Home Co. Daily Needs REIT

Managed by
HMC Funds Management Limited
(ACN 105 078 635; AFSL 237257)
as responsible entity of the
HomeCo Daily Needs REIT (ARSN 645 086 620)

ASX RELEASE

19 August 2021

HOMECO DAILY NEEDS REIT - FY21 FINANCIAL RESULTS PRESENTATION

HomeCo Daily Needs REIT (ASX: HDN) provides the attached FY21 Financial Results Presentation.

-ENDS-

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Authorised for release by the Board of the Responsible Entity

About HomeCo Daily Needs REIT

HomeCo Daily Needs REIT is an Australian Real Estate Investment Trust listed on the ASX with a mandate to invest in convenience-based assets across the target sub-sectors of Neighbourhood Retail, Large Format Retail and Health & Services. HomeCo Daily Needs REIT aims to provide unitholders with consistent and growing distributions.

Home Co.
Daily Needs REIT

FY21 Financial Results Presentation

19 August 2021

Acknowledgement of Country

HomeCo Daily Needs REIT acknowledges the Traditional Custodians of country throughout Australia and celebrates their diverse culture and their connections to land, sea and community. We pay our respect to their Elders past, present and emerging and extend that respect to all Aboriginal and Torres Strait Islander peoples today

Daily Needs REIT

Agenda

1. Highlights and Strategy
2. Portfolio Update
3. Financial Performance
4. Outlook and Guidance
5. Supplementary Information

Paul Doherty
Fund Manager

Sid Sharma
Group COO

Will McMicking
Group CFO

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FY21 Highlights

Significant progress made since IPO in November 2020

FINANCIAL	ASSET MANAGEMENT	INVESTMENT
14% **EARNINGS BEAT** FY21 FFO ($21.4m) vs PDS ($18.8m)	**99%** **CASH COLLECTION** Nov-20 to Jun-21 (unadjusted contracted rent)	**+82%** **GROWTH IN PORTFOLIO VALUE SINCE IPO** HDN portfolio grown to $1.6bn[4]
5% **EARNINGS BEAT** FY21 FFO/UNIT (4.1cpu) vs PDS (3.9cpu)	**99.3%** **OCCUPANCY** +0.7% increase from Dec-20[3,4]	**$27.5m** **ACTIVE DEVELOPMENTS** On-track to open H2 FY22 10%+ target ROIC[7]
35.0% **PRO-FORMA GEARING[2]** Within 30-40% target range	**+4.4%** **LEASING SPREADS[5]** +2.0% Renewals 46 Development leases	**~$100m** **FUTURE BROWNFIELD DEVELOPMENTS** 8%+ target ROIC[7]
$253m **PRO-FORMA LIQUDIITY** Post recent debt upsize and extension of existing facility	**14%** **SUPERMARKET MAT GROWTH** 2 supermarkets in turnover rent and 3 within 10%[6]	**$335m** **EQUITY ISSUANCE** Increased free float & liquidity - potential for index inclusion (S&P/ASX 300 & FTSE EPRA NAREIT)

Notes: 1. All metrics represent the portfolio as at 30 June 2021 unless otherwise indicated. 2. Gearing is calculated 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. By GLA and includes rental guarantees. Excludes Richlands and Ellenbrook as sites are in post-development stabilisation. Including these sites, portfolio occupancy is 98.5%. 4. Includes acquisition of LFR Portfolio (announced Apr-21, settled in Jul-21) and Victoria Point (announced Jul-21, expected to settle in Aug-21). Includes Parafield ROU asset of $11m. 5. New Deals. 6. Relates to moving annual turnover for the year ended 30-Jun-21 versus moving annual turnover for the year ended 30-Jun-20. Mature centres only with >24 months trading. 7. Return on invested capital (ROIC) represents cash yield on cost once development is fully stabilised. Estimated ROIC is based on assumptions relating to future income, valuation, capex and calculated on a fully stabilised basis.

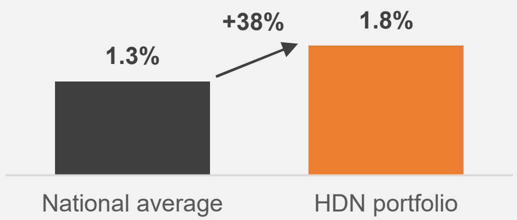
Model Portfolio strategy

Portfolio construction designed to provide resilient, sustainable and growing total returns

Growing Markets

- Geographically diverse national footprint
- **88% metro-located portfolio**[1]
- Exposed to markets with **above average** population growth

Forecast population growth (2021-2041)[2]



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Resilient Sub-Sectors

- **Target Model Portfolio** allocated between three core sub-sectors:

~50% Neighbourhood

~30% Large Format Retail

~20% Health & Services

- Low correlation to traditional retail and property sectors
- No exposure to department stores and minimal exposure to discretionary retail and fashion

+

Quality Tenants

- 3 largest tenants include Woolworths, Wesfarmers and Coles
- 80%+ national retailers[3]
- Top 20 tenants represent ~52% of exposure[3]
- **Average gross rent of $325/sqm** at bottom of the landlord cost curve
- Positive leasing spreads
  - New leases +4.4%
  - Renewals +2.0%

HDN owns a strategic network of last mile infrastructure

Model Portfolio targets consistent and growing distributions

✓ **99%** Cash Collection[4]   ✓ **7.6** year WALE[5]   ✓ **3.3%** WARR[6]   ✓ **4.4%** leasing spreads[7]

Notes: 1. Calculated by fair value of properties as at 30-Jun-21 pro forma for acquisitions settling post 30-Jun-21 including LFR Portfolio and Victoria Point (QLD). 2. Australian Bureau of Statistics. Vic and SA based on 2021 to 2036. WA based on 2021 to 2031. 3. By gross income for signed leases and signed MOUs. Includes announced acquisitions settling post 30-Jun-21. 4. Unadjusted cash collection of contracted rent from Nov-20 to Jun-21. 5. As at 30 June 2021 across signed leases and MOUs. Includes announced acquisitions settling post 30-Jun-21. 6. Fixed escalation relates to 65% of tenants that are contracted under fixed escalation rental agreements. 7. New leases.

HomeCo Town Centre Victoria Point (QLD)

Portfolio Update

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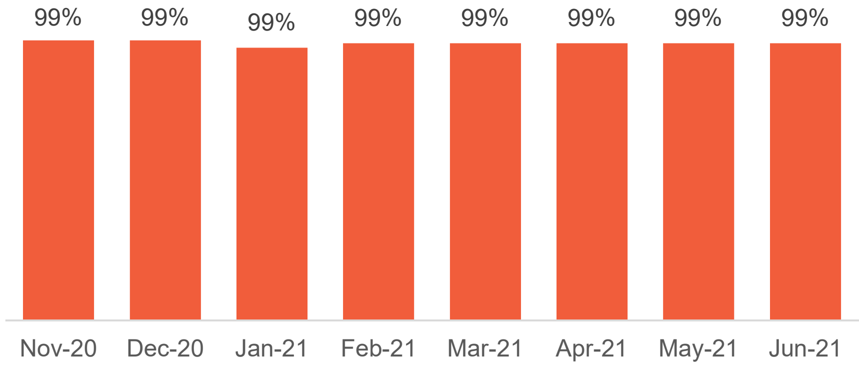
Portfolio highlights

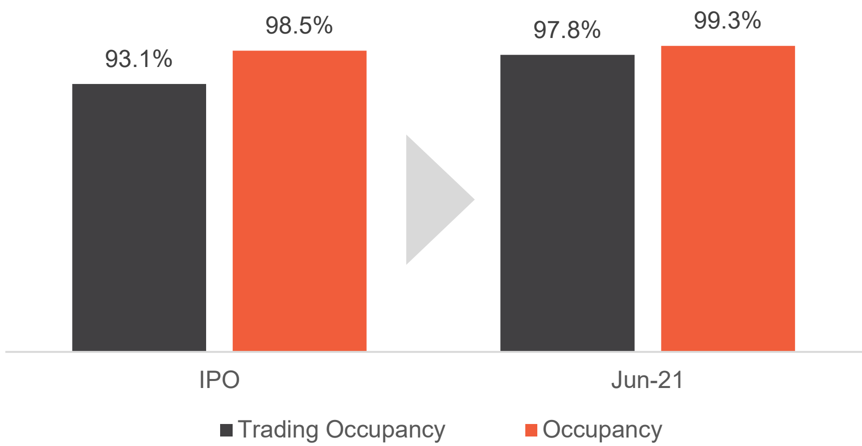
Resilient growing income streams notwithstanding uncertain macro backdrop

Occupancy **99.3%** ↑ from 98.7% at 31-Dec-20[1,2]	Trading occupancy **97.8%** ↑ from 96.7% at 31-Dec-20[1,2]
Cash collection **99%** Every month since IPO	Foot traffic growth **15%** Stable vs 12 months to Jun-21[3]
Supermarket MAT growth **14%** Stable vs 30-Jun-20[4]	Development Leasing **29,800m²** 46 leases in FY21
Leasing spreads - new **+4.4%** 20 new leases in FY22 12% incentive	Leasing spreads - renewals **+2.0%** 12 lease renewals in FY22 2.9% incentive

Cash rent collection since IPO



Trading vs leased occupancy since IPO[1,2]



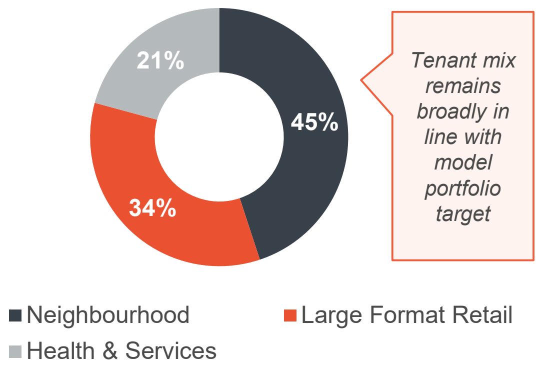
Notes: 1. By GLA and includes rental guarantees. Excludes Richlands and Ellenbrook as sites are in post-development stabilisation. Including these sites, portfolio occupancy is 98.5%. 2. Includes acquisition of LFR Portfolio (announced Apr-21, settled in Jul-21) and Victoria Point (announced Jul-21, expected to settle in Aug-21). 3. Across operating assets (excluding centres that have been owned within the HomeCo Group for less than 12 months). 4. Relates to moving annual turnover for the year ended 30-Jun-21 versus moving annual turnover for the year ended 30-Jun-20.

Portfolio statistics

Highly complementary acquisitions further enhance portfolio

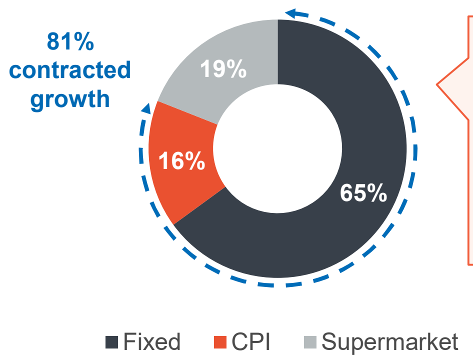
Portfolio statistics	1H FY21 (31-Dec-20)[1]	FY21 (30-Jun-21)[2]	FY21 (Pro forma)[2,3]
Number of properties	19	20	**28**
Fair value	$978m	$1,112m	**$1,556m**
Weighted average capitalisation rate	5.95%	5.63%	**5.63%**
Weighted average lease expiry[4]	8.1 years	8.0 years	**7.6 years**
Site coverage ratio	32%	33%	**31%**
Average gross rent/sqm	$330 / sqm	$335 / sqm	**$325 / sqm**

Tenant mix of current portfolio (by income)[3,4]



Tenant mix remains broadly in line with model portfolio target

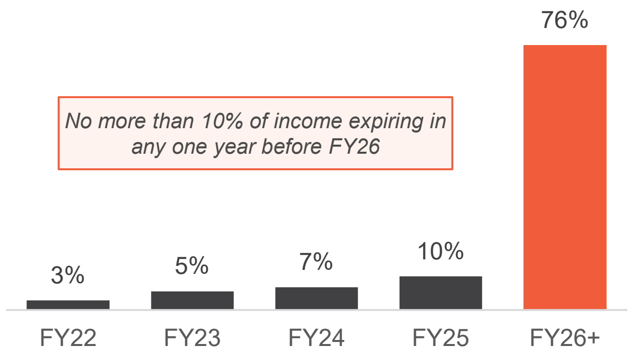
Rent composition of current portfolio (by income)[3,4]



Fixed rental escalations for 65% of portfolio with 3.3%[4,5] p.a. weighted average rent reviews

Lease expiry profile of current portfolio (by income, financial years)[3,4]

No more than 10% of income expiring in any one year before FY26



Note: 1. Dec-20 portfolio statistics per 1H FY21 results presentation. 2. Includes Armstrong Creek acquisition announced Apr-21 and Parafield ROU asset of $11m. 3. Includes acquisitions settling post 30-Jun-21 including LFR Portfolio (7 assets) announced Apr-21 and Victoria Point (QLD) announced in Jul-21. 4. By gross income for signed leases and signed MOUs 5. Fixed escalation relates to 65% of tenants that are contracted under fixed escalation rental agreements

Brownfield current developments update

Accretive developments on-track to deliver >10% ROIC[1]

Brownfield development projects	Planning status	Leasing pre-commitments[2]	Construction	Target open	Est. investment
1. Gregory Hills ▪ 3,120 sqm GLA centre extension anchored by Aldi	✓	100%	✓	2H FY22	~$12.0m
2. Braybrook ▪ 200 sqm GLA Drive through Guzman Y Gomez	✓	100%	✓	1H FY22	~$1.5m
3. Braybrook ▪ 200 sqm GLA Drive through Carl's Junior	✓	100%	✓	1H FY22	~$2.0m
4. Braybrook ▪ 1,800 sqm GLA Medical centre pad	✓	100%	✓	2H FY22	~$5.5m
5. Penrith ▪ 1,500 sqm GLA Childcare pad	✓	100%	✓	2H FY22	~$4.0m
6. Mackay ▪ 200 sqm GLA petrol station pad	✓	100%	To commence Sep-21	2H FY22	~$2.5m
Total		**100%**			**~$27.5m**

HomeCo Gregory Hills (NSW)

HomeCo Penrith (NSW)

Notes: 1. Return on invested capital (ROIC) represents cash yield on cost once development is fully stabilised. Estimated ROIC is based on assumptions relating to future income, valuation, capex and calculated on a fully stabilised basis. 2. Leasing pre-commitments (% GLA) is the sum of signed Leases, signed MoUs and issued MoUs.

Brownfield current developments update

Works commenced

HomeCo Gregory Hills (NSW)

HomeCo Penrith (NSW)

HomeCo Braybrook (VIC)

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Future brownfield development pipeline

~$100m of future brownfield developments identified and in planning

7	~$100m	~20,000m²	8.0%+
Opportunities identified	Future pipeline	Additional GLA	Target ROIC[1]

Brownfield development pipeline	GLA	Est. investment
1. Vincentia, NSW Stage 1 ▪ Childcare, Health & Services Precinct	6,500 sqm	~$30m
2. Marsden, QLD ▪ Supermarket & childcare anchored centre extension	7,000 sqm	~$30m
3. Glenmore Park, NSW ▪ Health & Services Precinct	1,550 sqm	~$15m
4. South Morang VIC ▪ Drive through Quick Service Restaurant (QSR)	200 sqm	~$3m
5. Upper Coomera, QLD ▪ Childcare	1,800 sqm	~$7m
6. Toowoomba South, QLD ▪ Centre expansion	2,000 sqm	~$5m
7. Marsden Park, NSW ▪ Centre expansion & F&B precinct	2,200 sqm	~$10m
Total	**~20,000 sqm**	**~$100m**

Notes: 1. Return on invested capital (ROIC) represents cash yield on cost once development is fully stabilised. Estimated ROIC is based on assumptions relating to future income, valuation, capex and calculated on a fully stabilised basis. Completion date of future development is dependent on a range of factors including satisfactory planning approvals.

Acquisition track record

Strategic acquisitions value add leasing and development upside potential


	1H21 (2 months)		2H21 (6 months)[1]		
	Marsden (QLD)	**Seven Hills Bunnings (NSW)**	**Armstrong Creek (VIC)**	**LFR Portfolio (7 assets)**	**Town Centre Victoria Point (QLD)**
Settlement date	Nov-20	Dec-20	Apr-21	Jul-21	Aug-21
Purchase price	$48.0m	$56.0m	$55.6m	$266.4m	$160.0m
Book value	$53.0m	$60.0m	$55.6m	$283.7m	$160.0m
Acquisition WACR	6.75%	5.13%	6.00%	6.75%	4.75%
WALE (Jun-21)	7.2 years	10.0 years	11.1 years	6.5 years	7.3 years
Site coverage	14%	60%	48%	27%	28%

Note: 1. Refers to acquisitions which were secured in FY21 which in some cases settled in FY22.

Strong valuation support underpins future NTA growth

Expected to release further balance sheet capacity for growth

Attractive portfolio characteristics

- ✓ Strategically located sites
- ✓ Attractive WALE of 7.6 years
- ✓ **Conservative 5.6% WACR versus recent transactions**
- ✓ Defensive national tenants (80% of income)
- ✓ 99% cash rent collection
- ✓ Low specialty tenant exposure (13% total income)

Income growth

- **Fixed and CPI rental escalations** across 81% of portfolio
- Significant opportunity to create additional income through **accretive brownfield developments**
  - 31% site coverage
  - 8%+ ROIC
- Low and sustainable rents at the bottom of the cost curve
  - Average gross rent of $325/sqm

Cap rate compression

- Critical real estate infrastructure
- Benefitting from shift to omnichannel fulfilment
- Demand intensifying for quality neighbourhood and LFR assets
- Spread to long term interest rates provides opportunity for further cap rate compression

Valuation uplift and headroom for growth

- ✓ Further cap rate compression expected
- ✓ 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**

HDN owns a strategic network of last mile infrastructure

Fulfilment hubs providing integration of customer experience across all channels

Click & Collect

Micro-fulfilment (in-store)

Home delivery (from store)

HDN is positioned to benefit from this megatrend

- The secular shift to omni-channel retailing is a megatrend which has been significantly accelerated by Covid-19
- Retailers are increasingly leveraging their existing store networks as the optimal solution for both in-store and on-line fulfilment
  - Click & Collect becoming increasingly popular
- Stores in densely populated locations are best positioned to operate as last mile fulfilment centres due to customer proximity
- HDN owns strategically located and underutilised sites which can support logistical infrastructure at the bottom of the retail landlord cost curve
- Online grocery penetration has significantly increased in Australia
  - Woolworths has 671 Direct-to-Boot (DTB) stores
  - Coles has >400 'Click&Collect' Concierge stores

Attractive portfolio attributes for omnichannel

88% metro located	**73%** tenants have click & collect[1]	**31%** site coverage
>7m people within 10km radius of HDN asset	**86%** tenants have home delivery[1]	**$325** average gross rent/sqm

Notes: 1. Excludes services and fuel tenants.

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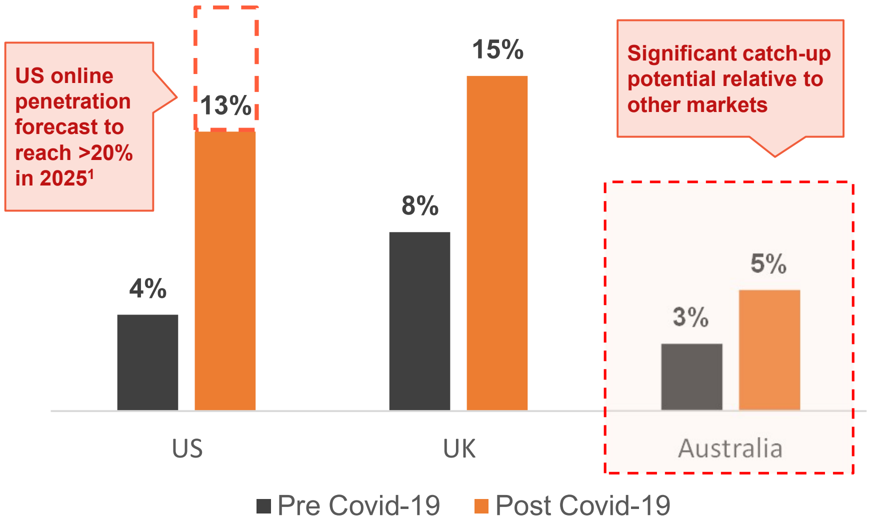
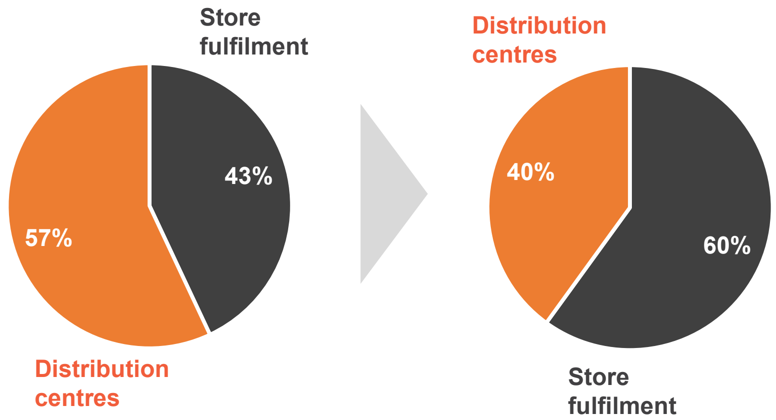
The secular shift to omni-channel is a megatrend

Retailers are leveraging their existing store networks for both in-store and on-line fulfilment

Online grocery penetration (%)[1,2]



US online fulfilment 1Q 2020 vs 4Q 2020[3]



65+ major Australian retailers offer 'Click & Collect'

Woolworths, Dan Murphy's, BCF, coles, rebel, Bunnings Warehouse, Officeworks, Chemist Warehouse Discount Chemist, ALDI, Anaconda, Sydney Tools, Supercheap Auto, priceline pharmacy

TESCO, Kroger, Morrisons, Walmart, amazon

Offshore retailers

Harvard Business Review

How "buy online, pickup in-store" gives retailers an edge[4]

"Over the past year, 40% of Americans tried a new shopping method, and nearly three-quarters of people who have tried curbside pickup, BOPIS[5], or delivery want to continue using these services after the pandemic ends

"The pandemic has rapidly accelerated the digital transformation of retail — but as lockdowns come to an end and the economy recovers, many firms are wondering what the future will hold. Customers are unlikely to go back to their old ways of shopping"

Notes: 1. Kantar, Sainsbury's and Tesco 2020 Q3 trading statements - January 2021. 2. McKinsey, Company data, Macquarie Research, April 2021. 3. Goldman Sachs Research – New Digital Age of Retail - Part II: Fulfilment is Moving to the Store; What it Means for Retailers & Customers (14 June 2021). 4. Michael Ketzenberg and M Serkan Akturk (May 2021). 5. Buy Online Pay In-Store.

Home Co. Daily Needs REIT

HDN management team

High quality dedicated management team with proven track record of value-add

Funds Management & Finance

Paul Doherty
HDN Portfolio Fund Manager

Abarna Maheswaran
HDN Head of Finance[1]

Priya Kumar
HDN Senior Legal Counsel

Asset Management

Marie Nguyen
Head of Asset mgmt.

Karla Mitchell
HDN Asset Manager

Stephen Alborough
HDN Asset Manager

Development

Andrew Boustred
Development Director

John Stewart
Snr. Project Manager

David Gutwenger
Snr. Project Manager

Leasing

Garry McDowall
Snr. Leasing Manager (QLD & LFR)

Nick McKeith
Leasing Manager (NSW & WA)

Daniel Noonan
Snr. Leasing Manager (VIC & SA)

Home Consortium

Sid Sharma
Group COO

Clare Chapman
Group Financial Controller

Jourdon Whitfield-Horesh
Senior Associate Corporate Finance

Matia Jelinic
HDN Fund Analyst

Notes: 1. To commence in FY22.

HomeCo Prestons (NSW)

Financial Performance

Earnings summary

FY21 FFO per unit has exceeded PDS forecast

$m	FY21 PDS budget	FY21 Actual
Property NOI	**29.3**	**34.0**
Responsible entity fees	(4.5)	(5.8)
Other corporate expenses	(1.1)	(1.3)
EBITDA	**23.7**	**26.8**
Net interest expense	(4.9)	(5.5)
FFO	**18.8**	**21.4**
Units on issue (wtd avg) (m)	482.9	524.2
FFO per unit (cents)	**3.9**	**4.1**

- FY21 FFO is $2.6m (+13.8%) ahead of the PDS forecast or 0.2 cents (+5%) ahead on a FY21 FFO per unit basis
- FY21 FFO also came in $0.4m ahead (+1.9%) of the $21.0m FFO guidance provided during the Apr-21 capital raising
- No COVID-19 impact to FY21 earnings with 99% cash collection for the period (unadjusted contracted rent)
- Outperformance vs. PDS largely driven by acquisitions over the FY21 period
- Reconciliation to FFO is detailed in the appendix

Balance sheet

30 June 2021 pro-forma NTA of $1.35 per unit (versus $1.33 PDS)

$m	PDS (Nov 20)	30 Jun 21	Adjust. [1]	30 Jun 21 PF
Cash and cash equivalents	5.0	249.5	(244.0)	5.5
Assets held for sale	14.1	14.1	-	14.1
Investment property	854.1	1,111.8	443.7	1,555.5
Other	2.8	15.0	(8.8)	6.2
Total assets	**876.0**	**1,390.4**	**190.9**	**1,581.3**
Borrowings	(224.3)	(414.8)	(132.0)	(546.8)
Lease liability	(10.9)	(11.0)	-	(11.0)
Other	-	(31.5)	-	(31.5)
Total liabilities	**(235.2)**	**(457.3)**	**(132.0)**	**(589.3)**
Net assets	**640.9**	**933.1**	**58.9**	**992.0**
Gearing[2]	26.2%	15.1%		35.0%
Units on issue (m)	482.9	687.5		735.8
NTA per unit ($)	**1.33**	**1.36**		**1.35**

Notes:

1. Pro-forma adjustments for the settlement of the 7 LFR properties from HomeCo and Town Centre Victoria Point (including transaction costs and fair value uplift on 7 LFR properties)

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

- Key movement since the Nov-20 PDS balance sheet to Jun-21 was investment properties ($257.7m) including:
  - $159.6m property acquisitions: Marsden (QLD), Bunnings Seven Hills (NSW) and Armstrong Creek (VIC)
  - $51m capex / incentives spend: primarily the Ellenbook (WA) and Richlands (QLD) new centre developments in addition to new tenancies and pads
  - $16.8m fair value adjustments: which includes $30.2m of acquisition costs offset by $47.0m in valuation gains
- High cash balance as at Jun-21 reflects the fact that the 7 LFR properties acquired from HMC settled on 1 July 2021
- Pro-forma Jun-21 balance sheet adjusts for the settlement of the 7 LFR properties from HMC and Jul-21 Victoria Point acquisition & equity raising with pro-forma gearing of 35.0% and NTA of $1.35 per unit

Capital management

Strong liquidity position of $253 million

$m	Dec-20 Actual	Jun-21 Actual	Jun-21 Pro-forma[1]
Senior secured facility summary			
Maturity	Nov-23	Nov-23	Refer chart
Limit	500.0	500.0	800.0
Drawn	352.0	420.7	552.7
Liquidity			
Senior facility undrawn	148.0	79.3	247.3
Cash at bank	6.4	249.5	5.5
Total liquidity	**154.4**	**328.8**	**252.8**
Key debt metrics			
Gearing[2]	34.5%	15.1%	35.0%
% of debt hedged	-	-	50.0%
Weighted avg. debt cost (% p.a.)[3]	2.6%	2.4%	Drawn – 2.2% WACD[3] – 2.5%

Notes:

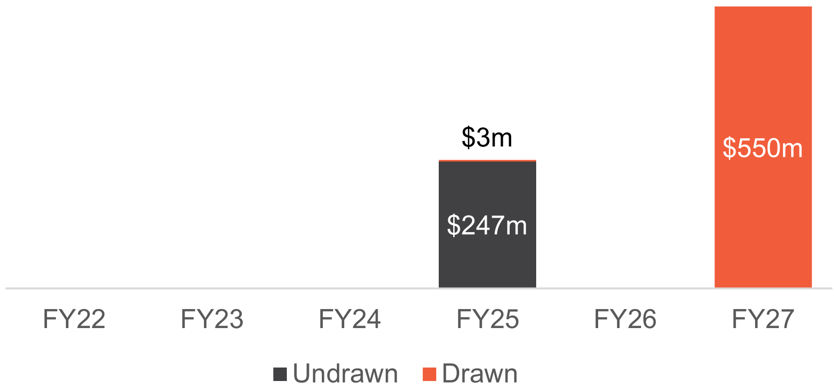
1. Pro-forma adjustments for the settlement of the 7 LFR properties from HomeCo and Town Centre Victoria Point (including transaction costs and fair value uplift on LFR properties) and the senior secured facility upsize and extension on 29 July 2021 and $275m 2-year interest rate swap on 16 August 2021

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. Includes undrawn line fees

- HDN completed an upsize and extension of its existing debt facility on 29 July 2021 to a $800m senior secured facility (comprising a 5-year $550m term and 3-year $250m revolver)
- HDN also completed a 2-year $275m interest rate swap to hedge ~50% of the term debt in August 2021

Jun-21 pro-forma debt maturity profile[1]



Bunnings Seven Hills (NSW)

Outlook and Guidance

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Outlook and Guidance

Reaffirming FY22 FFO guidance of 8.3 cpu

8.3 cents

FY22 FFO/UNIT

Guidance reaffirmed

8.0 cents

FY22 DPU

~5%

FY22 LFL NOI growth

- FY22 guidance assumes all developments in progress are completed in line with current expectations and that any potential COVID-19 related relief is limited to SME tenants only and current COVID-19 related lockdowns and government mandated restrictions do not escalate beyond the present circumstances

HomeCo Keysborough (VIC)

Supplementary Information

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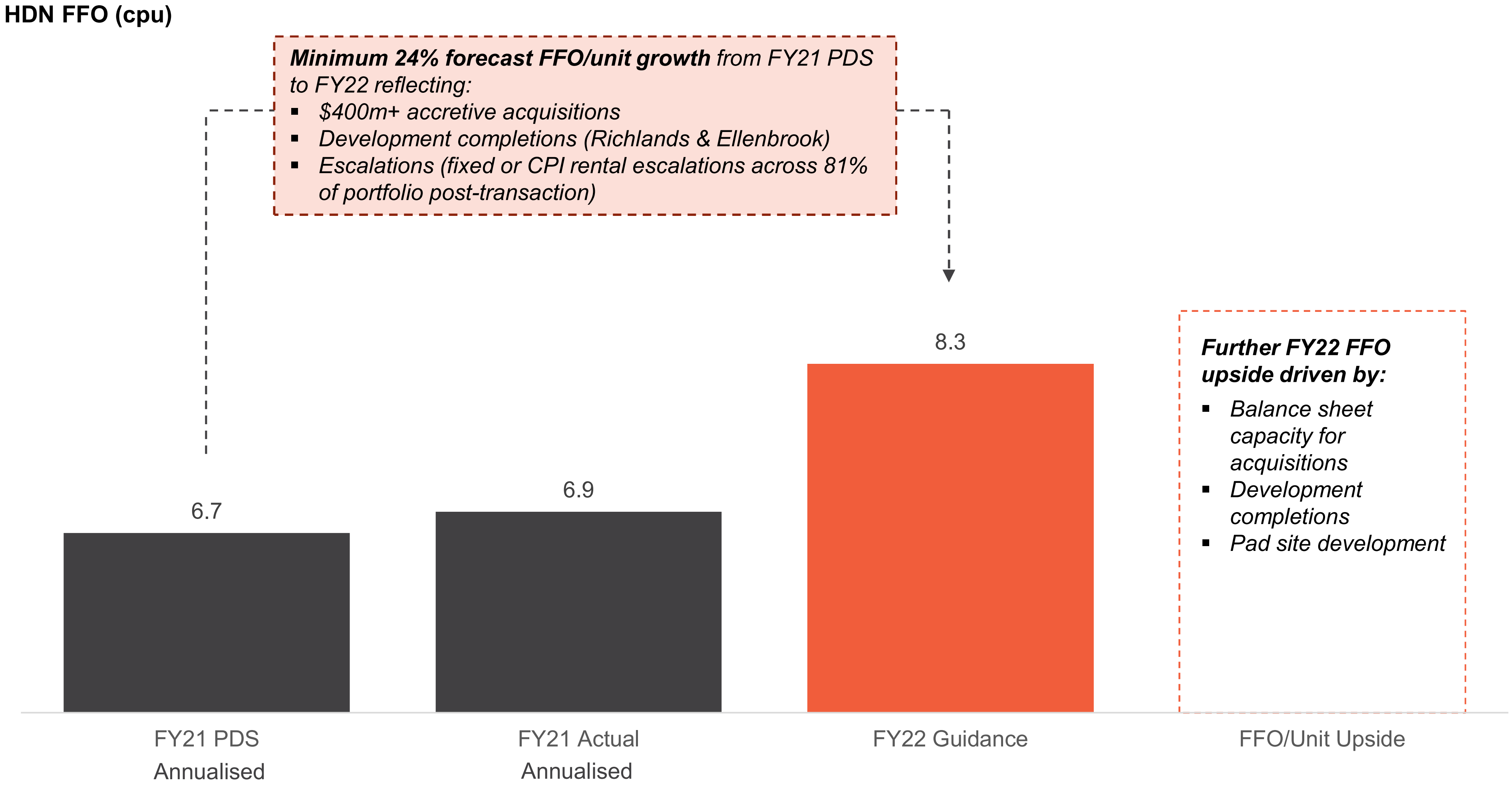
Building on HDN's strong FFO growth trajectory since IPO

HMC has demonstrated strong alignment with HDN and is committed to HDN's strategy to deliver stable and growing distributions

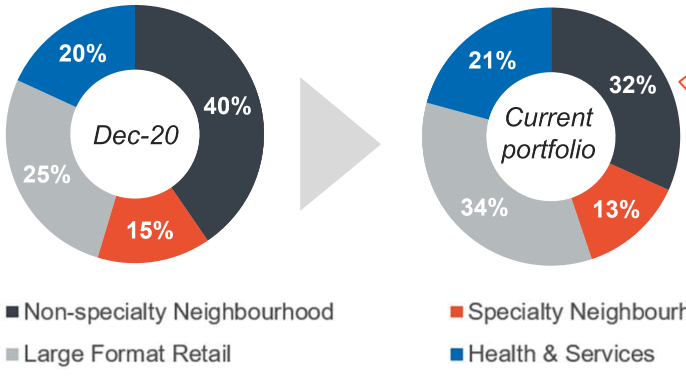


High quality and diversified tenant mix

Defensive tenant mix with top 15 tenants representing ~52% of gross rental income

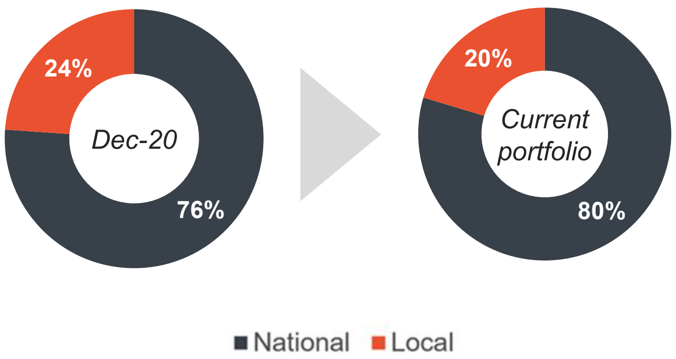
Rank	Tenant	Brands	% of income[1]
1	Woolworths	Woolworths	9.5%
2	Coles	coles, Liquorland	9.1%
3	Wesfarmers	Bunnings Warehouse, Officeworks, Adelaide Tools	4.5%
4	Super Retail Group	Supercheap Auto, rebel, BCF	3.7%
5	Spotlight Group	Spotlight, Anaconda	3.6%
6	Amart	Amart Furniture	3.5%
7	Goodlife	Goodlife Health Clubs	3.2%
8	Nick Scali	nickscali Furniture	2.6%
9	Aldi	Aldi	2.4%
10	IGA / Fresh & Save	IGA, Fresh & Save Food Warehouse	2.1%
11	Endeavour Group	Endeavour Drinks, Dan Murphy's, BWS	2.1%
12	Spudshed	spudshed	1.9%
13	Chemist Warehouse	Chemist Warehouse	1.4%
14	Petstock	petstock	1.4%
15	Petbarn	Petbarn	1.1%
Top 15			**52.2%**

Tenant mix (by income)[1] – Dec-20 vs Current portfolio



Increased LFR exposure, <15% specialty exposure

National tenant mix (by income)[1]

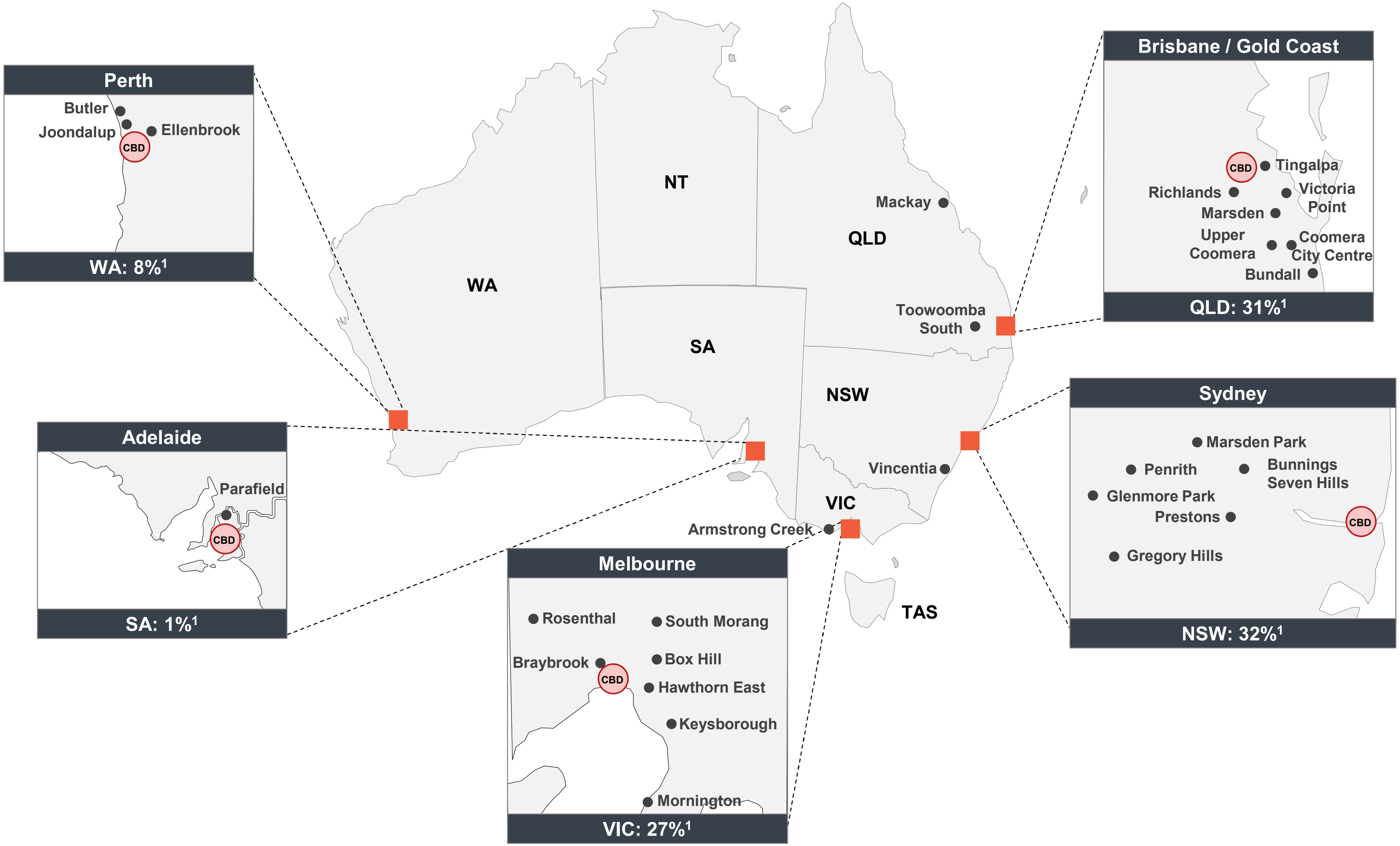


Increased to 80% national tenant exposure

Note: 1. Gross income for signed leases and signed MOUs for current portfolio. Includes acquisitions settling post 30-Jun-21 including LFR Portfolio (7 assets) announced Apr-21 and Victoria Point (QLD) announced in Jul-21.

Geographically diverse and strategically located portfolio

88% weighted to metropolitan growth corridors[1]



Note: 1. By property fair value as at 30-Jun-21 plus acquisitions settling post 30-Jun-21 including LFR Portfolio (7 assets) announced Apr-21 and Victoria Point (QLD) announced in Jul-21

Portfolio summary metrics

Property	State	Classification	GLA (sqm)	Site area (sqm)	Site Coverage (%)[1]	Occupancy (by area)[2]	WALE (by income)[3]	Fair Value ($m)	Cap rate (%)
Armstrong Creek	VIC	Operating	9,847	20,700	47.6%	100.0%	11.1	$55.6	6.00%
Braybrook	VIC	Operating	15,927	41,488	38.4%	100.0%	9.2	$67.0	5.25%
Butler	WA	Operating	17,258	42,173	40.9%	100.0%	8.7	$42.8	6.25%
Bunnings Seven Hills	NSW	Operating	13,440	22,300	60.3%	100.0%	10.0	$60.0	4.50%
Coomera City Centre	QLD	Operating	7,423	28,720	25.8%	100.0%	6.8	$57.0	5.75%
Glenmore Park Town Centre	NSW	Operating	17,227	45,859	37.6%	100.0%	6.3	$148.5	5.50%
Gregory Hills Town Centre	NSW	Operating	14,731	46,000	32.0%	99.1%	9.6	$76.0	5.25%
Hawthorn East	VIC	Operating	11,485	28,300	40.6%	100.0%	8.2	$73.0	5.00%
Joondalup	WA	Operating	17,190	44,260	38.8%	97.7%	8.5	$53.0	6.25%
Keysborough	VIC	Operating	11,998	35,840	33.5%	100.0%	9.5	$44.0	5.75%
Marsden	QLD	Operating	8,279	58,000	14.3%	97.9%	7.2	$53.0	6.00%
Mornington	VIC	Operating	11,346	35,949	31.6%	100.0%	9.9	$51.5	5.75%
Parafield[4]	SA	Operating	15,672	42,707	36.7%	100.0%	5.8	$23.0	7.00%
Penrith	NSW	Operating	13,168	30,150	43.7%	100.0%	4.7	$54.8	5.75%
Prestons	NSW	Operating	5,171	15,790	32.7%	100.0%	6.6	$39.3	5.25%
Rosenthal	VIC	Operating	4,814	17,759	27.1%	98.0%	7.5	$31.5	5.25%
Tingalpa	QLD	Operating	10,675	27,720	38.5%	100.0%	5.2	$35.0	6.00%
Vincentia	NSW	Operating	12,164	68,127	17.9%	100.0%	6.1	$64.8	5.50%
Operating Centres subtotal			**217,814**	**651,842**	**33.4%**	**99.6%**	**7.7**	**$1,029.8**	**5.58%**
Ellenbrook	WA	Development	12,778	30,002	42.6%	89.1%	10.9	$27.6	6.50%
Richlands	QLD	Development	12,565	48,610	25.8%	95.0%	11.0	$43.5	6.25%
Development Centres subtotal			**25,343**	**78,612**	**32.2%**	**92.0%**	**10.9**	**$71.1**	**6.35%**
HDN Portfolio (30-Jun-21)[4]			**243,157**	**730,454**	**33.3%**	**99.6%**	**8.0**	**$1,100.9**	**5.63%**
Box Hill	VIC	Operating	13,866	40,475	34.3%	100.0%	8.6	$57.5	6.00%
Bundall	QLD	Operating	10,460	16,450	63.6%	100.0%	6.0	$35.5	6.50%
Mackay	QLD	Operating	14,430	108,730	13.3%	100.0%	5.6	$27.2	7.00%
Marsden Park	NSW	Operating	11,512	34,920	33.0%	99.8%	4.9	$57.3	5.50%
South Morang	VIC	Operating	11,194	35,870	31.2%	100.0%	5.6	$35.7	6.25%
Toowoomba South	QLD	Operating	11,360	32,248	35.2%	97.1%	5.7	$32.0	6.50%
Upper Coomera	QLD	Operating	11,232	34,990	32.1%	93.7%	7.0	$38.5	6.00%
Victoria Point	QLD	Operating	20,892	76,080	27.5%	97.8%	7.3	$160.0	4.75%
Acquisitions subtotal			**104,946**	**379,763**	**27.6%**	**98.5%**	**6.6**	**$443.7**	**5.64%**
HDN Portfolio (Current)[4]			**348,103**	**1,110,217**	**31.4%**	**99.3%**	**7.6**	**$1,544.6**	**5.63%**

Notes: 1. Ratio of GLA to site area, where GLA does not include carparks. 2. By GLA and includes rental guarantees. Excludes Richlands and Ellenbrook as sites are in post-development stablisation. Including these sites, portfolio occupancy is 98.5%. 3. By gross income for signed leases and signed MoUs across all HomeCo Daily Needs REIT assets. 4. Excludes Parafield ROU asset of $11m.

Home Co. Daily Needs REIT

Additional financial information

Statutory profit to FFO reconciliation

$m	FY21 PDS budget	FY21 Actual
Total revenue	**38.2**	**45.2**
Property expenses	(8.4)	(10.9)
Responsible entity fees	(4.5)	(5.8)
Other corporate expenses	(1.1)	(1.3)
Operating EBITDA	**24.2**	**27.1**
Fair value movement	0.0	16.8
Transaction costs	(26.7)	(5.6)
EBITDA	**(2.5)**	**38.4**
Net interest expense	(4.9)	(7.1)
Statutory Profit/(Loss)	**(7.3)**	**31.3**
Less:		
Straightlining and rent free amortisation	(2.2)	(1.1)
Fair Value movement	0.0	(16.8)
Transaction costs	26.7	5.6
Amortisation of borrowing costs	1.2	1.5
Leasehold Rent/Interest Adj	(0.0)	(0.0)
Rent Guarantee Income	0.5	0.9
Income Tax	0.0	0.0
FFO	**18.8**	**21.4**
Units on issue (wtd avg) (m)	482.9	524.2
FFO per unit (cents)	**3.9**	**4.1**

Statutory profit to operating cash flow reconciliation

$m	FY21 Actual
Statutory Profit	**31.3**
Adjustments for:	
Net unrealised gain from fair value adjustments	(16.8)
Finance costs – non-cash	1.5
Straight-lining of rental income	(6.4)
Change in operating assets and liabilities:	
Increase in trade and other receivables	(1.7)
Increase in prepayments	(0.3)
Increase in other operating assets	(1.6)
Increase in trade and other payables	14.9
Increase in rent received in advance	2.0
Net cash flow from operating activities	**22.9**

Home Co. Daily Needs REIT

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