

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

18 August 2022

### FY22 RESULTS PRESENTATION

HomeCo Daily Needs REIT (ASX: HDN) provides the attached FY22 Results Presentation.

This announcement is authorised for release by the Board of the Responsible Entity.

For further information, please contact:

#### INVESTORS

**Misha Mohl**  
HMC Capital Group Head of Strategy & IR  
+61 422 371 575  
[misha.mohl@hmccapital.com.au](mailto:misha.mohl@hmccapital.com.au)

**Sid Sharma**  
HDN CEO  
+61 434 361 318  
[sid.sharma@hmccapital.com.au](mailto:sid.sharma@hmccapital.com.au)

#### MEDIA

**John Frey**  
Corporate Communications Counsel  
+61 411 361 361  
[john@brightoncomms.com.au](mailto:john@brightoncomms.com.au)

### ***About HomeCo Daily Needs REIT***

*HomeCo Daily Needs REIT (HDN) 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. HDN aims to provide unitholders with consistent and growing distributions.*

*HDN is Australia's leading daily needs REIT with a combined portfolio size of approximately \$4.8bn spanning approximately 2.6 million square metres of land in Australia's leading metropolitan growth corridors of Sydney, Melbourne, Brisbane, Perth and Adelaide.*



**Home Co.**  
Daily Needs  
REIT

# FY22 Results Presentation

18 August 2022

AUSTRALIA'S LEADING DAILY NEEDS REIT



## Acknowledgement of Country

HomeCo Daily Needs REIT acknowledges the Traditional Custodians of country throughout Australia and celebrates their diverse culture and 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.

**Home  
Co.**

Daily Needs  
REIT

*Journey Tracks to Sacred Sites*  
Tony Sorby (2021)  
© the artist courtesy Kate Owen Gallery





**Home  
Co.**

Daily Needs  
REIT



Rosenthal (VIC)

# Agenda.

**1** Highlights & Strategy

**2** Portfolio Update

**3** Growth Opportunities

**4** Financial Results

**5** Outlook & Guidance



**Sid Sharma**  
HDN CEO



**Will McMicking**  
HMC Capital  
Group CFO

# Capital stewardship

HDN has taken proactive measures to respond to the current economic environment

## KEY TAKEOUTS IN TODAY'S RESULT

### STRONG PORTFOLIO PERFORMANCE



Capitalising on strong portfolio fundamentals and enhanced scale following the successful merger with Aventus to drive rental growth

### UNLOCKING VALUE ACCRETIVE PIPELINE



\$500m+ development pipeline remains the most attractive use of incremental capital

### PROACTIVE CAPITAL MANAGEMENT



Proactive capital management initiatives including asset sale<sup>1</sup> to reduce gearing and increase interest rate hedging

*Transformational year following the successful merger with Aventus to create Australia's leading daily needs REIT*

Note: 1. In Aug-22 HDN entered into an unconditional exchange to sell Sunshine Coast Home for \$140.0m which is expected to settle in Sep-22.



**Home  
Co.**

Daily Needs  
REIT

Rosenthal (VIC)

# 1. Highlights & Strategy



# FY22 Performance

Successful delivery against FY22 FFO and DPU guidance and strong progress made to fortify capital position moving into FY23



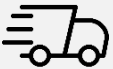
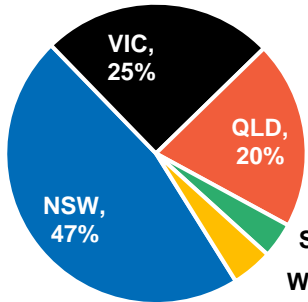









FINANCIAL	ASSET MANAGEMENT	INVESTMENT
<p><b>8.85 cpu</b> FY22 FFO +30% increase versus FY21<sup>1</sup> +1% increase versus Feb-22 guidance</p>	<p><b>&gt;99%</b> CASH COLLECTION FY22 contracted rent</p>	<p><b>\$37m</b> FY22 DEVELOPMENTS ~10% target ROIC achieved<sup>6</sup></p>
<p><b>\$1.52</b> NTA/Unit +12% increase versus Jun-21<sup>2</sup></p>	<p><b>&gt;99%</b> OCCUPANCY In line with Jun-21<sup>4</sup></p>	<p><b>&gt;\$75m</b> FY23 TARGET DEVELOPMENTS 7 identified projects ~7% target ROIC<sup>6</sup></p>
<p><b>30.6%</b> PRO FORMA GEARING<sup>3</sup> Lower end of 30-40% target range</p>	<p><b>+5.1%</b> COMP PROPERTY NOI vs 30-Jun-21</p>	<p><b>\$500m+</b> FUTURE PIPELINE Includes large scale town centre developments 7%+ target ROIC<sup>6</sup></p>
<p><b>73.5%</b> PRO FORMA INTEREST RATE HEDGING<sup>3</sup></p>	<p><b>+5.7%</b> LEASING SPREADS 200 new leases and renewals<sup>5</sup></p>	<p><b>Net Zero</b> COMMITMENT TO ACHIEVE BY 2028 On-track to deliver against target with clear strategy and pathway</p>

Notes: All FY22 metrics as at 30-Jun-22, including McGraths Hill on a 100% basis (\$57.8m) (25.3% owned by HDN) and excluding ROU assets at Parafield and Caringbah (\$11.5m). Metrics also adjusted for sale of Sunshine Coast Home (\$136.7m Jun-22 book value), which is expected to settle in Sep-22. 1. Versus FY21 FFO of 4.1cpu annualised for full year given IPO date of 23-Nov-20. 2. Jun-21 balance is pro forma for acquisitions announced Sep-21. 3. Pro forma for divestment of Sunshine Coast Home. Current gearing at 32.7%. Current interest rate hedging at 67.2%. 4. By GLA and includes rental guarantees. 5. Includes new leases and renewals for Sunshine Coast Home. 6. Return on Invested Capital (ROIC) represents cash yield on cost. Estimated ROIC is based on assumptions relating to future income, valuation, capex and is calculated on a fully stabilised basis.

# Investment Strategy

Owner and developer of strategic *last mile infrastructure* focused on daily needs & services







Model Portfolio Construction	Strong Investment Fundamentals	Strategic Real Estate Infrastructure															
																	
<p align="center"><i>Portfolio Target</i></p>	<p align="center"><i>Secure and growing income streams</i></p>	<p align="center"><i>Unlocking real estate landbank</i></p>															
<table border="1"> <tr> <td data-bbox="157 714 304 860"> <p align="center"><b>~50%</b> Neighbourhood</p> </td> <td data-bbox="325 714 472 860"> <p align="center"><b>~30%</b> Large Format Retail</p> </td> <td data-bbox="493 714 640 860"> <p align="center"><b>~20%</b> Health &amp; Services</p> </td> </tr> </table>	<p align="center"><b>~50%</b> Neighbourhood</p>	<p align="center"><b>~30%</b> Large Format Retail</p>	<p align="center"><b>~20%</b> Health &amp; Services</p>	<table border="1"> <tr> <td data-bbox="808 738 997 812"> <p align="center"><b>&gt;99%</b> Rent collection</p> </td> <td data-bbox="1081 738 1291 812"> <p align="center"><b>+5.7%</b> Leasing spreads<sup>1</sup></p> </td> </tr> </table>	<p align="center"><b>&gt;99%</b> Rent collection</p>	<p align="center"><b>+5.7%</b> Leasing spreads<sup>1</sup></p>	<table border="1"> <tr> <td data-bbox="1459 738 1648 812"> <p align="center"><b>2.5 million</b> site area (sqm)</p> </td> <td data-bbox="1753 738 1921 812"> <p align="center"><b>37%</b> Site coverage</p> </td> </tr> </table>	<p align="center"><b>2.5 million</b> site area (sqm)</p>	<p align="center"><b>37%</b> Site coverage</p>								
<p align="center"><b>~50%</b> Neighbourhood</p>	<p align="center"><b>~30%</b> Large Format Retail</p>	<p align="center"><b>~20%</b> Health &amp; Services</p>															
<p align="center"><b>&gt;99%</b> Rent collection</p>	<p align="center"><b>+5.7%</b> Leasing spreads<sup>1</sup></p>																
<p align="center"><b>2.5 million</b> site area (sqm)</p>	<p align="center"><b>37%</b> Site coverage</p>																
<p align="center"><b>Geographic location by value</b></p> <p align="center"><b>&gt;79%</b> Metropolitan locations</p> 	<table border="1"> <tr> <td data-bbox="808 885 1018 958"> <p align="center"><b>\$349/sqm</b> Average gross rent</p> </td> <td data-bbox="1081 885 1333 958"> <p align="center"><b>3.8%</b> Average rent reviews<sup>2,3</sup></p> </td> </tr> <tr> <td data-bbox="808 1031 976 1104"> <p align="center"><b>4.9 year</b> WALE<sup>2</sup></p> </td> <td data-bbox="1081 1031 1291 1104"> <p align="center"><b>&gt;80%</b> National retailers<sup>2</sup></p> </td> </tr> <tr> <td colspan="2" data-bbox="934 1169 1144 1234"> <p align="center"><b>Top 3 tenants</b> By gross income<sup>4</sup></p> </td> </tr> <tr> <td data-bbox="766 1258 955 1307">  </td> <td data-bbox="997 1258 1144 1307">  </td> <td data-bbox="1186 1258 1333 1307">  </td> </tr> </table>	<p align="center"><b>\$349/sqm</b> Average gross rent</p>	<p align="center"><b>3.8%</b> Average rent reviews<sup>2,3</sup></p>	<p align="center"><b>4.9 year</b> WALE<sup>2</sup></p>	<p align="center"><b>&gt;80%</b> National retailers<sup>2</sup></p>	<p align="center"><b>Top 3 tenants</b> By gross income<sup>4</sup></p>					<table border="1"> <tr> <td data-bbox="1459 885 1669 958"> <p align="center"><b>~13m people<sup>5</sup></b> within 10km radius</p> </td> <td data-bbox="1711 885 1984 982"> <p align="center"><b>1.9%<sup>6</sup></b> population growth (vs 1.5% national average)</p> </td> </tr> <tr> <td data-bbox="1480 1023 1648 1120"> <p align="center"><b>\$500m+</b> Development pipeline</p> </td> <td data-bbox="1732 1023 1963 1120"> <p align="center"><b>~7%</b> Target development ROIC<sup>7</sup></p> </td> </tr> <tr> <td data-bbox="1480 1193 1648 1291"> <p align="center"><b>~73%</b> Tenants offer Click &amp; Collect</p> </td> <td data-bbox="1732 1193 1963 1291"> <p align="center"><b>&gt;80m</b> Annual customer visitation<sup>8</sup></p> </td> </tr> </table>	<p align="center"><b>~13m people<sup>5</sup></b> within 10km radius</p>	<p align="center"><b>1.9%<sup>6</sup></b> population growth (vs 1.5% national average)</p>	<p align="center"><b>\$500m+</b> Development pipeline</p>	<p align="center"><b>~7%</b> Target development ROIC<sup>7</sup></p>	<p align="center"><b>~73%</b> Tenants offer Click &amp; Collect</p>	<p align="center"><b>&gt;80m</b> Annual customer visitation<sup>8</sup></p>
<p align="center"><b>\$349/sqm</b> Average gross rent</p>	<p align="center"><b>3.8%</b> Average rent reviews<sup>2,3</sup></p>																
<p align="center"><b>4.9 year</b> WALE<sup>2</sup></p>	<p align="center"><b>&gt;80%</b> National retailers<sup>2</sup></p>																
<p align="center"><b>Top 3 tenants</b> By gross income<sup>4</sup></p>																	
																	
<p align="center"><b>~13m people<sup>5</sup></b> within 10km radius</p>	<p align="center"><b>1.9%<sup>6</sup></b> population growth (vs 1.5% national average)</p>																
<p align="center"><b>\$500m+</b> Development pipeline</p>	<p align="center"><b>~7%</b> Target development ROIC<sup>7</sup></p>																
<p align="center"><b>~73%</b> Tenants offer Click &amp; Collect</p>	<p align="center"><b>&gt;80m</b> Annual customer visitation<sup>8</sup></p>																

Notes: All FY22 metrics as at 30-Jun-22, including McGraths Hill on a 100% basis (\$57.8m) (25.3% owned by HDN) and excluding ROU assets at Parafield and Caringbah (\$11.5m). Metrics also adjusted for sale of Sunshine Coast Home (\$136.7m Jun-22 book value), which is expected to settle in Sep-22. 1. For new leases and renewals, includes Sunshine Coast Home. 2. By gross income for signed leases and signed MoUs. 3. Weighted Average Rent Review includes both fixed and CPI escalations and assumes CPI of 4.5%. WARR for tenants contracted under fixed escalation rental agreements is 3.6%. 4. Weighted by Gross Income, excludes Services and Petrol retailers. 5. Australian Bureau of Statistics, 2016. 6. Australian Bureau of Statistics, 2021-2026. 7. Return on Invested Capital (ROIC) represents cash yield on cost. Estimated ROIC is based on assumptions relating to future income, valuation, capex and is calculated on a fully stabilised basis. 8. Includes customer visitation for Sunshine Coast Home.



# Transformational merger successfully integrated

Today's result underscores the strong strategic rationale for the transformational merger with Aventus and the significant progress being made to capitalise on HDN's enhanced growth pipeline

<p><b>Merger rationale</b></p>	<p><b>Enhanced scale</b></p> 	<p><b>Compelling financials</b></p> 	<p><b>Complementary portfolio</b></p> 	<p><b>Growth pipeline</b></p> 
	<ul style="list-style-type: none"> <li>✓ ~\$4.6bn portfolio of strategic last mile logistics infrastructure spanning 2.5m sqm of land</li> <li>✓ Entered S&amp;P/ASX200 index in April 2022</li> <li>✓ Secured Baa2 stable investment grade credit rating from Moody's</li> </ul>	<ul style="list-style-type: none"> <li>✓ Delivered 8.85 cents of FFO per unit in FY22 which is ahead of financial forecasts provided at the time the transaction was announced in Oct-22<sup>1</sup></li> <li>✓ 23% growth in HDN's NTA per unit relative to proforma NTA of \$1.24 at time of merger announcement<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>✓ Strategically located portfolio in best metropolitan markets &amp; growth corridors</li> <li>✓ Core everyday goods and service offering</li> <li>✓ Long-term leases to investment grade rated tenants</li> </ul>	<ul style="list-style-type: none"> <li>✓ Identified development pipeline of &gt;\$500m provides opportunity to meaningfully increase annual capex to drive enhanced growth</li> <li>✓ Announced &gt;\$75m of target development starts in FY23 with a ~7% target ROIC<sup>3</sup></li> </ul>
<p><b>Merger progress</b></p>	<ul style="list-style-type: none"> <li>✓ Merger implemented on 4 March 2022</li> <li>✓ Management platforms, systems and teams have been successfully integrated</li> <li>✓ Seamless portfolio integration with strong operational momentum maintained and increased focus on unlocking \$500m+ development pipeline</li> <li>✓ Announced CEO succession plan in May-22 following the retirement of Darren Holland with Sid Sharma commencing as CEO on 1 July 2022</li> <li>✓ Targeting to maintain FY22 DPU of 8.3 cents in FY23 notwithstanding broader macroeconomic challenges and rising interest costs</li> </ul>			

*Note: All FY22 metrics as at 30-Jun-22, including McGraths Hill on a 100% basis (\$57.8m) (25.3% owned by HDN) and excluding ROU assets at Parafield and Caringbah (\$11.5m). Metrics also adjusted for sale of Sunshine Coast Home (\$136.7m Jun-22 book value), which is expected to settle in Sep-22. 1. Upgraded guidance of 8.8cpu given at 1H FY22 result in Feb-22. 2. Pro forma merged group NTA of \$1.24 announced at the time of the merger in Oct-21. 3. Return on Invested Capital (ROIC) represents cash yield on cost. Estimated ROIC is based on assumptions relating to future income, valuation, capex and is calculated on a fully stabilised basis.*



**Home  
Co.**  
Daily Needs  
REIT

Victoria Point (QLD)

## 2. Portfolio Update



# Australia's leading Daily Needs REIT

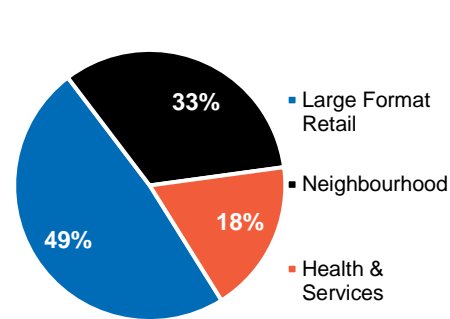
High quality \$4.6bn portfolio diversified by subsector, tenant and geography

## Platform Overview

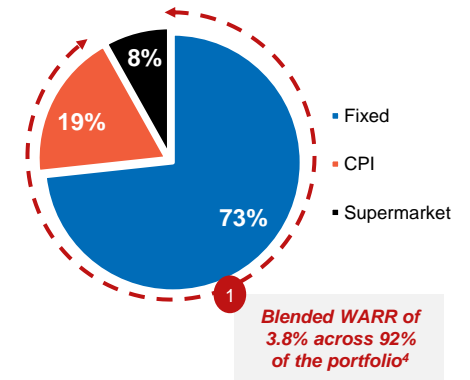
### Key portfolio metrics

Portfolio value	\$4,649m
Landbank (sqm)	2.5m sqm
Site coverage	37%
WACR	5.33%
WALE <sup>1</sup>	4.9 years
Occupancy <sup>2</sup>	>99%
WARR (Fixed) <sup>1,3</sup>	3.6%
WARR (Blended) <sup>1,4</sup>	3.8%
Tenants	~1,200
Average gross rent	\$349/sqm

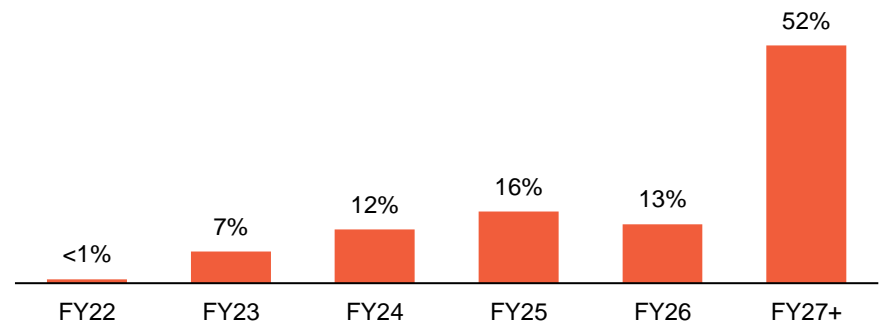
## Tenant mix<sup>1</sup>



## Rent composition<sup>1</sup>



## Lease expiry profile<sup>1</sup>



**HDN's target Model Portfolio is designed to deliver stable and growing property income with low levels of correlation to traditional retail and property sectors**

Notes: All FY22 metrics as at 30-Jun-22, including McGraths Hill on a 100% basis (\$57.8m) (25.3% owned by HDN) and excluding ROU assets at Parafield and Caringbah (\$11.5m). Metrics also adjusted for sale of Sunshine Coast Home (\$136.7m Jun-22 book value), which is expected to settle in Sep-22. 1. By gross income for signed leases and MoUs. 2. By GLA and includes rental guarantees. 3. Weighted Average Rent Reviews on 73% Group tenants that are contracted under fixed escalation rental agreements. 4. Includes both fixed and CPI escalations. Assumes CPI of 4.5%.

# Strong operational performance

Resilient and growing income streams notwithstanding ongoing presence of COVID-19

Occupancy

**>99%**

for FY22<sup>1</sup>

Comp Property NOI

**+5.1%**

vs 30-June-21<sup>2</sup>

Leasing spreads<sup>3</sup>

**+5.7%**

200 new leases & renewals in FY22

3.9% incentive<sup>4</sup>

Supermarket MAT growth

**+3.7%**

vs 30-June-21<sup>6</sup>

Cash collection

**>99%**

for FY22

Development Leasing

**26,682m<sup>2</sup>**

44 leases in FY22

Annual Customer visitation

**>80m**

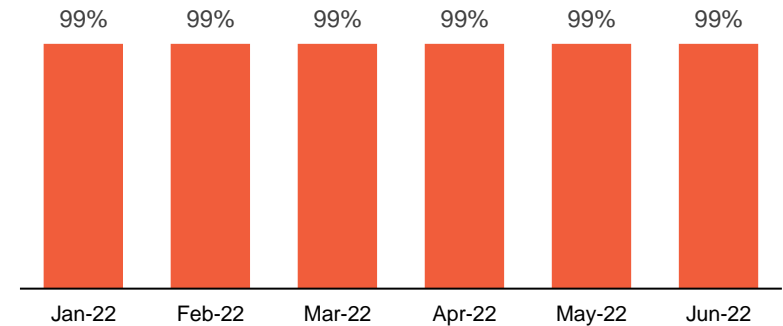
customers through the HDN Group portfolio<sup>5</sup>

Speciality MAT growth

**+1.8%**

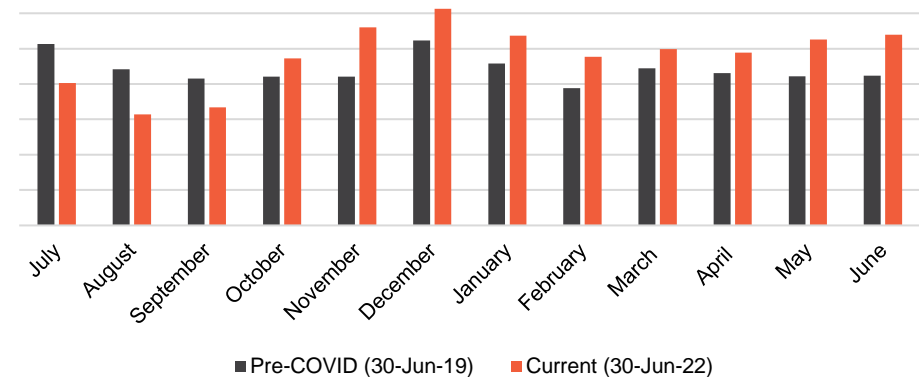
vs 30-June-21<sup>6</sup>

## Cash rent collection



## Monthly Customer Visitation (comparable centres<sup>7</sup>)

Customer visitation has increased by 9% compared to pre-COVID period<sup>7</sup>

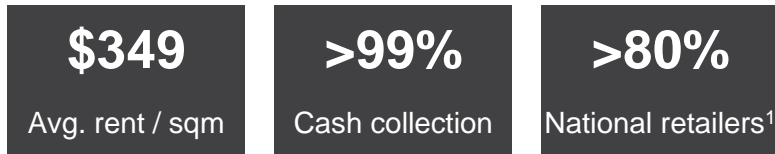


Notes: All FY22 metrics as at 30-Jun-22, including McGraths Hill on a 100% basis (\$57.8m) (25.3% owned by HDN) and excluding ROU assets at Parafield and Caringbah (\$11.5m). Metrics also adjusted for sale of Sunshine Coast Home (\$136.7m Jun-22 book value), which is expected to settle in Sep-22. 1. By GLA and includes rental guarantees. Excludes land parcels. 2. Relates to like for like centres and includes Sunshine Coast Home. 3. For new leases and renewals. Includes Sunshine Coast Home. 4. As a percentage of gross rent over lease term. 5. For 12 months ended 30-Jun-22. Annualised for centres that have been operating/acquired for less than 12 months. Assets with car counters calculate customer visitation with an assumption of 1.5 individuals per car. Includes Sunshine Coast Home. 6. Relates to tenants trading for more than +24 month Moving Annual Turnover for the year ended 30-Jun-22 versus Moving Annual Turnover for the year ended 30-Jun-21. 7. Comparable assets trading during the periods 1 July 2021 to 30 June 2022 and 1 July 2018 to 30 June 2019 and includes Sunshine Coast Home. Pre-COVID period relates to 1 July 2018 to 30 June 2019.

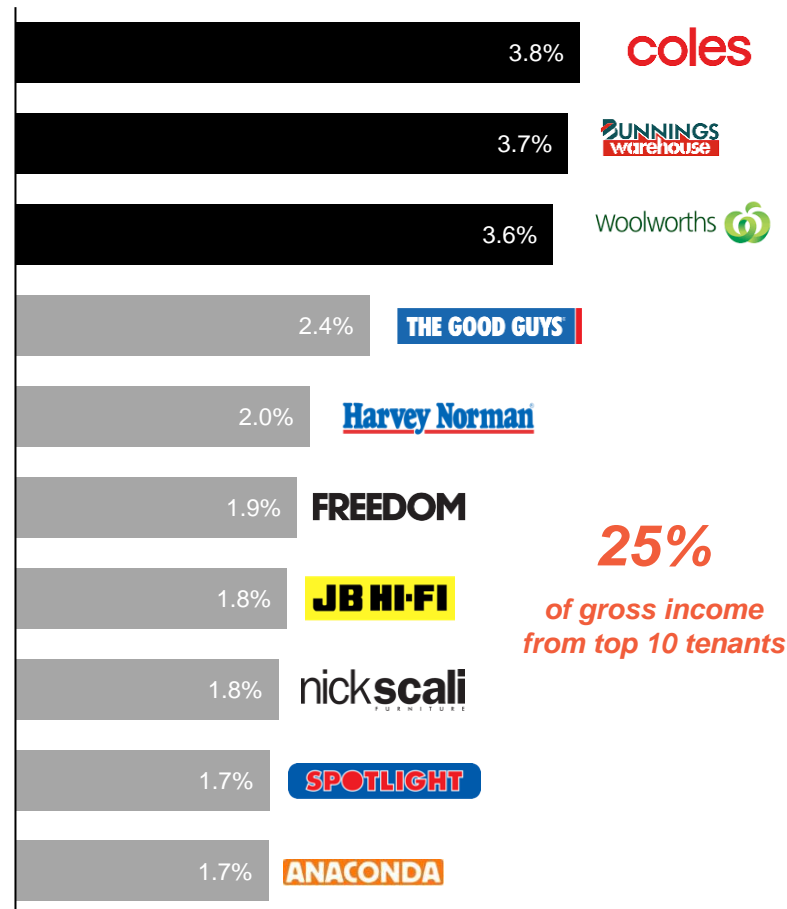


# Highly defensive and diversified income streams

Well positioned to deliver stable and growing distributions



## Top 10 tenants – by gross income<sup>1</sup>



## Portfolio subsectors – gross income split and key tenants<sup>1</sup>

HDN remains committed to its Model Portfolio strategy and, with a larger balance sheet, will seek to rebalance the merged portfolio through tenant remixing, developments and acquisitions



Notes: All FY22 metrics as at 30-Jun-22, including McGraths Hill on a 100% basis (\$57.8m) (25.3% owned by HDN) and excluding ROU assets at Parafield and Caringbah (\$11.5m). Metrics also adjusted for sale of Sunshine Coast Home (\$136.7m Jun-22 book value), which is expected to settle in Sep-22. 1. By gross income for signed leases and MOUs. 2. Weighted Average Rent Review includes both fixed and CPI escalations and assumes CPI of 4.5%. WARR for tenants contracted under fixed escalation rental agreements is 3.6%. 11

# Portfolio Remixing Strategy

HDN is committed to its Model Portfolio and will seek to rebalance the portfolio through active tenant remixing, development, acquisitions and disposals

Active Portfolio Management	Example
 <p><b>Tenant remixing</b></p> <ul style="list-style-type: none"> <li>Increasing exposure to daily needs and health &amp; wellness tenants</li> <li>For example, the introduction of Chemist Warehouse at Jindalee replaced an existing LFR tenancy</li> </ul>	<p><b>Jindalee, Queensland</b></p>  
 <p><b>Developments</b></p> <ul style="list-style-type: none"> <li>Addition of daily needs and health &amp; wellness precincts to existing assets</li> <li>For example, the Braybrook development creates a medical precinct adjacent to the supermarket-anchored centre</li> <li>Similar precinct planned for Glenmore Park</li> </ul>	<p><b>Braybrook, Victoria</b></p>  
 <p><b>Asset recycling</b></p> <ul style="list-style-type: none"> <li>Enhancing the portfolio via appropriate acquisitions and disposals</li> <li>For example, in August 2022 HDN entered into an unconditional exchange to sell Sunshine Coast Home</li> </ul>	<p><b>Sunshine Coast, Queensland</b></p>  <div data-bbox="1619 1219 1986 1495" style="border: 2px dashed orange; padding: 10px; text-align: center;"> <p><b>\$140m<sup>1</sup></b> +6% premium to Dec-21 book value</p> </div>

Notes: 1. Represents contracted sale price.



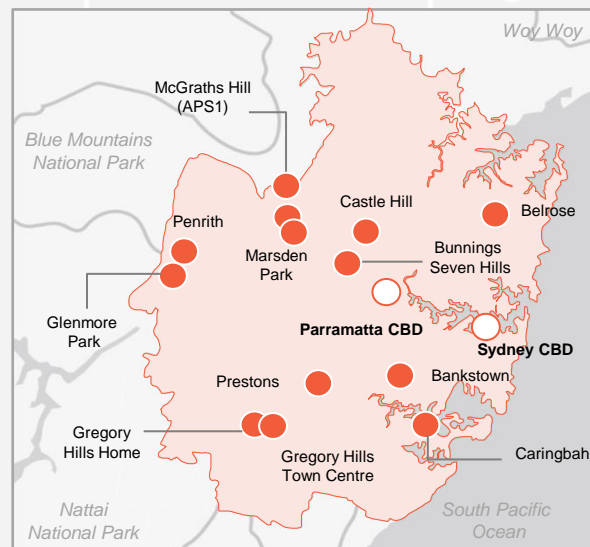
# HDN Owns Strategic Last Mile Infrastructure

Strategic footprint spanning 2.5m sqm in Australia's leading metropolitan markets & growth corridors

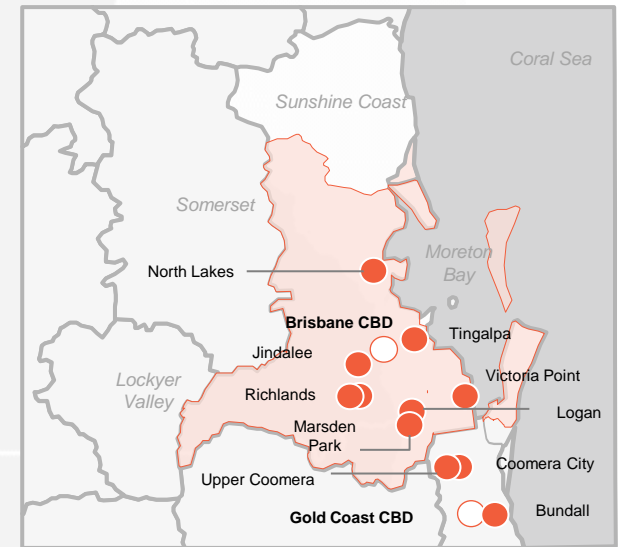
**Greater Melbourne**



**Greater Sydney**



**Greater Brisbane & Gold Coast**



**\$1.0bn**  
Total value

**22%**  
of total portfolio

**\$1.6bn**  
Total value

**35%**  
of total portfolio

**\$0.7bn**  
Total value

**14%**  
of total portfolio

**Significant portfolio weighting >79% to metropolitan markets and critical last mile infrastructure real estate**

Notes: All FY22 metrics as at 30-Jun-22, including McGraths Hill on a 100% basis (\$57.8m) (25.3% owned by HDN) and excluding ROU assets at Parafield and Caringbah (\$11.5m). Metrics also adjusted for sale of Sunshine Coast Home (\$136.7m Jun-22 book value), which is expected to settle in Sep-22.

# Last Mile Fulfilment is a Megatrend

The physical store is now a *last-mile logistics* hub for e-commerce, fulfillment and distribution



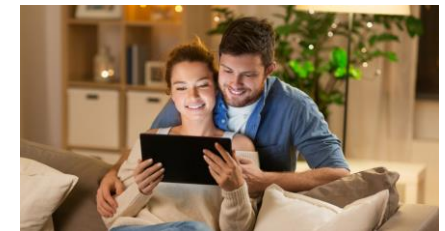
Click & collect



Delivery from store



Same day delivery



Buy online pay in store

## Domestic Retailers



- "We see the future of online delivery as a mix of our large-scale fulfillment centres in major metropolitan areas and a localised approach that leverages the strength of our national store network."



- "We are passionate about finding innovative ways to help our customers to shop with us and we aim to deliver anytime, anywhere, anyhow shopping,"
- Partnered with Ocado to deliver 24/7 automated fulfillment capability and integrated delivery planning



- "It's all about getting product to customers safely and quickly. Solvents, chemicals and big and bulky products don't easily fit into last mile logistics, which has made click-and-collect and drive-and-collect more popular."



- "We continue to leverage the benefits of a strong online presence combined with our convenient store locations. We are very focused on building a great customer experience online"
- +200 dispatch locations support 1-hour click & collect



- Partnered with Shippit to develop a ship-from-store dispatch process
  - Three-hour same-day delivery for customers in major cities
  - Compliments existing Click & Collect offering that leverages the existing store network

## International Retailers



- "Building a seamless omni-channel experience for customers and prioritising convenience for them is critical...Last year, we increased the number of orders coming from our stores by 170% versus the previous year...Having inventory so close to so many customers is a competitive advantage."



- "Our focus on delivering a frictionless interconnected shopping experience is resonating...approximately 50% of our online orders were fulfilled through our stores in fiscal 2021."



- "During 2021, our stores...enabled over 90% of our total sales and fulfilled approximately 70% of our online sales through either ship from store, in-store pickup or curbside"



- "As omni-channel households spend 3x more than in-store-only shoppers, we continued to increase our investments in digital, omni-channel and loyalty, which drove...higher customer engagement and retention..."



- Omni-channel spend is 2.5x more
- 80% of customers buy online and pick up in store.
- 71% of customers who purchased online had been in a store
- 79% of customers who purchased in stores had been online

Source: Company disclosures.

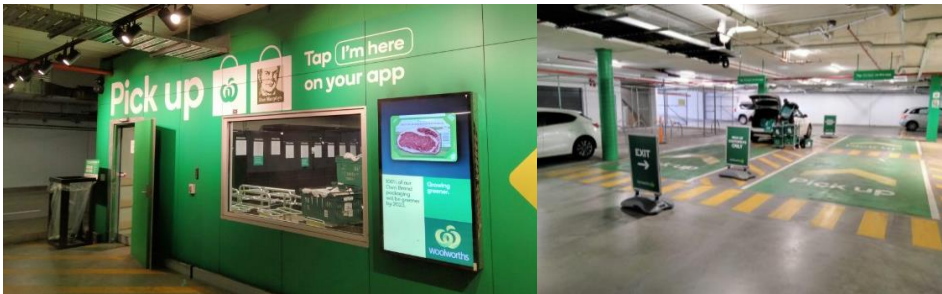


# Last Mile Fulfilment is a Megatrend

~77%<sup>1</sup> of HDN's tenants are supporting last-mile logistics within their existing store network

## Click & Collect

Supermarkets

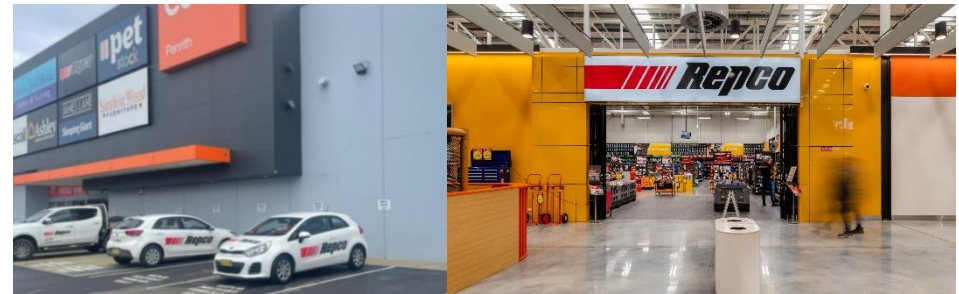


### Direct to Boot & Pick Up - Woolworths Hawthorn

- Direct to Boot and Pick up (available for same-day collection if ordered before 1pm) with same-day home delivery supported at all HDN Woolworths & Coles.
- Direct to Boot transactions currently represent 12-15% of sales, increasing from 5% in the last two years

## In-Store Fulfilment

LFR - Automotive



### In-store Fulfilment - Repco Penrith

- Delivery fleet of over 100+ vehicles across the Repco store network supporting 4 hour same-day delivery to addresses within 5km of an ordering store
- Existing store footprint dedicated to both stock warehousing and online order fulfilment

## Click & Collect

Food retailers



### Food Service Delivery Areas - El Jannah Gregory Hills

- Counter service area for third-party ordering platforms and delivery partners supports delivery and pick up orders
- Current delivery partners include Uber Eats, Menulog and DoorDash

## In-Store Fulfilment

LFR - Electrical



### In-store Fulfilment - Bing Lee

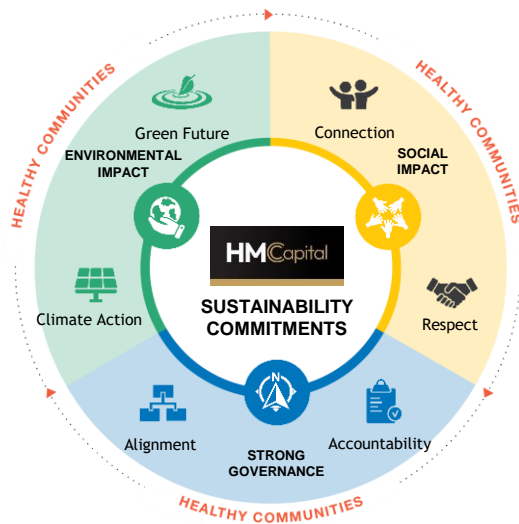
- Goods ordered online are available for collection same-day or within two hours of the initial order
- Offers same-day and next-day delivery in selected stores within certain metropolitan areas utilising their existing store network

# Sustainability Progress at HDN

Implementing HMC Capital's Sustainability Commitments across the HDN portfolio

Our inaugural Sustainability Report details **six** sustainability commitments towards

## "Creating Healthy Communities"



Our impact themes are aligned with several UN SDGs and their relevant targets or indicators



ENVIRONMENTAL	SOCIAL	GOVERNANCE
<p><b>1. CLIMATE ACTION</b> Actively minimise carbon emissions:</p> <ul style="list-style-type: none"> <li>Targeting scope 1 and 2 net zero by 2028</li> <li>Responsibly <b>adopting renewable energy</b> sources and technology</li> </ul> <p><b>2. GREEN FUTURE</b> Champion the preservation and restoration of the natural environment:</p> <ul style="list-style-type: none"> <li><b>Reduction</b> of Waste</li> <li><b>Efficient</b> use and reuse of water</li> <li><b>Deployment</b> of environmentally friendly building materials where appropriate</li> </ul>	<p><b>3. CONNECTION</b> Responding to local and regional essential community needs relating to health, wellness and daily services:</p> <ul style="list-style-type: none"> <li>Conducting a community needs assessment as part of our investment process</li> </ul> <p><b>4. RESPECT</b> Respecting the inherent dignity, safety, diversity and human rights of people:</p> <ul style="list-style-type: none"> <li>Promoting <b>responsible business</b> practices</li> <li><b>Targeting 50% gender representation</b> in our workforce and our Boards</li> <li><b>Providing safe working spaces</b>, for our staff, tenants, and operators</li> </ul>	<p><b>5. ALIGNMENT</b> Having the skills, <b>environment and culture</b> that support and propel our ambition and sustainability commitments:</p> <ul style="list-style-type: none"> <li>Building <b>independent Boards</b> that have diverse skills and are gender balanced</li> <li><b>Incentivise and reward</b> the leadership team who deliver on sustainability outcomes</li> </ul> <p><b>6. ACCOUNTABILITY</b> Earn and keep trust of our key stakeholders:</p> <ul style="list-style-type: none"> <li><b>Ensuring independence in decision-making</b> wherever potential or perceived conflicts of interest exist</li> <li>Providing clear, honest and robust <b>sustainability performance</b> updates rated against global benchmarks</li> </ul>

- ✓ Progressing toward a green low carbon economy and Net Zero by 2028
- ✓ Progressively implementing the Smart Energy Management Strategy (EMS) across assets, following successful pilot results
- ✓ Progressing NABERS certification across assets

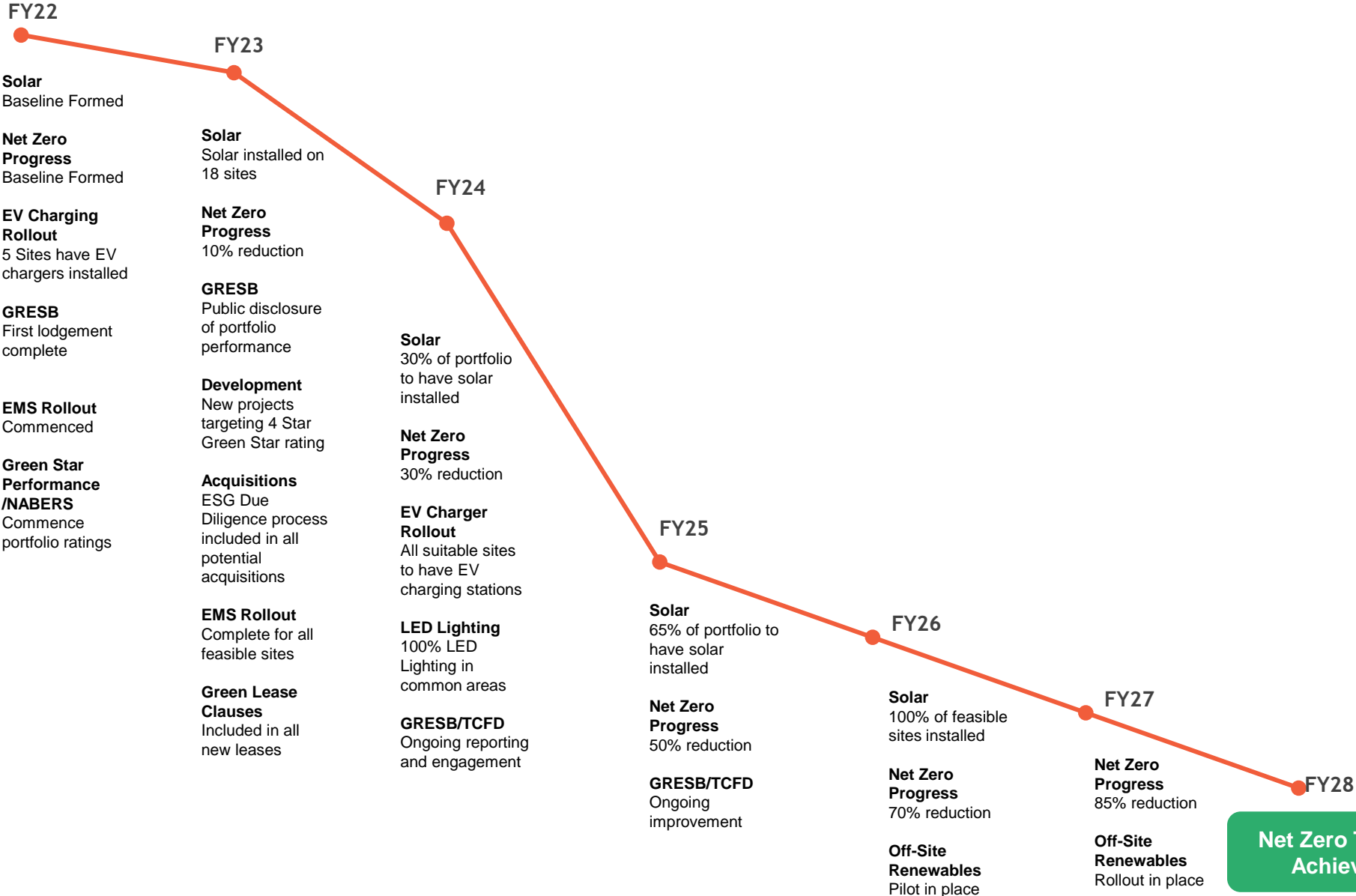
- ✓ Promoting responsible business practices through:
  - Socialising and engaging our workforce on our sustainability commitments
  - Facilitating the provision of Daily Needs through tenant service offerings

- ✓ Providing the skills and culture to support our sustainability ambition
- ✓ ESG / Sustainability KPI's established for leadership team
- ✓ HDN completed its first GRESB rating submission in 2022



# Sustainability Progress at HDN

## Energy Roadmap





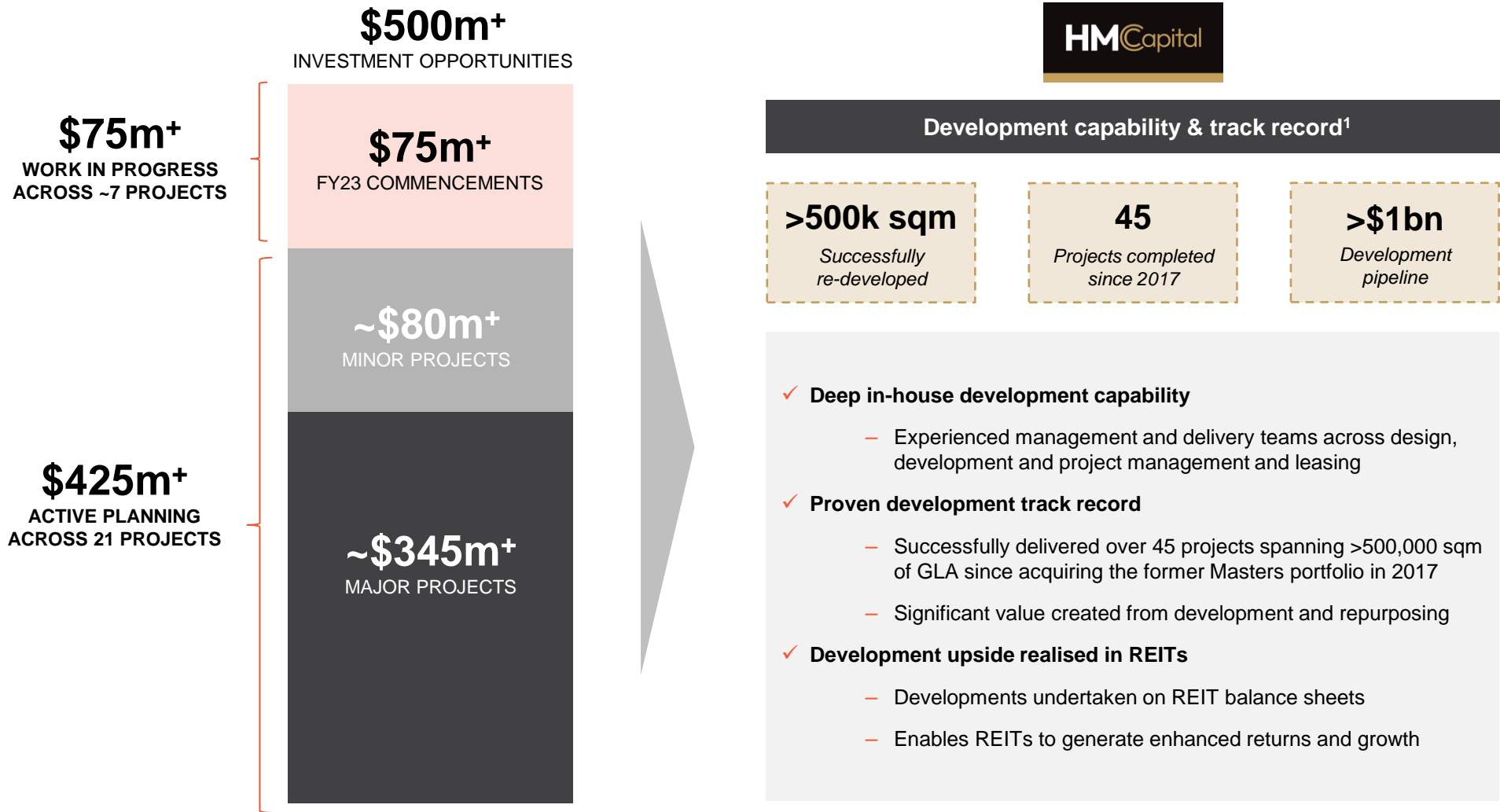
**Home Co.**  
Daily Needs  
REIT

Belrose (NSW)

### 3. Growth Opportunities

# HDN Development Pipeline Overview

Significant development opportunities with latent embedded value identified



***\$500m+ value accretive developments supports strategy to deliver at least \$75m of annual development capex at a ~7% ROIC<sup>2</sup>***

Notes: 1. Across HMC Capital platform. 2. Return on Invested Capital (ROIC) represents cash yield on cost. Estimated ROIC is based on assumptions relating to future income, valuation, capex and is calculated on a fully stabilised basis.



# FY22 Brownfield Developments Update

\$37m of accretive developments returning a 10% ROIC<sup>1</sup>

Projects	Capex
<b>Completed</b>	
<b>1. Gregory Hills (NSW)</b> ▪ 3,120 sqm GLA centre extension anchored by Aldi	\$12.0m
<b>2. Cranbourne (VIC)</b> ▪ 2,192 sqm GLA Officeworks superstore	\$5.2m
<b>3. Braybrook (VIC)</b> ▪ 200 sqm GLA Drive through Guzman Y Gomez	\$1.6m
<b>4. Braybrook (VIC)</b> ▪ 200 sqm GLA Drive through Carl's Junior	\$2.2m
<b>5. Braybrook (VIC)</b> ▪ 1,800 sqm GLA Medical centre pad	\$6.5m
<b>6. Penrith (NSW)</b> ▪ 1,500 sqm GLA Childcare pad	\$4.4m
<b>7. Cranbourne (VIC)</b> ▪ 850 sqm GLA Petbarn	\$2.9m
<b>Under development</b>	
<b>8. Mackay (QLD)<sup>2</sup></b> ▪ 200 sqm GLA petrol station pad	\$2.5m
<b>Total</b>	<b>\$37m</b>

Notes: 1. Return on Invested Capital (ROIC) represents cash yield on cost. Estimated ROIC is based on assumptions relating to future income, valuation, capex and is calculated on a fully stabilised basis. 2. Estimated project completion in September 2022

# FY22 Brownfield Developments Update

Accretive brownfield developments completed

*Gregory Hills (NSW)*



*Penrith (NSW)*



*Cranbourne (VIC)*



*Braybrook (VIC)*



# FY23 Target Development Opportunities

**>\$75m**

Forecast commencements

**>28,000m<sup>2</sup>**

Additional GLA

**~7%**

Target blended ROIC<sup>1</sup>

Project	Indicative start date	Development opportunity
<b>Mackay</b> <i>Queensland</i>	1H FY23	First stage of multi-stage LFR and lifestyle expansion opportunity on excess land
<b>Glenmore Park</b> <i>New South Wales</i>	1H FY23	Centre expansion through addition of new health and services precinct
<b>South Nowra</b> <i>New South Wales</i>	1H FY23	Repurpose ex-Masters site into lifestyle precinct
<b>Gregory Hills</b> <i>New South Wales</i>	2H FY23	Additional Pad site
<b>Toowoomba</b> <i>Queensland</i>	2H FY23	Centre expansion through new childcare centre
<b>Cranbourne</b> <i>Victoria</i>	2H FY23	Centre expansion through additional daily needs GLA
<b>Victoria Point</b> <i>Queensland</i>	2H FY23	Centre expansion through additional daily needs GLA

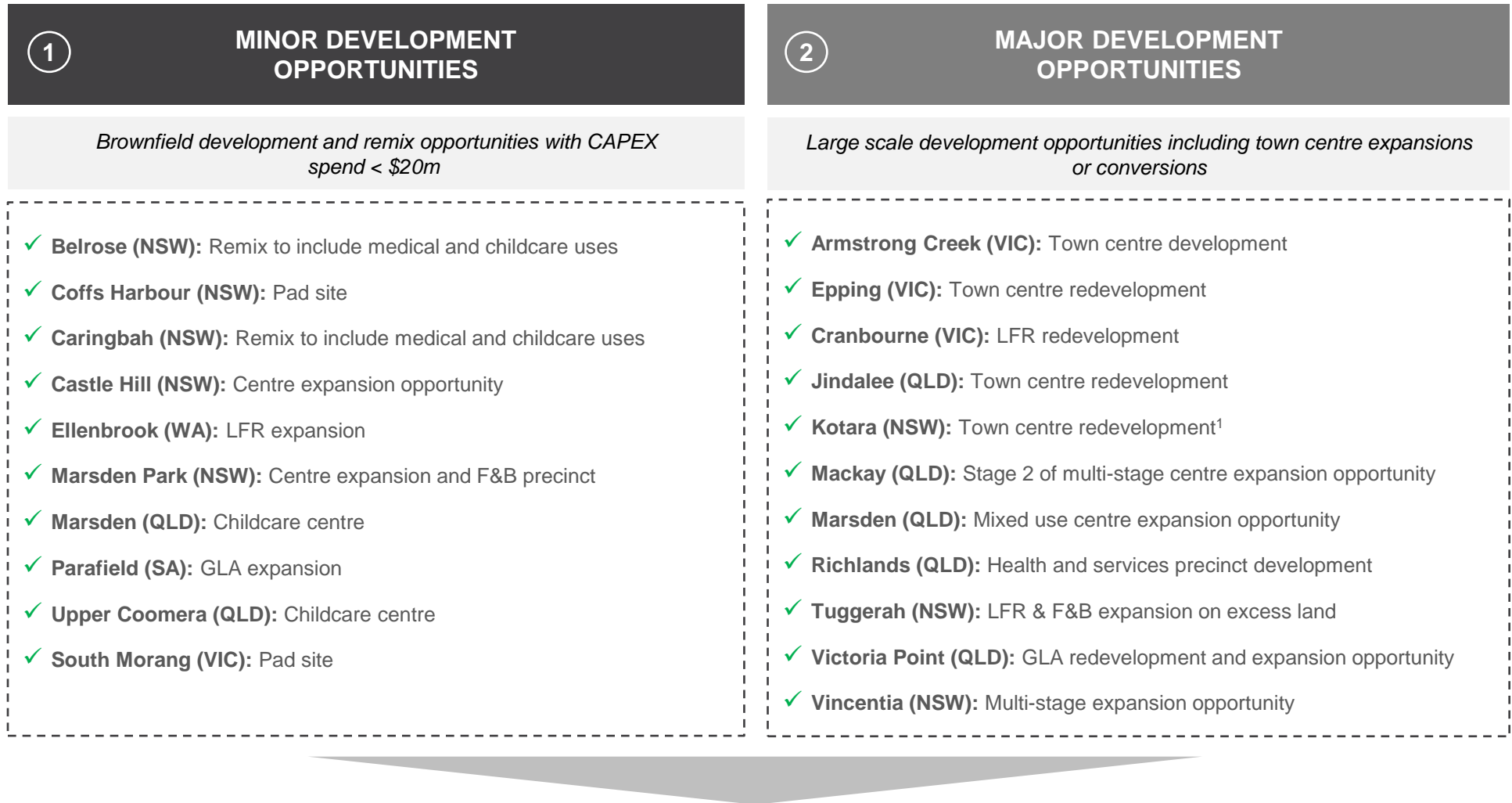
**HDN is targeting to commence over \$75m of development projects in FY23**

Notes: 1. Return on Invested Capital (ROIC) represents cash yield on cost. Estimated ROIC is based on assumptions relating to future income, valuation, capex and is calculated on a fully stabilised basis.



# FY24+ Development Pipeline

Continued focus on unlocking development pipeline to drive enhanced FFO and NTA growth



**~\$425m value accretive developments identified across both major and minor projects**

Notes: 1. Subject to acquisition of adjacent site.



**Home  
Co.**  
Daily Needs  
REIT

Woodlea (VIC)

## 4. Financial Results

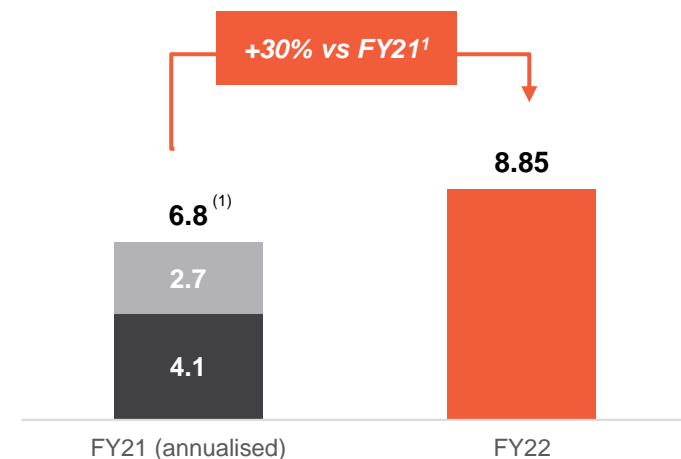
# Funds from Operations

Strong earnings growth with FY22 FFO per unit of 8.85cpu, ahead of guidance of 8.8cpu

\$ million	FY21	FY22
<b>Property NOI</b>	<b>34.0</b>	<b>141.9</b>
Investment management fees	(5.8)	(13.7)
Other corporate expenses	(1.3)	(2.6)
<b>EBITDA</b>	<b>26.8</b>	<b>125.6</b>
Net interest expense	(5.5)	(20.0)
<b>FFO</b>	<b>21.4</b>	<b>105.6</b>
Units on issue (wtd avg) (m)	524.2	1,193.8
<b>FFO per unit (cents)</b>	<b>4.1</b>	<b>8.85</b>
<b>Distribution per unit (cents)</b>	<b>4.2</b>	<b>8.28</b>

- HDN reported FFO of \$105.6m (8.85cpu) for FY22, representing a 30% increase vs FY21 on an FFO cents per unit basis<sup>1</sup>
- Earnings growth in 2H FY22 represents the contribution from new developments and acquisitions in addition to the impact of the Aventus merger which completed in Mar-22

## Historical FFO (cents per unit)



Notes: Numbers may not total due to rounding. 1. FY21 FFO of 4.1cpu annualised for full year given IPO date of 23-Nov-20.



# Balance sheet

Acquisitions and valuation gains have resulted in a robust balance sheet, with a total asset base of \$4.9bn and NTA of \$1.52 per unit as at Jun-22

\$ million	Dec-21	Jun-22
Cash and cash equivalents	5.9	23.2
Assets held for sale	14.1	14.1
Investment property	1,904.9	4,739.9
Other	12.3	79.2
<b>Total assets</b>	<b>1,937.2</b>	<b>4,856.2</b>
Borrowings	(702.0)	(1,590.1)
Lease liability	(11.0)	(11.5)
Other	(41.4)	(116.9)
<b>Total liabilities</b>	<b>(754.4)</b>	<b>(1,718.5)</b>
<b>Net assets</b>	<b>1,182.8</b>	<b>3,137.7</b>
Gearing <sup>1</sup>	36.7%	32.7%
Units on issue (m)	794.6	2,067.7
<b>NTA per unit (\$)²</b>	<b>1.49</b>	<b>1.52</b>

- HDN's total assets as at Jun-22 increased to \$4.9bn, driven by the Aventus merger which completed in Mar-22
- Investment properties recorded net valuation gains of \$203.3m since Dec-21 which drove an increase in NTA to \$1.52 per unit (offsetting acquisition and transaction costs)
- Other assets includes the \$55.1m fair value of derivatives relating to interest rate hedging
- Drawn debt increased to \$1.6bn primarily due to the assumption of Aventus debt at merger date

Notes: Numbers may not total due to rounding. 1. 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. 2. NTA includes the fair value of derivatives.

# Capital management

Gearing of 30.6% and strong liquidity position of \$380m on a Jun-22 adj. basis (following sale of Sunshine Coast)

\$ million	Dec-21	Jun-22	Jun-22 Adjusted <sup>1</sup>
<b>Debt summary</b>			
Facility limit (bank debt)	800.0	1,820.0	1,820.0
Drawn debt	711.0	1,600.5	1,463.3
Weighted avg. tenor (years) <sup>2</sup>	4.1	3.0	3.1
<b>Liquidity</b>			
Senior facility undrawn	89.0	219.5	356.7
Cash at bank	5.9	23.2	23.2
<b>Total liquidity</b>	<b>94.9</b>	<b>242.7</b>	<b>379.9</b>
<b>Key debt metrics</b>			
Gearing <sup>3</sup>	36.7%	32.7%	30.6%
% of debt hedged	59.8%	67.2%	73.5%
Hedged debt tenor (years)	2.8	2.8	2.8
Weighted avg. debt cost (% p.a.) <sup>4</sup>	2.6%	2.5%	2.6%

- HDN upsized its senior debt facility by \$200m in Mar-22 to \$1,820m following completion of the Aventus merger
- Gearing of 32.7% and hedged debt at 67.2% as at Jun-22
- Following the sale of Sunshine Coast Home proposed for 1H FY23 key treasury metrics on a Jun-22 adjusted basis will reflect:
  - Gearing of 30.6%
  - Hedged debt of 73.5%
  - Liquidity position of \$380m

Notes: Numbers may not total due to rounding. 1. Adjusted for the sale of Sunshine Coast Home for \$140.0m less assumed sale costs of 2%. 2. Based on drawn debt only. 3. 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. 4. Includes undrawn line fees.



**Home  
Co.**  
Daily Needs  
REIT

Gregory Hills (NSW)

## 5. Outlook & Guidance



# FY23 guidance and closing remarks

HDN is pleased to deliver a solid FY23 outlook underpinned by strong underlying property NOI growth notwithstanding rising interest rates

**8.6 cpu**

FFO per unit<sup>1</sup>

**8.3 cpu**

Distribution

97% payout ratio

**3.3%**

Comparable NOI growth<sup>2</sup>

**>\$75m**

FY23 developments  
7% ROIC Target<sup>3</sup>

## CLOSING REMARKS

### STRONG PORTFOLIO PERFORMANCE



Capitalising on strong portfolio fundamentals and enhanced scale following the merger with Aventus to drive rental growth

### UNLOCKING VALUE ACCRETIVE PIPELINE



\$500m+ development pipeline remains the most attractive use of incremental capital

### PROACTIVE CAPITAL MANAGEMENT



Successfully fortified balance sheet through capital management initiatives to reduce gearing and increase interest rate hedging

*Transformational year following the successful merger and integration with Aventus to create Australia's leading daily needs REIT*



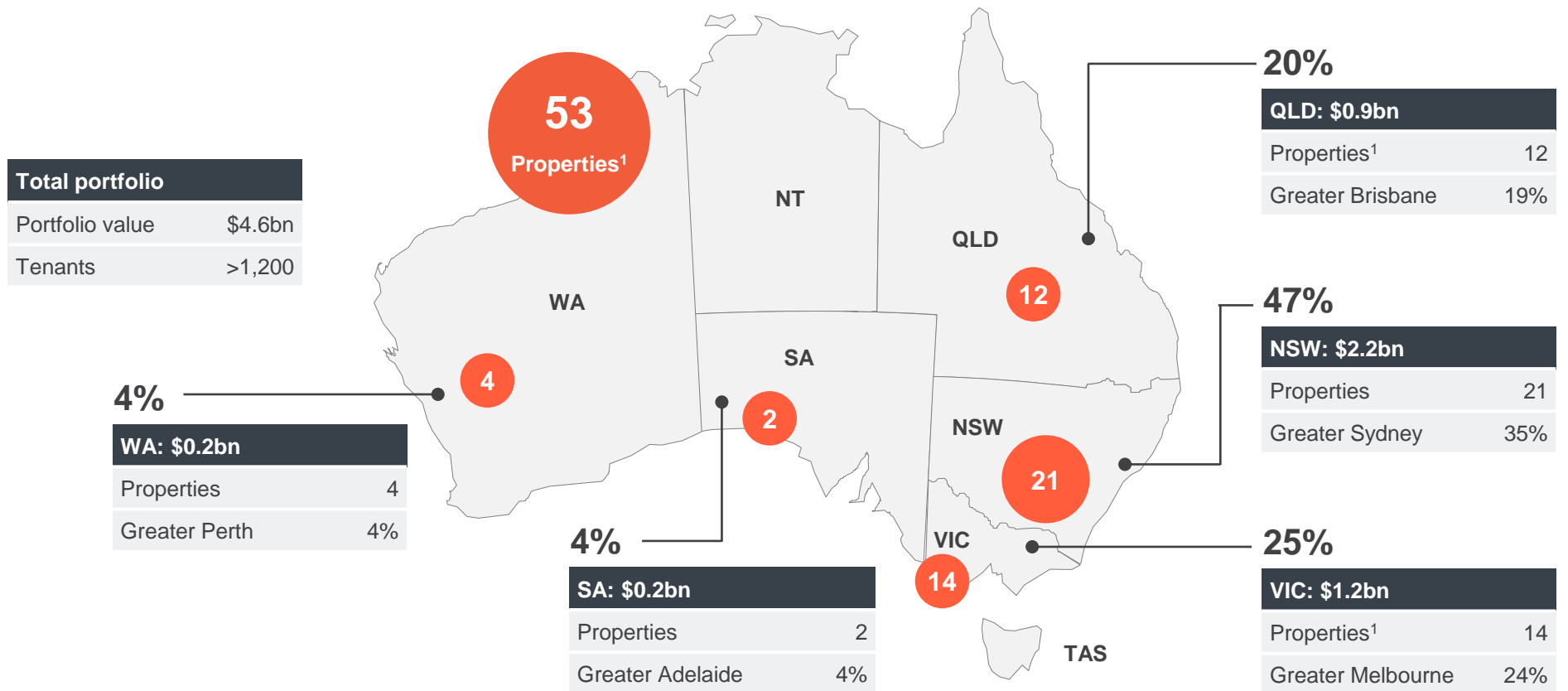
**Home Co.**  
Daily Needs  
REIT

Caringbah (NSW)

## 6. Supplementary Information

# National portfolio

Critical last mile infrastructure supporting omni-channel retailing and fulfilment across Australia



## Attractive portfolio attributes for omni-channel

~13m people within 10km radius<sup>2</sup>

~73% of tenants have click & collect<sup>3</sup>

1.9% population growth<sup>4</sup>  
(vs. 1.5% national avg.)

~79% metro located

92% located on Eastern Seaboard

Notes: Numbers may not add due to rounding. All FY22 metrics as at 30-Jun-22, including McGraths Hill on a 100% basis (\$57.8m) and excluding ROU assets at Parafield and Caringbah (\$11.5m). Metrics also adjusted for sale of Sunshine Coast Home (\$136.7m Jun-22 book value), which is expected to settle in Sep-22. 1. Richlands land parcels (108 Pine Road & 159-177 Progress Road) and Armstrong Creek Pad site are consolidated into the adjacent head property. 2. Australian Bureau of Statistics, 2016. 3. Weighted by gross income. Excludes fuel and services tenants. 4. Australian Bureau of Statistics, 2021 – 2026.



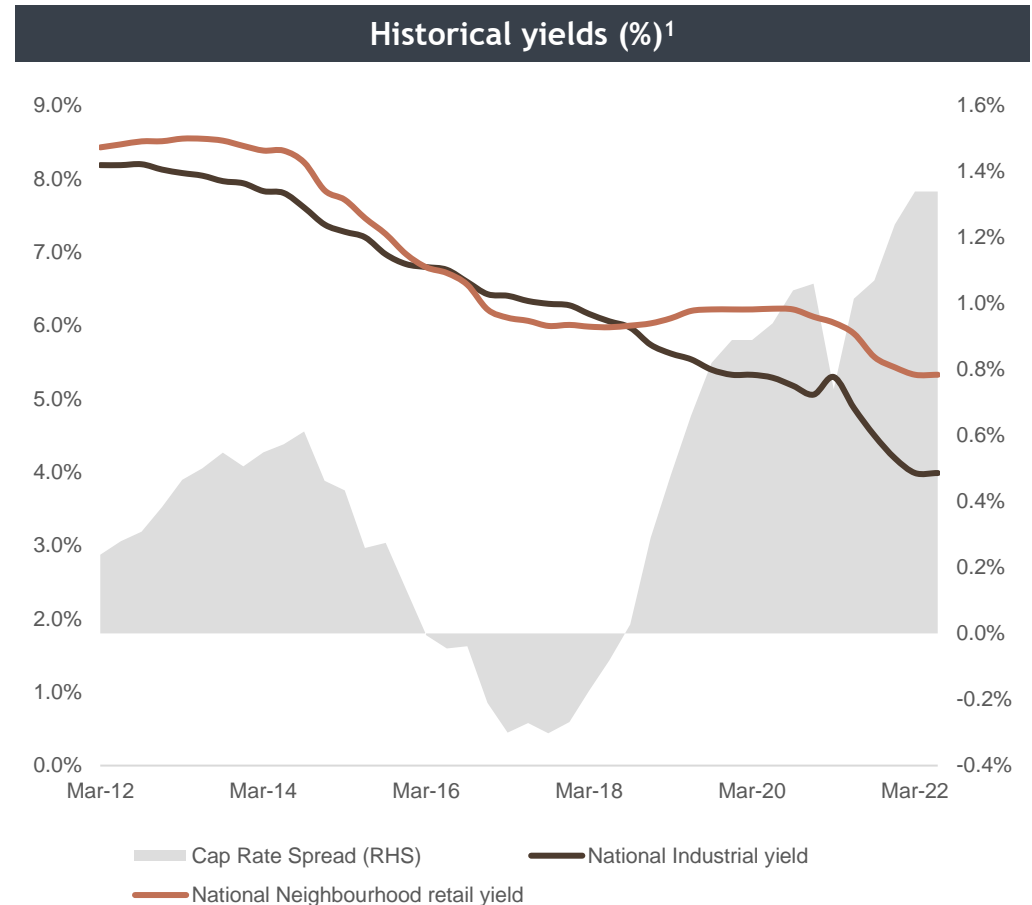
# Last Mile Fulfilment is a Megatrend

Daily needs assets provide an attractively priced exposure to the last mile logistics thematic



Typical HDN Property

Location	Infill / Metro
Barriers to entry	High
Development upside	Via low site coverage
Rent collection	>99%
Tenant concentration	Low (multi-tenant)
Tenant quality	Strong via predominantly national tenants
Rental affordability	Sustainable rent of \$349/sqm gross
Institutional investor ownership	Low / underweight



**Institutional investor demand for high quality daily needs assets continues to grow from a low base**

Notes: All FY22 metrics as at 30-Jun-22, including McGraths Hill on a 100% basis (\$57.8m) (25.3% owned by HDN) and excluding ROU assets at Parafield and Caringbah (\$11.5m). Metrics also adjusted for sale of Sunshine Coast Home (\$136.7m Jun-22 book value), which is expected to settle in Sep-22. 1. JLL data.

# Acquisitions & Disposals over FY22

Acquisitions			
	Settlement Date	Purchase Price	Acquisition WACR
Armstrong Creek Pad	Mar-22	\$21.5m	5.00%
Aventus Portfolio	Mar-22	\$2,519.0m	n.a
Coffs Harbour	Oct-21	\$22.4m	6.50%
Gregory Hills Home	Apr-22	\$34.1m	5.75%
HomeCo LFR Portfolio <sup>1</sup>	Jul-21	\$266.4m	6.15%
Lismore	Oct-21	\$17.2m	7.00%
North Lakes	Apr-22	\$41.5m	6.00%
Pakenham	Dec-21	\$98.5m	6.00%
Richlands <sup>2</sup>	Apr-22	\$3.5m	n.m.
South Nowra	Apr-22	\$23.1m	5.75%
Upper Coomera Pad	Nov-21	\$7.0m	3.86%
Victoria Point	Aug-21	\$160.0m	4.75%
Woodlea	Sep-21	\$55.4m	5.25%

Disposals			
	Settlement Date	Sale Price (\$m)	Cap rate
Sunshine Coast	Expected to settle Sep-22	\$140.0m	5.75%

Notes: 1. LFR Portfolio of 7 assets includes Box Hill (VIC), Bundall (QLD), Mackay (QLD), Marsden Park (NSW), South Morang (VIC), Toowoomba South (QLD) and Upper Coomera (QLD). 2. Includes Richlands land parcels at 108 Pine Road & 159-177 Progress Road.

# Proven track record in development

## Braybrook case study



**2016**

**2019**

**2022**

*Empty Ex-Masters Tenancy*

*New neighbourhood centre anchored by Coles, Chemist Warehouse & TK Maxx*

*Development underway for 2 new drive-thru pad sites and medical precinct*

Capex	Nil
Income	Nil

Incremental capex	\$20.0m
Incremental income	\$3.6m

Incremental capex	\$10.3m
Incremental income	\$1.0m

Valuation on acquisition	\$23.5m
--------------------------	---------

Valuation (Sep 2019)	\$52.7m
Cap Rate	6.00%

Total income	\$4.6m
Valuation (Jun 2022)	\$89.0m
Cap Rate	4.75%

Site Coverage	32%
---------------	-----

Site Coverage	32%
---------------	-----

Site Coverage	37%
---------------	-----



# FY23 & Beyond Development Opportunities

Potential to accelerate larger scale opportunities across the portfolio

*Glenmore Park (NSW)*



*Mackay (QLD)*



*Tuggerah (NSW)*



*Epping (VIC)*



*Armstrong Creek (VIC)*



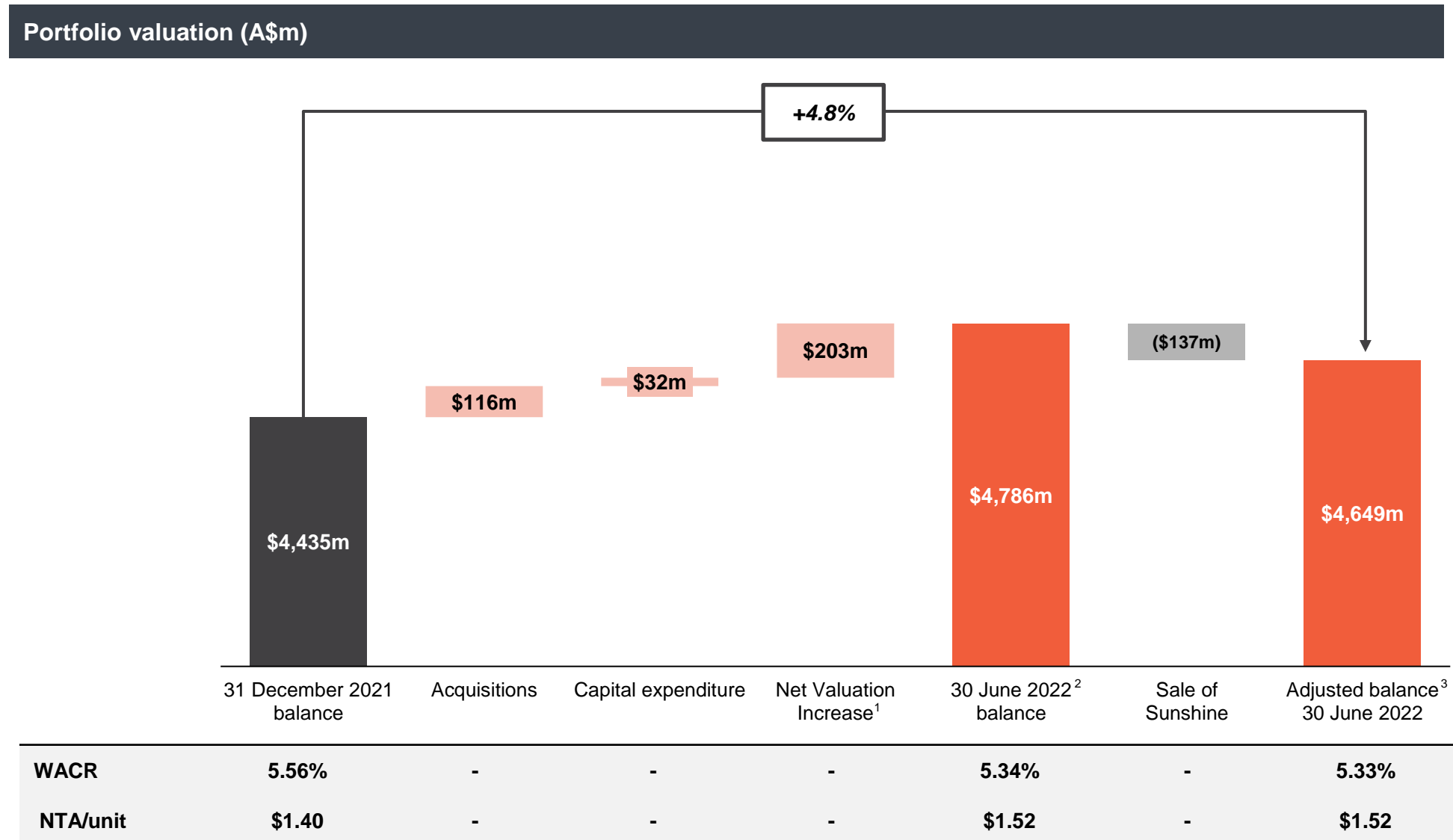
*Richlands (QLD)*



*HDN's opportunity rich development pipeline represents the highest priority investment opportunity*

# Strong portfolio revaluation gains

Gains underpinned by solid operational and investment market fundamentals



Note: 1. Net valuation increase includes transaction costs. 2. Balance includes McGraths Hill (\$57.8m) (25.3% owned by HDN) on a 100% basis, which is equity accounted and excluding ROU asset at Parafield and Caringbah (\$11.5m). 3. Reduced by carrying value per latest internal valuation of \$136.7m (\$140.0m sale price realised).

# Portfolio summary metrics

Asset	State	GLA (sqm)	Site area (sqm)	Site Coverage (%) <sup>1</sup>	Occupancy (by area) <sup>2</sup>	WALE (by income) <sup>3</sup>	Fair Value (\$m)	Cap rate (%)
<b>Operating</b>								
Armstrong Creek	VIC	9,635	31,629	30%	100%	9.1	73	4.75%
Armstrong Creek PAD	VIC	2,881	10,929	26%	100%	8.0	24	4.25%
Ballarat	VIC	20,099	52,084	39%	100%	2.7	56	5.75%
Bankstown	NSW	17,535	40,240	44%	100%	4.1	95	5.25%
Belrose	NSW	36,544	44,265	83%	100%	2.9	232	5.25%
Box Hill	VIC	13,908	40,475	34%	100%	7.6	68	5.25%
Braybrook	VIC	15,344	41,488	37%	100%	8.3	89	4.75%
Bundall	QLD	10,378	16,450	63%	100%	5.0	43	5.75%
Bunnings Seven Hills	NSW	13,440	22,300	60%	100%	9.0	69	4.00%
Butler	WA	17,436	42,173	41%	100%	8.2	46	5.75%
Caringbah	NSW	20,860	22,818	91%	98%	3.2	183	5.00%
Castle Hill	NSW	50,722	59,920	85%	99%	3.7	392	5.50%
Coffs Harbour	NSW	9,812	24,270	40%	100%	7.4	28	5.75%
Coomera City Centre	QLD	7,422	28,720	26%	99%	6.1	64	5.00%
Cranbourne	WA	59,680	193,900	31%	100%	4.6	209	5.75%
Ellenbrook	WA	11,952	30,002	40%	99%	8.6	26	6.00%
Epping	VIC	22,038	91,240	24%	97%	2.6	69	6.00%
Glenmore Park Town Centre	NSW	17,174	45,859	37%	97%	5.7	160	5.00%
Gregory Hills Home Centre	NSW	9,633	26,692	36%	100%	5.3	38	5.00%
Gregory Hills Town Centre	NSW	11,718	46,000	25%	100%	8.4	102	4.75%
Hawthorn East	VIC	11,492	28,300	41%	100%	7.8	76	4.75%
Highlands	NSW	11,482	31,890	36%	100%	3.2	49	5.50%
Jindalee	QLD	26,743	72,030	37%	99%	3.3	197	5.25%
Joondalup	WA	17,189	44,260	39%	100%	7.3	57	5.75%
Keysborough	VIC	11,802	35,840	33%	100%	8.5	47	5.50%
Kotara	NSW	29,115	53,390	55%	100%	4.1	169	5.25%
Lismore	NSW	8,784	34,750	25%	100%	4.5	21	6.50%
Logan	QLD	27,117	26,790	101%	100%	3.0	130	5.50%
Mackay	QLD	11,914	108,730	11%	99%	4.0	39	5.75%
Marsden Park	NSW	11,499	34,920	33%	100%	4.1	60	5.25%
Marsden Park (AVN)	NSW	19,781	39,900	50%	100%	3.8	123	5.25%
Marsden Park QLD	QLD	8,259	58,000	14%	93%	8.0	64	5.50%
McGraths Hill	NSW	16,500	37,840	44%	100%	2.5	58	5.50%
Midland	WA	23,410	42,640	55%	100%	4.2	76	6.00%
Mile End	SA	33,909	71,320	48%	100%	3.1	148	5.75%
Mornington	VIC	11,425	35,949	32%	100%	8.8	63	5.00%
North Lakes	QLD	11,468	39,910	29%	99%	5.9	45	5.50%
Pakenham	VIC	28,950	76,220	38%	98%	4.5	109	5.50%
Parafield	SA	15,616	42,707	37%	100%	4.7	29	6.25%
Peninsula	VIC	33,418	84,651	39%	100%	3.0	138	5.50%
Penrith	NSW	13,164	30,150	44%	100%	3.7	64	5.25%
Prestons	NSW	5,192	15,790	33%	100%	5.5	45	4.75%
Richlands	QLD	12,921	48,610	27%	92%	10.1	51	6.00%
Rosenthal	VIC	4,809	17,759	27%	100%	6.5	36	4.75%
South Morang	VIC	11,149	35,870	31%	100%	4.8	44	5.50%
Tingalpa	QLD	10,365	27,720	37%	100%	4.2	42	5.50%
Toowoomba South	QLD	11,360	32,248	35%	100%	4.7	38	6.00%
Tuggerah	NSW	38,421	127,410	30%	99%	4.5	132	5.75%
Upper Coomera	QLD	11,641	39,040	30%	98%	5.8	53	5.00%
Victoria Point	QLD	20,892	76,080	27%	96%	6.5	157	4.75%
Vincentia	NSW	9,578	68,127	14%	99%	5.1	69	5.00%
Warners Bay	NSW	12,336	35,140	35%	100%	3.7	58	5.75%
Woodlea	VIC	8,563	27,336	31%	100%	9.3	61	4.75%
<b>Development</b>								
Richlands (excess land)	QLD		14,040			n.m.	18	n.m.
South Nowra	NSW	11,148	28,000	40%	100%	6.0	23	5.75%
<b>HDN Portfolio</b>		<b>929,620</b>	<b>2,534,811</b>	<b>37%</b>	<b>99%</b>	<b>4.9</b>	<b>4,649</b>	<b>5.33%</b>

Notes: All FY22 metrics as at 30-Jun-22, including McGraths Hill on a 100% basis (\$57.8m) (25.3% owned by HDN) and excluding ROU assets at Parafield and Caringbah (\$11.5m). Metrics also adjusted for sale of Sunshine Coast Home (\$136.7m Jun-22 book value), which is expected to settle in Sep-22. 1. Ratio of GLA to site area, where GLA does not include carparks. 2. By GLA and includes rental guarantees, signed leases and MoUs. 3. By gross income for signed leases and signed MoUs.



# Additional financial information

## Statutory profit to FFO reconciliation

<i>\$ million</i>	FY22 Actual
<b>Total revenue</b>	<b>198.3</b>
Share of profits from associates – APS1	0.4
Property expenses	(48.7)
Investment management fees	(13.7)
Other corporate expenses	(2.6)
<b>Operating EBITDA</b>	<b>133.7</b>
Fair value movement (net)	225.3
Transaction costs	(0.5)
<b>EBITDA</b>	<b>358.5</b>
Net interest expense	(23.4)
<b>Statutory Profit/(Loss)</b>	<b>335.1</b>
<b>Less:</b>	
Straightlining and amortisation	6.1
Fair Value movement	(225.3)
Transaction costs	0.5
Other	0.2
Rent Guarantee Income	2.0
Other income <sup>1</sup>	(13.0)
<b>FFO</b>	<b>105.6</b>
Units on issue (wtd avg) (m)	1,193.8
<b>FFO per unit (cents)</b>	<b>8.85</b>

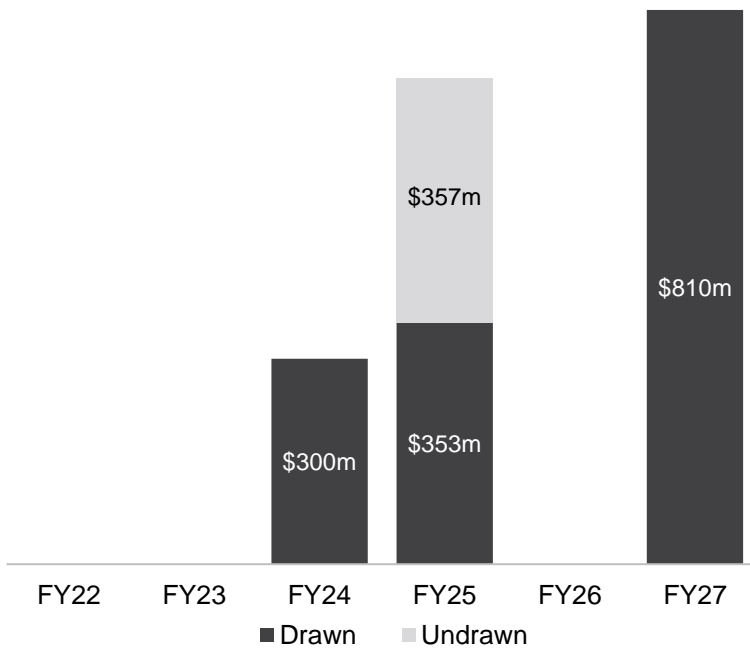
## Statutory profit to operating cash flow reconciliation

<i>\$ million</i>	FY22 Actual
<b>Statutory Profit</b>	<b>335.1</b>
<i>Adjustments for:</i>	
Share of profits from associates – APS1	(0.4)
Net unrealised gain from fair value adjustments	(225.3)
Finance costs – non-cash	3.0
Straight-lining of rental income	(7.4)
<i>Change in operating assets and liabilities:</i>	
Movement in trade and other receivables	3.3
Movement in other operating assets	1.5
Movement in trade and other payables	32.7
Movement in rent received in advance	2.1
<b>Net cash flow from operating activities</b>	<b>144.6</b>

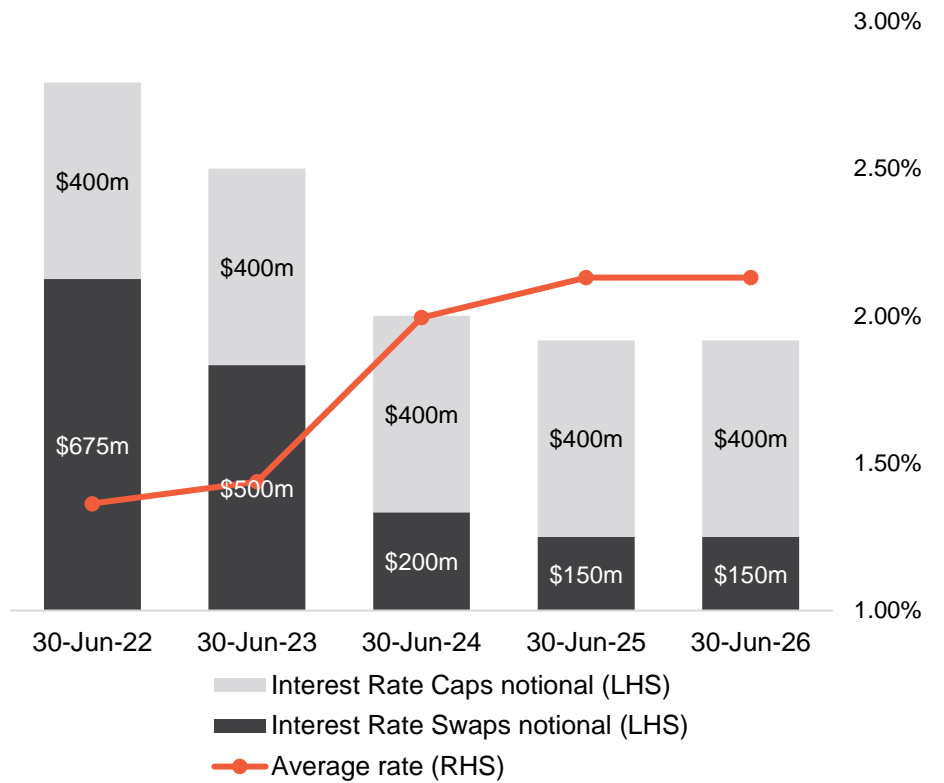
Note: 1. Purchase price adjustments on South Nowra.

# Debt maturity and hedging profile

Debt maturity profile (Jun-22 adj. post Sunshine sale)



Hedging profile (Jun-22)



# Contacts

## Investors and analysts

## Media



**Misha Mohl**  
HMC Capital  
Group Head of Strategy & IR

+61 422 371 575  
[misha.mohl@hmccapital.com.au](mailto:misha.mohl@hmccapital.com.au)



**Sid Sharma**  
HDN CEO

+61 434 361 318  
[sid.sharma@hmccapital.com.au](mailto:sid.sharma@hmccapital.com.au)

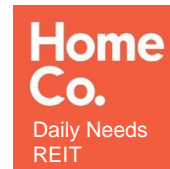


**John Frey**  
Corporate Communications

+61 411 361 361  
[john@brightoncomms.com.au](mailto:john@brightoncomms.com.au)



# Disclaimer



This presentation (**Presentation**) has been prepared by HMC Funds Management Limited (ACN 106 078 635, AFSL 237 257) (**Responsible Entity**) as responsible entity of HomeCo Daily Needs REIT (ARSN 645 086 620).

## Summary information

This Presentation contains summary information about the current activities of HomeCo Daily Needs REIT and its subsidiaries as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete. This Presentation does not purport to contain all the information that an investor should consider when making an investment decision nor does it contain all the information which would be required in a product disclosure statement or prospectus prepared in accordance with the requirements of the *Corporations Act 2001* (Cth). This Presentation is subject to change without notice and the Responsible Entity and HomeCo Daily Needs REIT may in their absolute discretion, but without being under any obligation to do so, update or supplement the information in this Presentation. Certain market and industry data used in connection with this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. None of the Responsible Entity, HomeCo Daily Needs REIT or their respective representatives have independently verified any such market or industry data provided by third parties or industry or general publications. The information in this presentation should be read in conjunction with HomeCo Daily Needs REIT's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at [www.asx.com.au](http://www.asx.com.au). To the maximum extent permitted by law, the Responsible Entity, HomeCo Daily Needs REIT and their respective subsidiaries, affiliates, related bodies, directors, corporates, officers, employees, partners, agents and advisers make no representation or warranty (express or implied) as to the currency, accuracy, reliability, reasonableness or completeness of the information in this Presentation and disclaim all responsibility and liability for the information (including without limitation, liability for negligence).

## Past Performance

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance or reasonableness of any forward looking statements, forecast financial information or other forecast. Actual results could differ materially from those referred to in the Presentation.

## Forward Looking Statements

This Presentation contains certain "forward looking statements". Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance", "continue" and other similar expressions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of HomeCo Daily Needs REIT. The forward looking statements contained in this Presentation are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of the Responsible Entity or HomeCo Daily Needs REIT, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Neither the Responsible Entity, HomeCo Daily Needs REIT, nor any other person, gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. The forward looking statements are based on information available to the Responsible Entity and HomeCo Daily Needs REIT as at the date of this Presentation. To the maximum extent permitted by law, the Responsible Entity and its directors, officers, partners, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions.

Except as required by law or regulation (including the ASX Listing Rules), the Responsible Entity undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.