after tax of $33.8m for the six months to Dec-20 impacted by one-off items including:
  - Fair value movements: includes $12.7m of transaction costs (majority stamp duty) written off through fair value
  - Leasehold properties (discontinued operations): $9.9m accounting profit gain on sale to HICT
  - Loss on demerger: equity accounting for 26.6% HDN interest, reduction reflects HomeCo's sharing of transaction costs
  - Share of associate loss: statutory HDN loss for 1H FY21 period driven by IPO / acquisition costs

Notes: 1. Share of associate profit (adjusted) represents HMC's share of HDN FFO, not recognised in statutory profit/(loss)

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Information is stated as at 31 December 2020 unless otherwise indicated. All values are expressed in Australian currency unless otherwise indicated.

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