



# 2022

## FULL YEAR RESULTS

Charter Hall  
Group





## Acknowledgement of Country

Charter Hall is proud to work with our customers and communities to invest in and create places on lands across Australia. We pay our respects to the Traditional Owners, their Elders past and present, and value their care and custodianship of these lands.

**Coming Together, 2021.**

'Coming Together' is an artwork which is reflective of strength, resilience and nurturing partnerships.

Frances Belle Parker (Yaegl)



# Agenda

1. Highlights and Strategy
2. Group Funds Management
3. Property Investment
4. Financial Result
5. Update and Guidance
6. Additional Information

Cover: Southern Cross, Melbourne (CPOF)  
Left: 1 Shelley Street, Sydney (CPOF)





# 1

## Highlights and Strategy

# Group highlights<sup>1</sup>

## Group Returns

Operating earnings

**\$542.8 million**

Statutory profit<sup>2</sup>

**\$911.1 million**

OEPS

**115.6cps**

89.5% ↑ over FY21

Return on Contributed Equity<sup>3</sup>

**31.4%**

Contributed equity per security of \$3.92

## Property Investments

Property Investment portfolio

**\$2.9bn**

↑ \$509m

Total Property Investment return<sup>4</sup>

**23.2%**

Property Investment yield

**5.6%**

## Funds Management

Group FUM<sup>5</sup>

**\$79.9bn** ↑ 52.8%

Property FUM

**\$65.6bn** ↑ 25.5% or \$13.3bn

Gross property transactions

**\$8.5bn**

Funds Management yield<sup>6</sup>

**16.1%**

## Investment Capacity

Group investment capacity<sup>7</sup>

**\$7.9bn**

## Balance sheet

NTA per security

**\$6.26**

↑ 27.5%

Credit rating<sup>8</sup>

**Baa1**

1. Figures and statistics throughout this presentation are for the 12 months to 30 June 2022 unless otherwise stated

2. Attributable to stapled securityholders

3. Return on contributed equity is calculated as total operating earnings post-tax per security divided by the opening contributed equity per security for the 12 months to 30 June 2022

4. Total Property Investment (PI) return is calculated as distributions received from Funds plus growth in investment value divided by the opening investment value of the PI portfolio for the 12 months to 30 June 2022. This excludes investments in new vehicles held for less than a year

5. Includes Paradise Investment Management (PIM) Partnership, with \$14.3bn of FUM

6. Funds Management (FM) yield is calculated as FM operating earnings post tax per security (includes 50% allocation of net interest) divided by the opening NTA per security for the 12 months to 30 June 2022

7. Investment capacity calculated as cash plus undrawn debt facilities for CHC and the funds management platform. At 30 June 2022, platform cash was \$1.3bn. Excludes committed and unallotted equity

8. Charter Hall Group investment grade credit rating assigned by Moody's

# Our Strategic Pillars<sup>1</sup>

We use our expertise to access, deploy, manage and invest equity to create value and generate superior returns for our investor customers

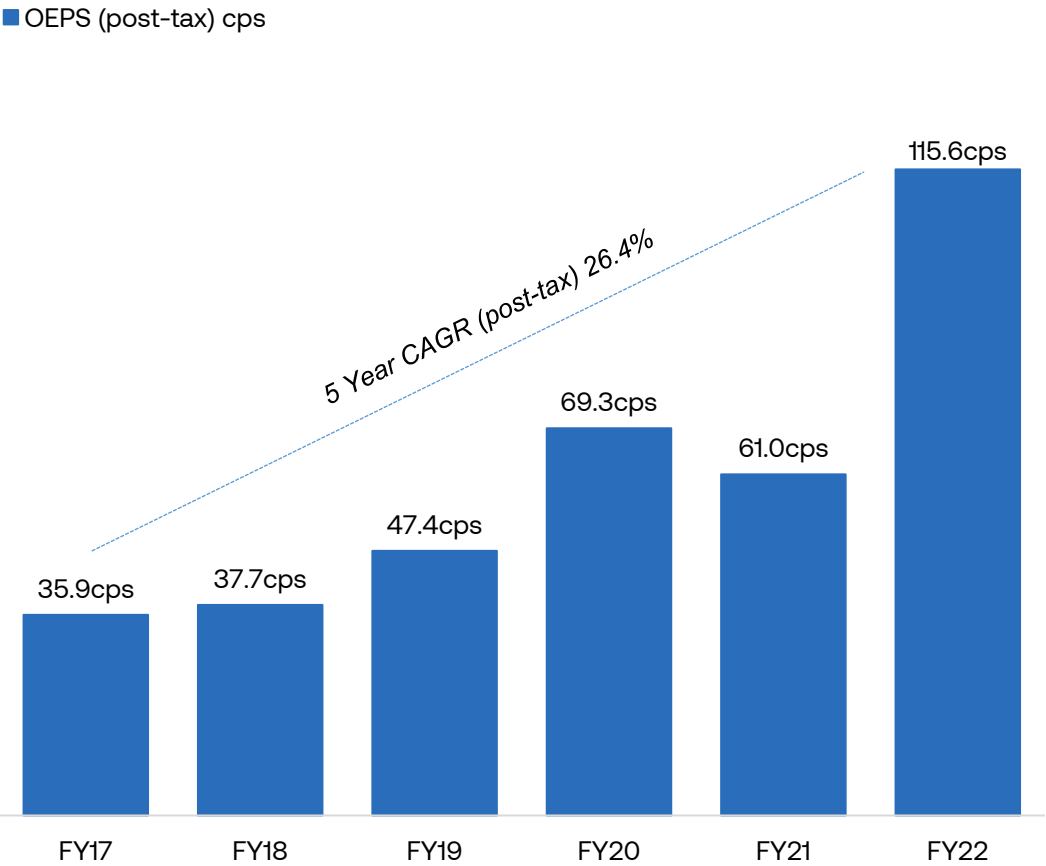
	<div>Access</div> <div>Accessing equity from listed, wholesale and retail investors</div> <div></div>	<div>Deploy</div> <div>Creating value through attractive investment opportunities</div> <div></div>	<div>Manage</div> <div>Funds management, asset management, leasing and development services</div> <div></div>	<div>Invest</div> <div>Investing along side our capital partners</div> <div></div>
1 year	<div>Gross equity allotted</div> <div>\$4.7bn</div>	<div>Acquisitions</div> <div>\$7.0bn</div> <div>Divestments</div> <div>\$1.6bn</div> <div>Net Acquisitions</div> <div>\$5.4bn</div> <div>Gross Transactions</div> <div>\$8.5bn</div>	<div>Development Capex</div> <div>\$2.7bn</div>	<div>Group FUM</div> <div>\$79.9bn ↑ \$27.6bn</div> <div>Property FUM</div> <div>\$65.6bn ↑ \$13.3bn</div> <div>Increase in PI</div> <div>\$509m ↑ 21.1%</div> <div>Total PI return<sup>2</sup></div> <div>23.2%</div>
3 years	<div>Gross equity allotted</div> <div>\$15.1bn</div>	<div>Acquisitions</div> <div>\$22.2bn</div> <div>Divestments</div> <div>\$4.7bn</div> <div>Net Acquisitions</div> <div>\$17.5bn</div> <div>Gross Transactions</div> <div>\$26.9bn</div>	<div>Development Capex</div> <div>\$5.7bn</div>	<div>Property FUM growth</div> <div>\$35.2bn (\$11.7bn p.a.)</div> <div>Increase in PI</div> <div>\$1.1bn ↑ 58.3%</div> <div>Total PI return</div> <div>15.6%</div>
5 years	<div>Gross equity allotted</div> <div>\$20.2bn</div>	<div>Acquisitions</div> <div>\$28.9bn</div> <div>Divestments</div> <div>\$6.5bn</div> <div>Net Acquisitions</div> <div>\$22.4bn</div> <div>Gross Transactions</div> <div>\$35.4bn</div>	<div>Development Capex</div> <div>\$7.5bn</div>	<div>Property FUM growth</div> <div>\$45.8bn (\$9.2bn p.a.)</div> <div>Increase in PI</div> <div>\$1.4bn ↑ 88.7%</div> <div>Total PI return</div> <div>13.3%</div>

1. Slide refers to Property FUM as PIM partnership occurred part way through FY22

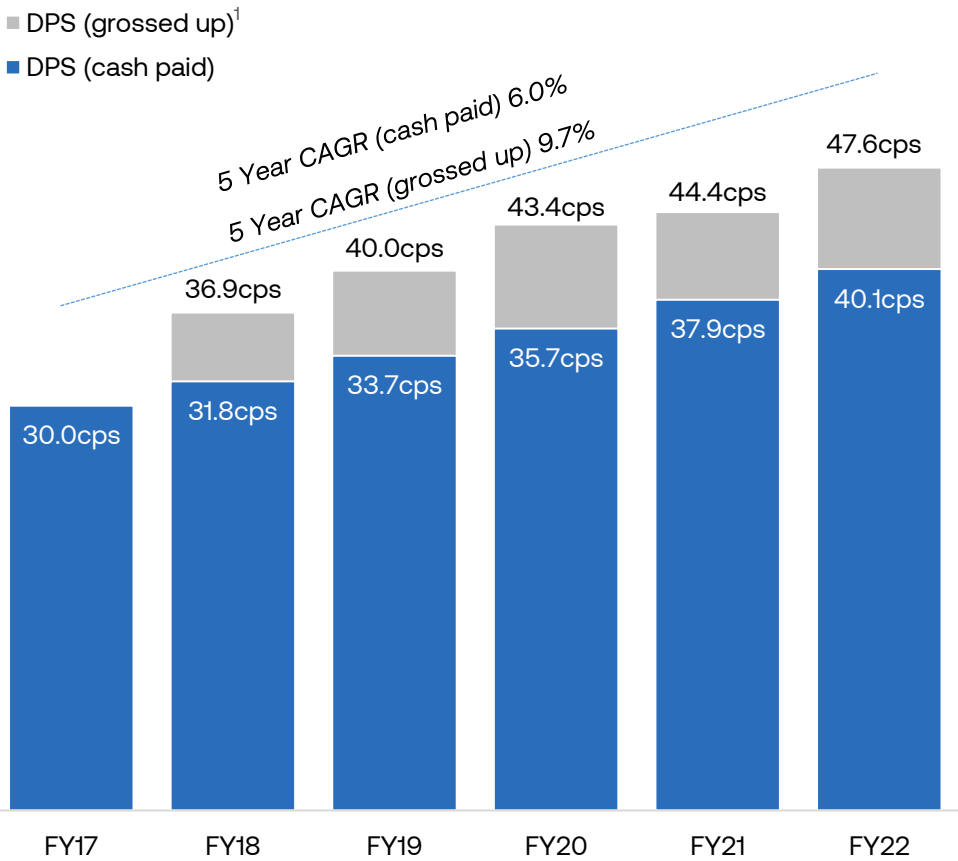
2. Total Property Investment (PI) return is calculated as distributions received from Funds plus growth in investment value divided by the opening investment value of the PI portfolio for the 12 months to 30 June 2022. This excludes investments in new vehicles held for less than a year.

# Operating earnings per security growth

Operating earnings per security growth



Distributions per security growth



1. DPS (grossed up) reflects cash paid plus franking credits distributed  
Charter Hall Group  
2022 Full Year Results



# 2 Group Funds Management

Light Horse Business Hub, Eastern Creek (CPIF)



PARRAMATTA CBD

SYDNEY CBD

SYDNEY AIRPORT

PORT BOTANY

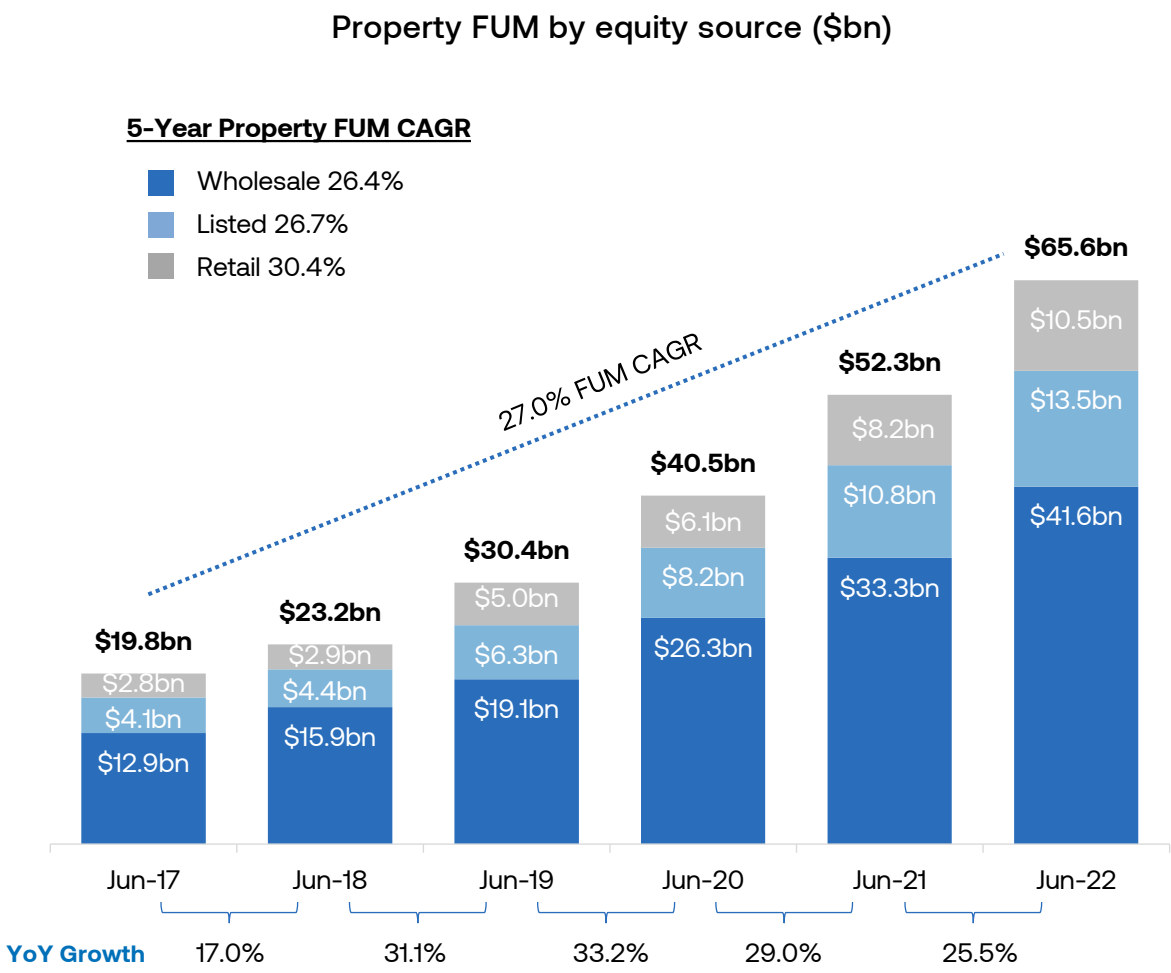
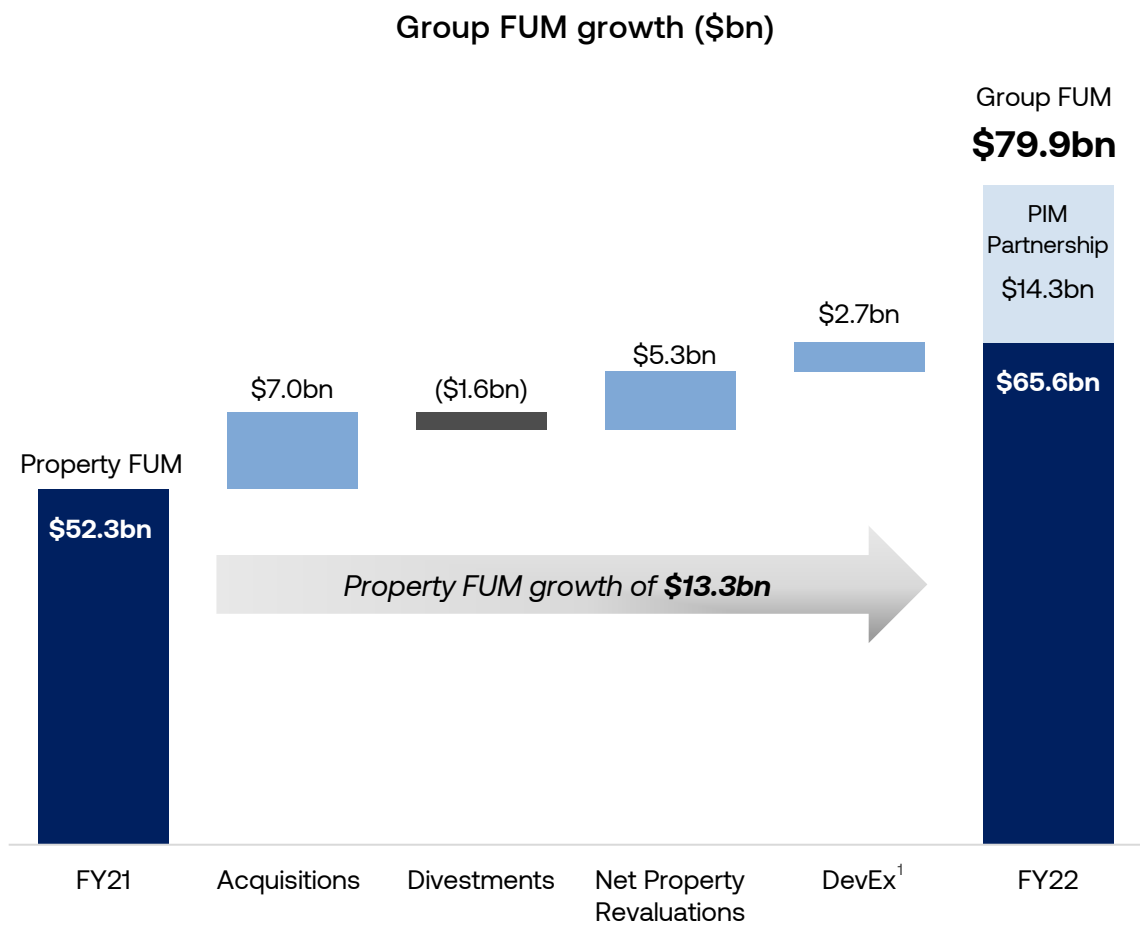
LIGHT HORSE

LIGHT HORSE INTERCHANGE



# Funds Under Management (FUM) growth

Property FUM growth of 25.5% from \$52.3bn to \$65.6bn



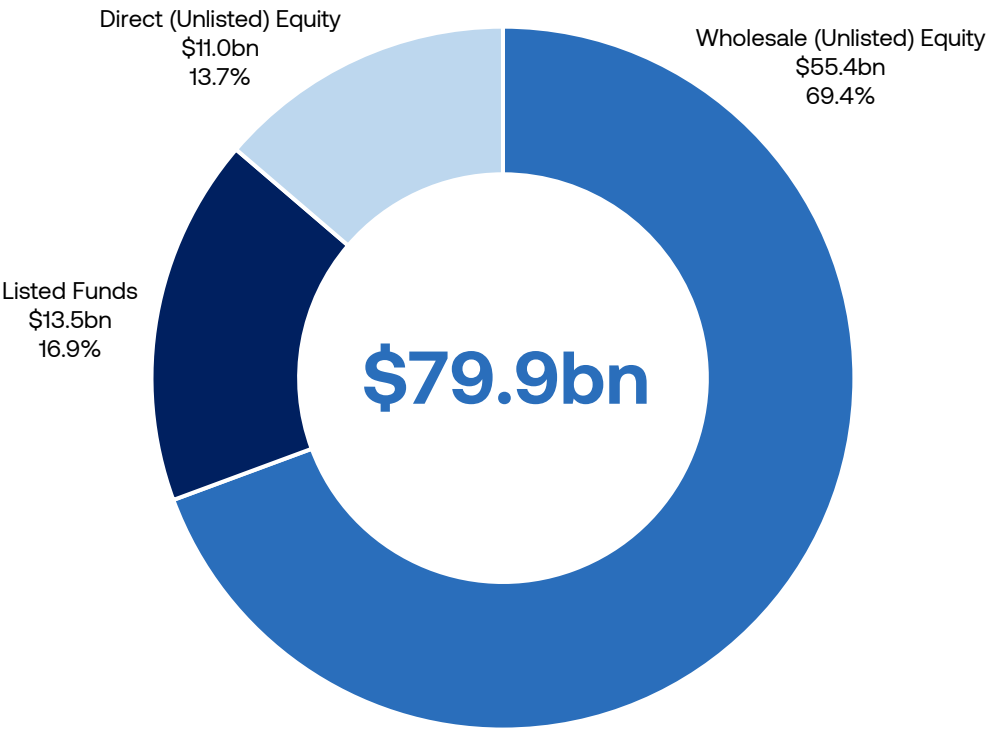
1. Includes development and maintenance capital expenditures



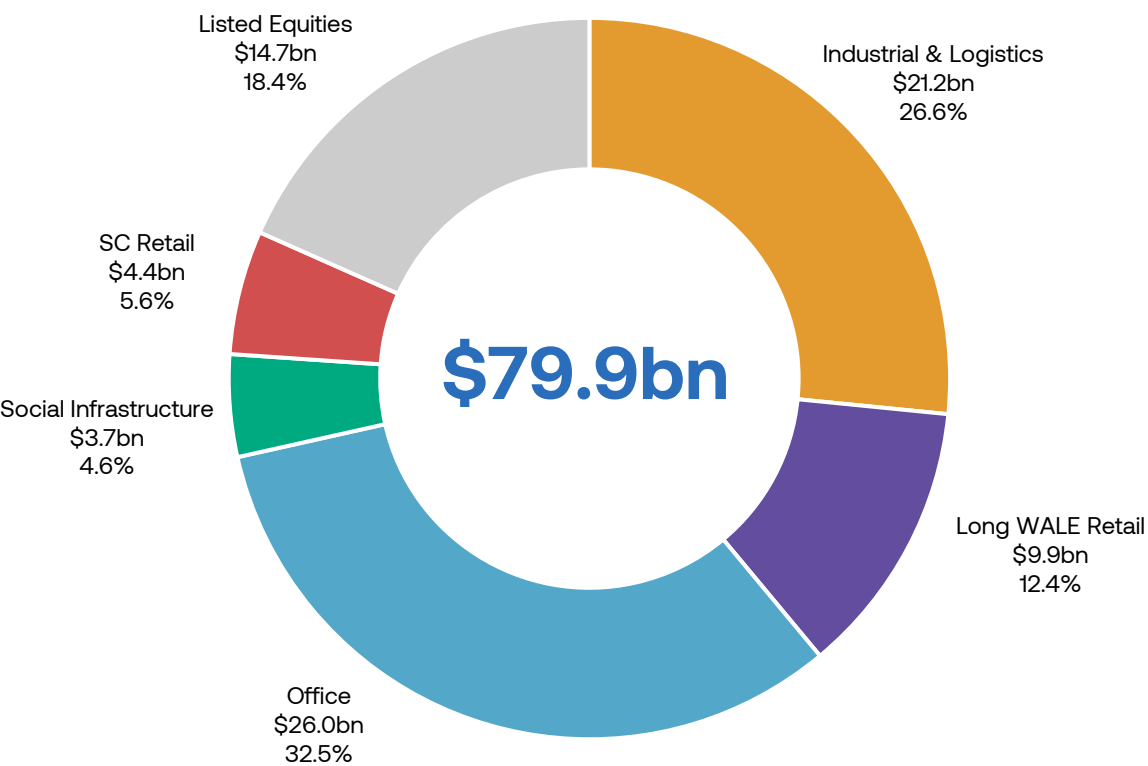
# Group funds management portfolio

Diversification of equity sources and by sector

Group FUM by equity source



Group FUM by sector



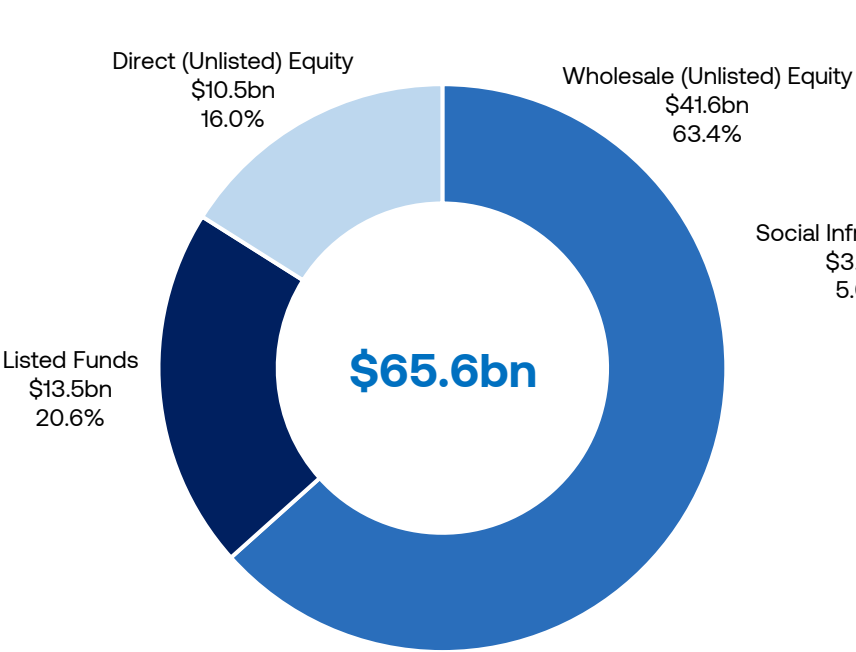


# Property funds management portfolio

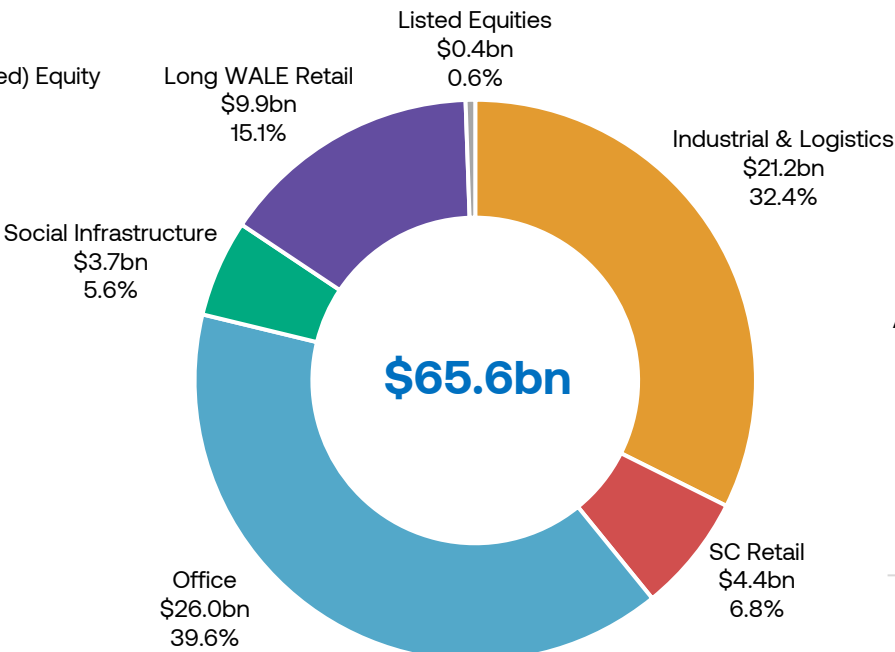
Largest diversified property portfolio in Australia

Property FUM	Portfolio value (\$bn)	Lettable area (m sqm)	No. of Properties	Net rent (\$m)	WALE (years)	Occupancy (%)	WACR (%)
30 June 2022	65.6	10.8	1,548	2,840	8.6	98.0	4.37
30 June 2021	52.3	9.0	1,388	2,492	9.1	97.7	4.79

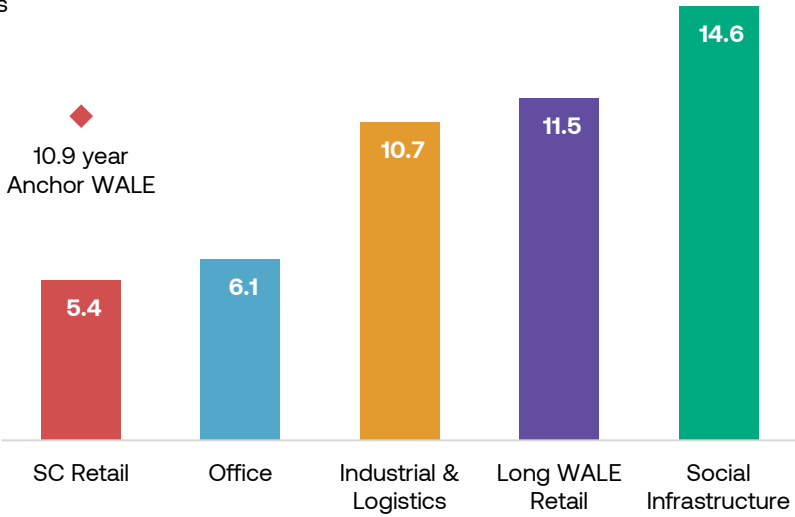
Property FUM by equity source



Property FUM by sector



WALE by sector



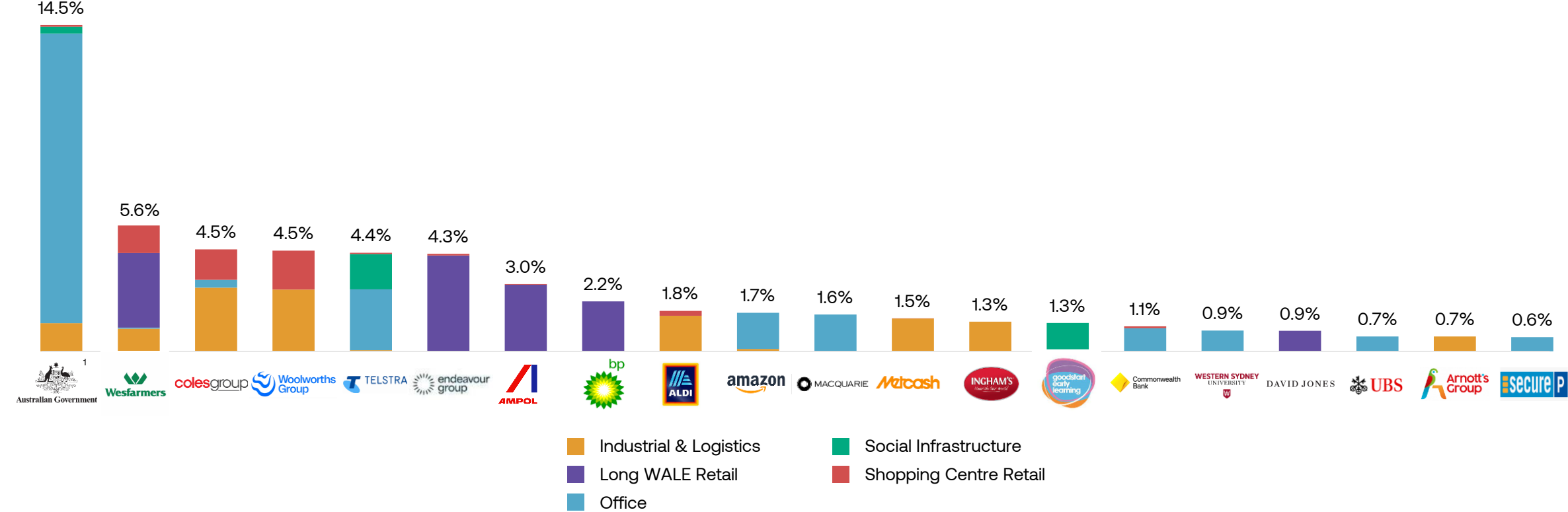


# Diversified tenant customers

The top 20 tenants are represented by Government, multinationals & listed companies

- The top 20 tenants represent 57% of property platform income
- 23% of platform leases are NNN
- 21% of platform net income is CPI-linked

Top 20 platform tenants by net income



## FY22 property transaction activity

\$8.5bn of transaction activity, comprising over 90 transactions with 22 active funds/partnerships

	Industrial & Logistics	Long WALE Retail	Office	Social Infrastructure / Other	Shopping Centre Retail	Total
Acquisitions (\$bn)	2.5	2.1	1.9	0.4	0.1	7.0
Divestments (\$bn)	(0.5)	(0.1)	(0.8)	(0.2)	-	(1.6)
Net Transactions (\$bn)	2.0	2.0	1.1	0.2	0.1	5.4
Gross Transactions (\$bn)	<b>3.0</b>	<b>2.1</b>	<b>2.7</b>	<b>0.7</b>	<b>0.1</b>	<b>8.5</b>



TAFE Queensland, Robina (CQE)



Light Horse Business Hub, Sydney (CPIF)



50 Marcus Clarke Street, Canberra (CHCOT)



Emergency Command Centre, Adelaide (CQE)



## Development to drive deployment and FUM growth

Development pipeline increased by \$7.2bn since FY21 to \$16.0bn

- 88% of Industrial committed projects are pre-leased
- 71% Office committed projects are pre-leased

### Completion value(\$m)

	Completions (last 12 months)	Committed projects	Uncommitted projects <sup>3</sup>	Total pipeline <sup>4</sup>
Industrial & Logistics	685	2,799	3,097	5,897
Long WALE Retail	99	188	-	188
Office <sup>1</sup>	855	3,012	6,709	9,721
Social Infrastructure	128	73	-	73
Shopping Centre Retail <sup>2</sup>	25	41	48	89
<b>Total</b>	<b>1,792</b>	<b>6,112</b>	<b>9,855</b>	<b>15,968</b>

1. \$2.6bn of uncommitted Office developments have approved DA's

2. Reflects development spend only and excludes existing centre value

3. Includes potential end value of uncommitted development projects

4. \$7.2bn of committed and uncommitted development projects are included in FUM as at 30 June 2022



Artist impression: 480 Swan Street, Richmond (CHSwan, CPOF)

## Equity inflows<sup>1</sup>

- **Diverse sources of equity** across Wholesale, Listed and Direct, with all areas contributing during FY22
- **Over 45,000 investors** across FUM platform
- Over **100 institutional wholesale investors**
- Direct platform average monthly inflows have increased to approximately **\$110 million per month**

(\$m)	FY19	FY20	FY21	FY22
Wholesale pooled funds	1,802	1,272	2,111	1,575
Wholesale partnerships	219	1,298	1,448	1,137
Listed funds	692	1,369	659	646
Direct funds	691	1,136	1,107	1,340
<b>Gross equity inflows</b>	<b>3,404</b>	<b>5,076</b>	<b>5,326</b>	<b>4,698</b>
Net equity inflows	3,287	4,585	4,761	4,039

1. Equity inflows reflects allotted equity only





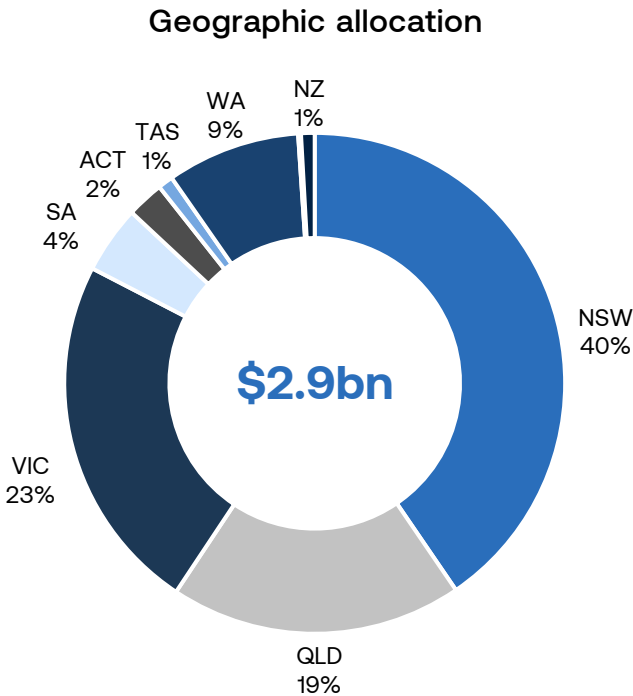
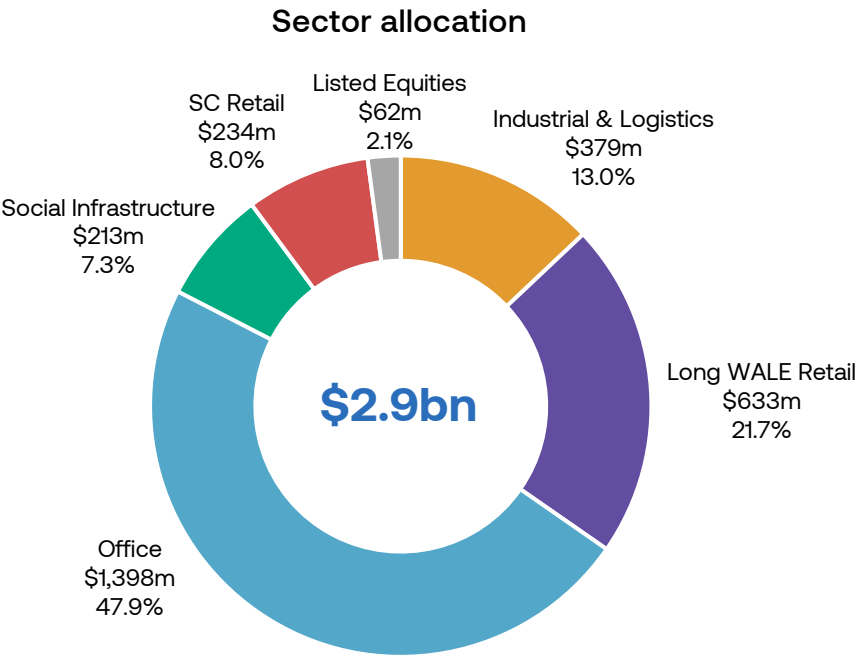
# 3 Property Investment

GPO Exchange, 2-10 Franklin Street, Adelaide (CPOF)

# Property Investment portfolio

Property Investment portfolio increased by 21.1% to \$2.9bn driven by valuation growth and deployment of retained earnings

	Portfolio Value (\$bn)	No. of Properties	WALE (years)	Occupancy (%)	WARR (%)	WACR (%)	WADR (%)
30 June 2022	2.9	1,462	8.2	97.3	3.6	4.55	5.8
30 June 2021	2.4	1,322	9.1	97.4	3.1	4.86	6.0

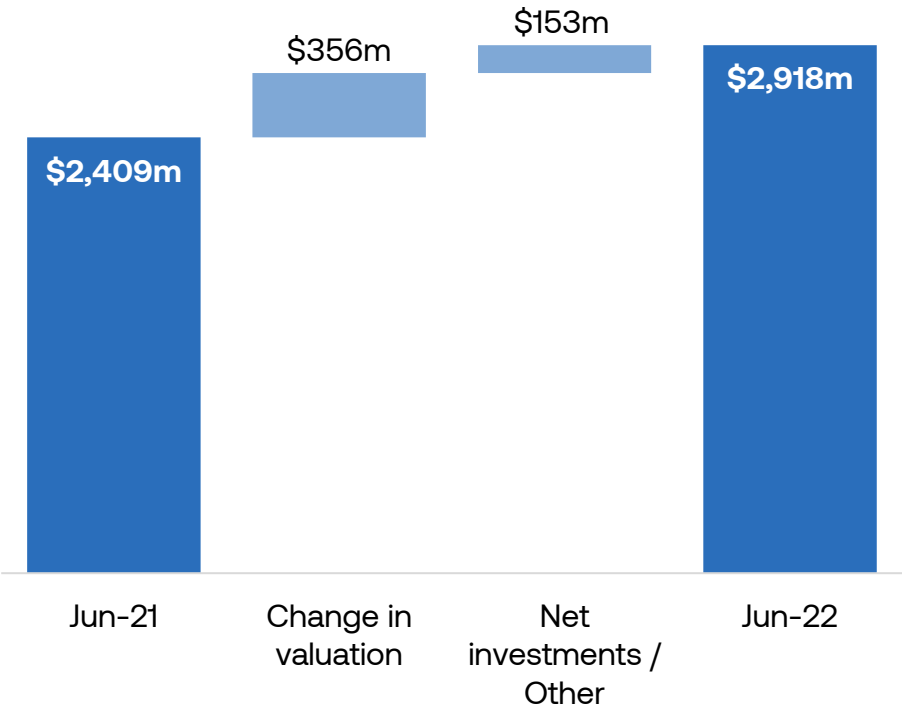




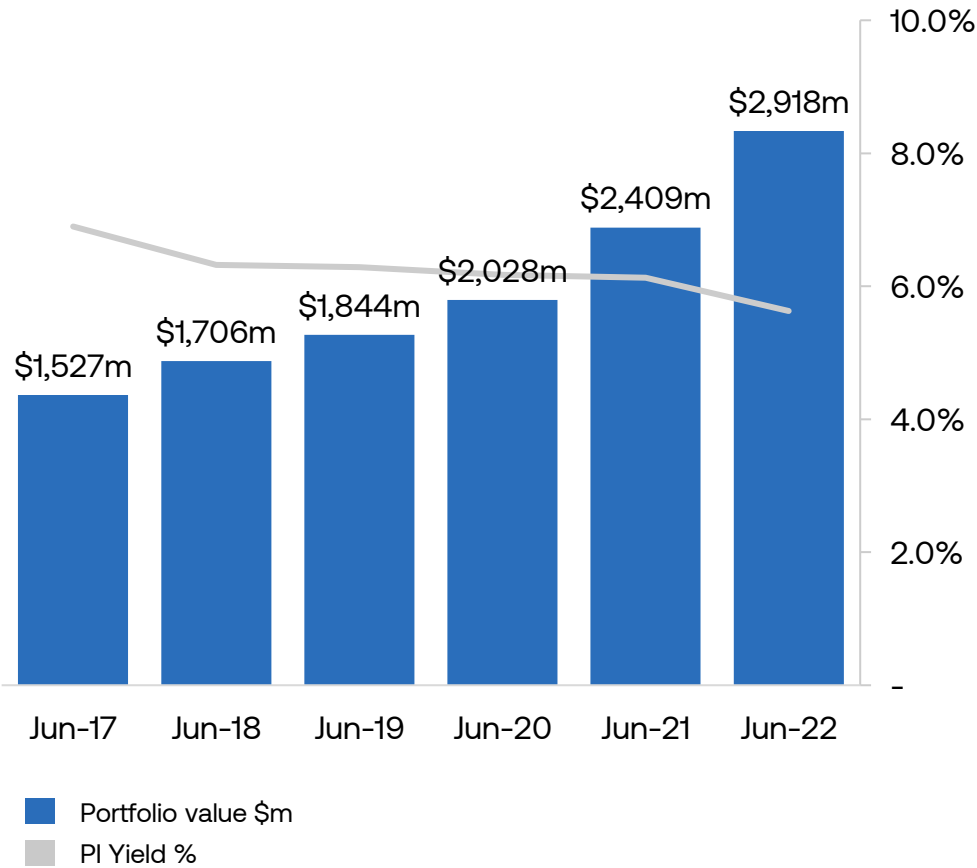
# Property Investment portfolio movement

Investment portfolio 5 year CAGR of 13.8% p.a.

Property Investment portfolio movement



Property Investment portfolio yield – 5.6%

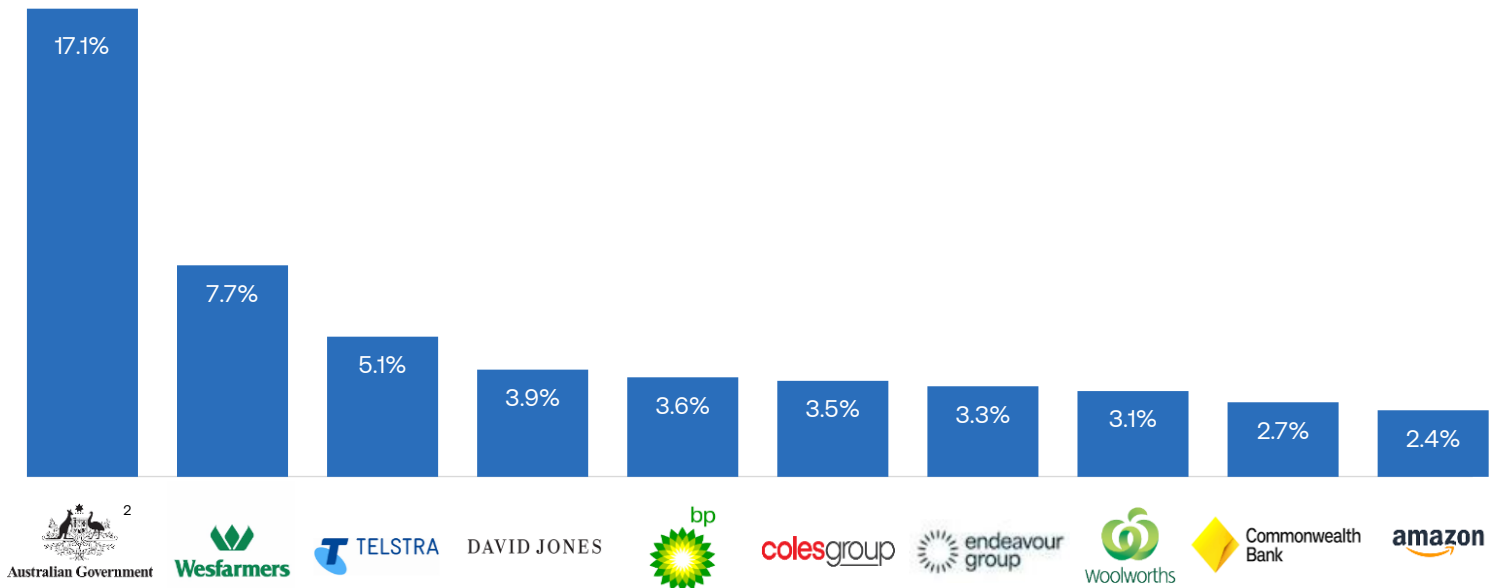


# Diversified Property Investment earnings

Property Investment portfolio provides growth and resilience given quality and strong tenant customer composition

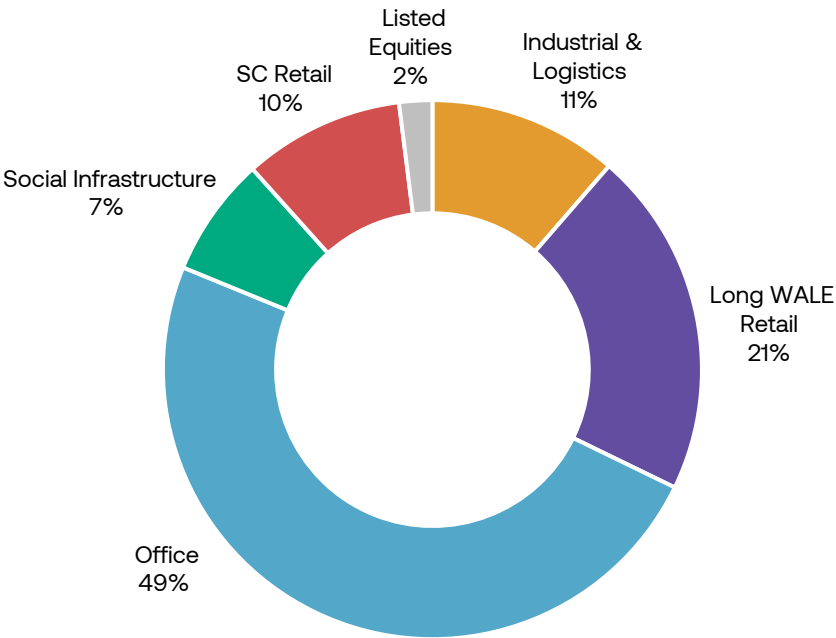
- 3.5% fixed reviews with 20% of CHPT net income CPI-linked
- 71% repeat and 32% multi-sector customers across 2,737 leases
- No single asset is more than 5% of portfolio investments

Top 10 tenants by net income<sup>1</sup>



1. Proportion of CHPT net income by tenant  
2. Includes federal, state and local governments

Property Investment earnings (by sector)





# ESG Leadership

Partnering with tenant and investor customers to deliver meaningful change

## Climate action

*Focusing on onsite and offsite renewable*

- Group-wide **7-year power purchase agreement** (PPA) signed with global renewable energy giant ENGIE
- Supplies the Group’s property portfolio with electricity from **100 per cent renewable sources** until 2030
- Charter Hall is **Foundational Clean Energy Partner** for three solar farms currently in development, in addition to the already established wind farm
- Will provide **151GWh of wind and solar power** annually to 152 Charter Hall sites
- Direct investment in Australia’s transition to **a clean energy future**
- **70% reduction in emissions** by 2024

## Achievements in FY22



### \$2.5bn in sustainable finance transactions

Up from \$100m in FY21, linked to ESG performance and Green Building ratings



### 54%<sup>1</sup> reduction in absolute emissions<sup>2</sup> against FY17 baseline

driven by ongoing energy efficiency and 100% supply of renewable electricity to our Office and Industrial sectors. Ranked 8th in the FT/Nikkei Asia Pacific Climate 200 Leaders list 2022



### Customer partnerships

The Group now has 47MW of solar installed an increase of 6MW in the year.

## Focus areas in FY23+

ADVANCING NET  
**ZERO**

### 100% net zero carbon emissions by 2030<sup>1</sup>



### Scope 3 emissions

Establishing Scope 3 Target aligned to Science Based Target initiative

Willogoleche Wind Farm (ENGIE)

1. Emissions reduction has been calculated using a market-based approach. Final assured non-financial data will be published in our FY22 Sustainability Report.  
2. Scope 1 and Scope 2 emissions in operational control.

# ESG Leadership

Partnering with tenant and investor customers to deliver meaningful change

## Social Strong communities

- Aligned to our 1% Pledge commitment, invested **\$1.27m in social enterprise** and community initiatives, up 72% from FY21
- Delivered **191 employment outcomes** for vulnerable young Australians with state based social enterprise partners
- Provided **\$578k in crisis support** to GIVIT, Foodbank and UNICEF to combat impacts of COVID-19 and flooding
- Winner 2022 **Social Traders Game Changer Award** (NSW/ACT) for Two Good Co partnership on social procurement in our Office assets

### Achievements in FY22



**Health and Wellbeing**  
Winner of HR Awards 2021  
Best Health & Wellbeing Program



**Employer of Choice**  
Awarded the WGEA Employer of Choice for Gender Equality citation and recognised as an industry leader for initiatives to achieve gender equality



**Engagement**  
Global high performing level of engagement (88% overall) with 93% of our people saying that we are a great place to work

### Focus areas in FY23+



**Creating employment for vulnerable youth**  
Targeting 1,200 employment outcomes by 2030



**Growing future capability**  
Retaining and developing key talent to support future growth



**Reconciliation Action Plan (RAP)**  
Building capacity with First Nation businesses and community, following approval of our RAP



Bay Plaza, Hervey Bay Qld





# 4 Financial Result

Australian Red Cross, Sydney (CLW)

## Earnings summary

- **PI EBITDA increased by 16.2%**, as a result of increased investment activity
- **FM EBITDA growth of 170.1%** to \$552.2m
- **PIM NPAT** of \$13.3m included in FM EBITDA (6 month contribution)
- **Distribution** payout ratio of 35% in the year
- **7.5cps of franking credits** distributed

(\$m)	FY21	FY22	Change %
PI EBITDA	123.0	142.9	16.2%
DI EBITDA	34.2	35.5	3.8%
FM EBITDA <sup>1</sup>	204.4	552.2	170.1%
<b>EBITDA</b>	<b>361.6</b>	<b>730.5</b>	<b>102.0%</b>
Depreciation	(7.8)	(8.8)	12.8%
Interest income/expense	(8.4)	(12.7)	51.2%
<b>Operating earnings pre-tax</b>	<b>345.4</b>	<b>709.0</b>	<b>105.2%</b>
Tax	(61.1)	(166.2)	172.0%
<b>Operating earnings post-tax</b>	<b>284.3</b>	<b>542.8</b>	<b>90.9%</b>
<b>Non operating items</b>			
Change in Property Investment valuation <sup>2</sup>	228.0	355.9	56.1%
Other non-operating items <sup>2</sup>	(35.5)	12.4	(134.9%)
<b>Statutory profit after tax</b>	<b>476.8</b>	<b>911.1</b>	<b>91.1%</b>
OEPS pre-tax (cps)	74.2	151.0	103.7%
OEPS post tax (cps)	61.0	115.6	89.5%
Distribution per security (cps)	37.9	40.1	6.0%
Payout Ratio	62%	35%	(27%)

1. In assessing the financial performance of the business, net operating expenses are considered to be primarily related to the Funds Management business

2. Includes the Group's proportionate share of non-operating items of equity accounted investments on a look through basis and investments held at fair value through profit and loss



## Funds management

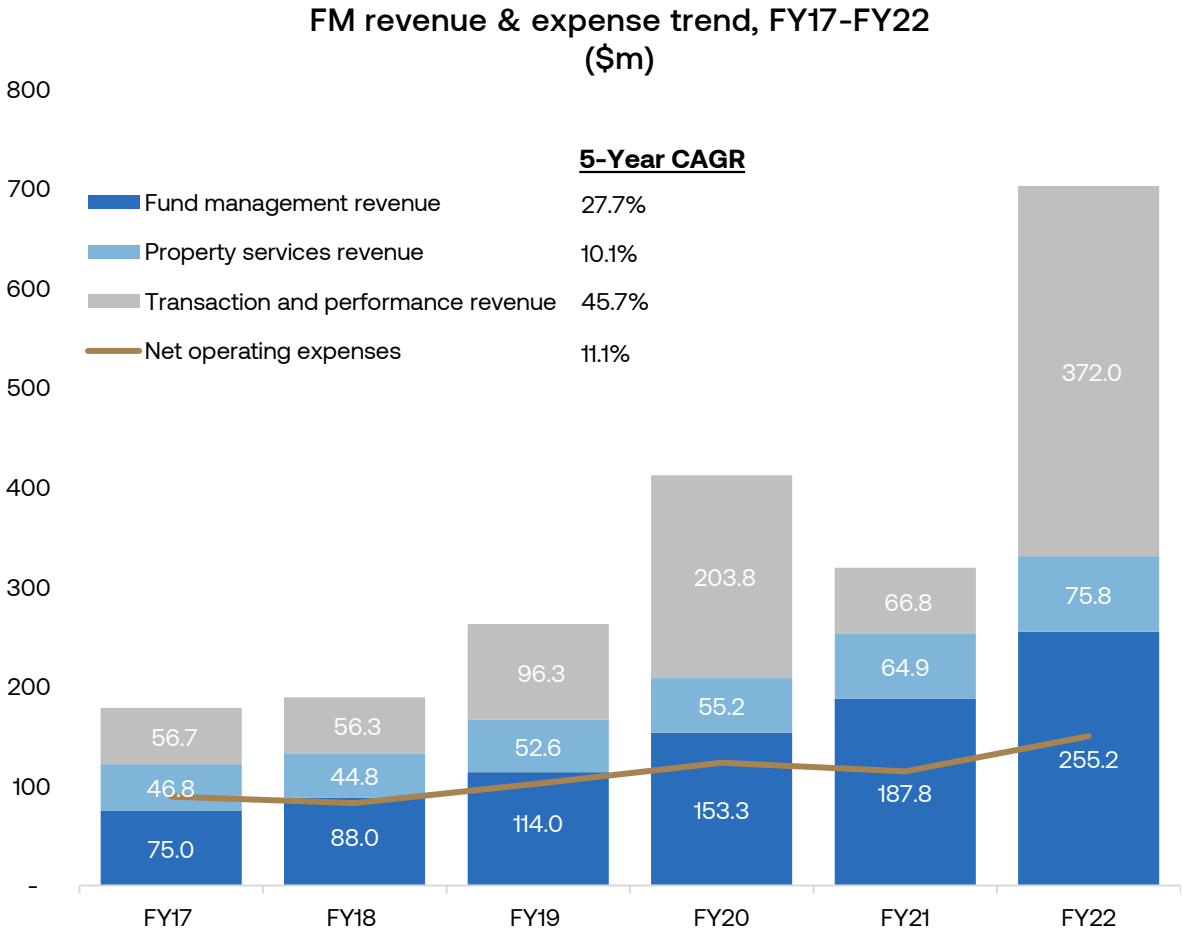
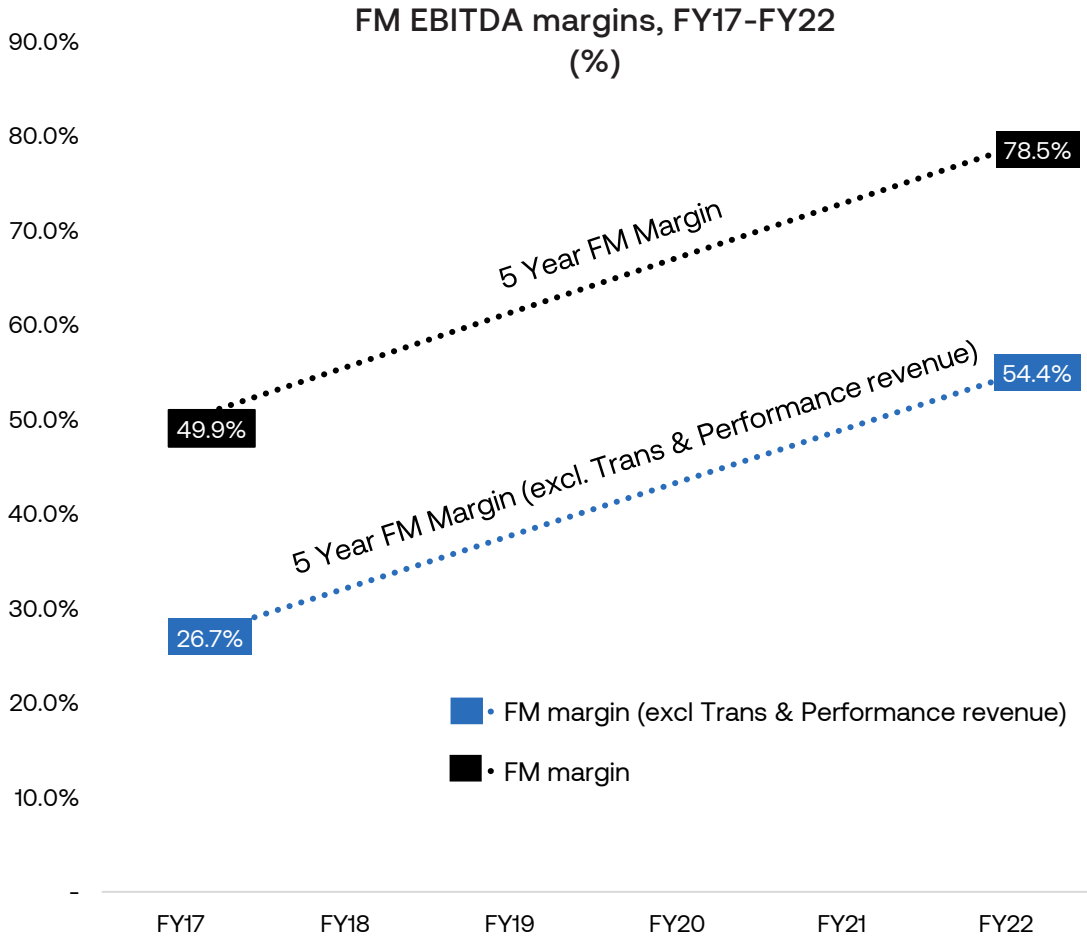
- **Funds management revenue growth of 35.9%** outpaces Total FM expense growth, driven by continued momentum in FUM
- **Transaction and performance revenue up 456.9%** reflecting fund outperformance and transaction activity
- Portfolio growth reflected by property services revenue **increase of 16.8% to \$75.8m**
- Total FM expenses up by 31.1% driven by **increased scale of the funds management platform** and normalisation of operating costs
- FM EBITDA **margin of 54.4%** (excluding transaction & performance revenue)

(\$m)	FY21	FY22	Change %
Fund management revenue	187.8	255.2	35.9%
Transaction and performance revenue	66.8	372.0	456.9%
<b>Investment management revenue</b>	<b>254.6</b>	<b>627.2</b>	<b>146.3%</b>
Property, facilities and project management revenue	26.5	35.9	35.5%
Development revenue	22.8	24.6	7.9%
Leasing revenue	15.6	15.3	(1.9%)
<b>Property services revenue</b>	<b>64.9</b>	<b>75.8</b>	<b>16.8%</b>
<b>FM revenue</b>	<b>319.5</b>	<b>703.0</b>	<b>120.0%</b>
Operating expenses	(115.1)	(150.8)	31.1%
<b>Total FM expenses</b>	<b>(115.1)</b>	<b>(150.8)</b>	<b>31.1%</b>
<b>FM EBITDA</b>	<b>204.4</b>	<b>552.2</b>	<b>170.1%</b>



# Funds management

## Margin expansion achieved through platform scale



## Balance sheet and return metrics

- Available **cash of \$595 million**
- Other assets include **PIM partnership**
- Balance sheet **gearing of 0.0%** post deployment of cash into PI investments & PIM
- **NTA per security growth of 28%** since June 2021 to \$6.26
- **Investment capacity of \$795 million** available for fund creation and growth opportunities
- Continued strong return on capital metrics

(\$m)	30 Jun 2021	30 Jun 2022
Cash	344	595
Property investment	2,409	2,918
Development investment	76	78
Receivables	107	110
Other assets <sup>1</sup>	16	308
Intangibles	115	114
<b>Total assets</b>	<b>3,067</b>	<b>4,123</b>
Borrowings <sup>1</sup>	482	482
Other liabilities	214	395
<b>Total liabilities</b>	<b>696</b>	<b>877</b>
<b>Total equity</b>	<b>2,371</b>	<b>3,247</b>
Contributed equity per stapled security	\$3.69	\$3.92
NTA per stapled security <sup>2</sup>	\$4.91	\$6.26
Balance sheet gearing	5.0%	0.0%
Look through gearing	32.4%	24.9%
Headstock investment capacity <sup>3</sup>	544	795
<b>Return metrics</b>		
Return on NTA (pre-tax) <sup>4</sup>	17.3%	30.8%
Return on NTA (post-tax) <sup>4</sup>	14.3%	23.6%
Return on contributed equity (post-tax) <sup>5</sup>	16.5%	31.4%

Note: Balance sheet presented excludes the consolidation of the Charter Hall Direct Long WALE Fund (LWF) (2021) and the Charter Hall Wholesale Property Series 2 Fund (2022). Reconciliation to the 2022 financial statements can be found on slide 41

1. Net of swap mark-to-market of \$26.1m relating to the USPP note and A\$MTN (representing USPP and A\$MTN repayment values of \$231.5m and \$250m, respectively)

2. Net tangible assets (NTA) per stapled security (\$) is calculated using assets less liabilities, net of intangible assets and related deferred tax

3. Investment capacity calculated as cash plus undrawn debt

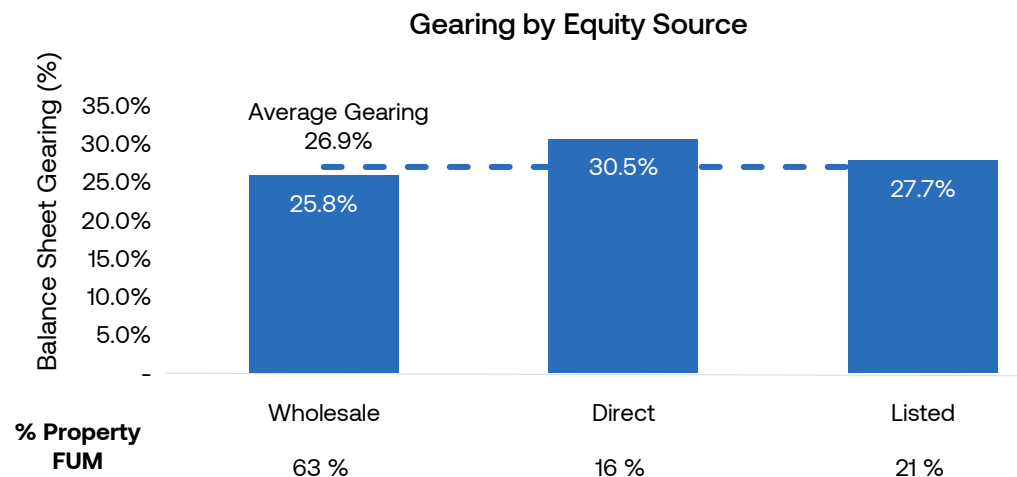
4. Return on NTA is calculated as total operating earnings pre-tax/post-tax per security divided by the opening NTA per security for the 12 months to 30 June 2022

5. Return on contributed equity is calculated as total operating earnings post-tax per security divided by the opening contributed equity per security for the 12 months to 30 June 2022

## Platform capital profile

- **\$7.9bn of available liquidity** plus committed and uncalled equity
- **\$15.6bn of new and refinanced debt facilities** agreed in FY22
- **\$2.5bn of sustainable finance facilities**
- **Weighted average gearing** across the funds is **26.9%**

Funds platform debt metrics <sup>1</sup>	30 Jun 2021	30 June 2022
Total facility limits (\$m)	20,089	25,089
Total undrawn debt (\$m)	5,043	6,605
Total cash (\$m)	1,634	1,338
Weighted average debt maturity (yrs.) <sup>2</sup>	4.4	4.6
Weighted average cost of debt (%) <sup>3</sup>	2.4%	3.1%
Weighted average interest rate hedging (%)	62%	57%



1. Total platform includes Corporate debt facility limits of \$712m, drawn to \$481.5m, with \$594.7m as cash balance

2. Duration is based on facility limits

3. Passing cost of debt includes floating rate, hedge rate, margins, line fee but excludes undrawn line fees and amortised borrowing costs





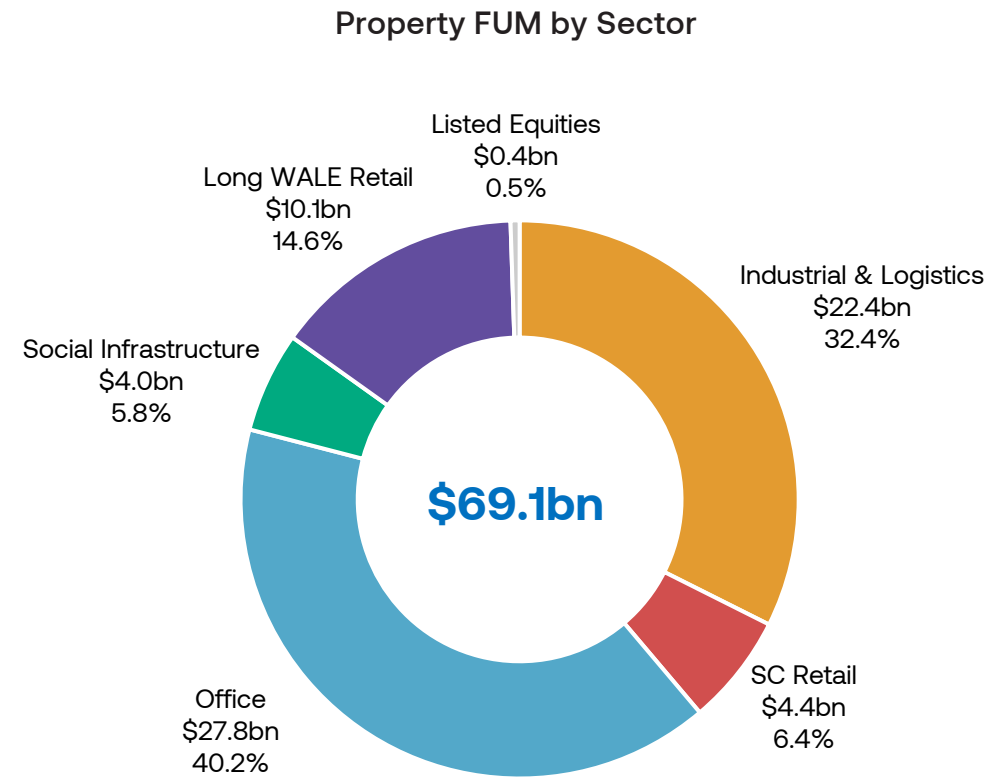
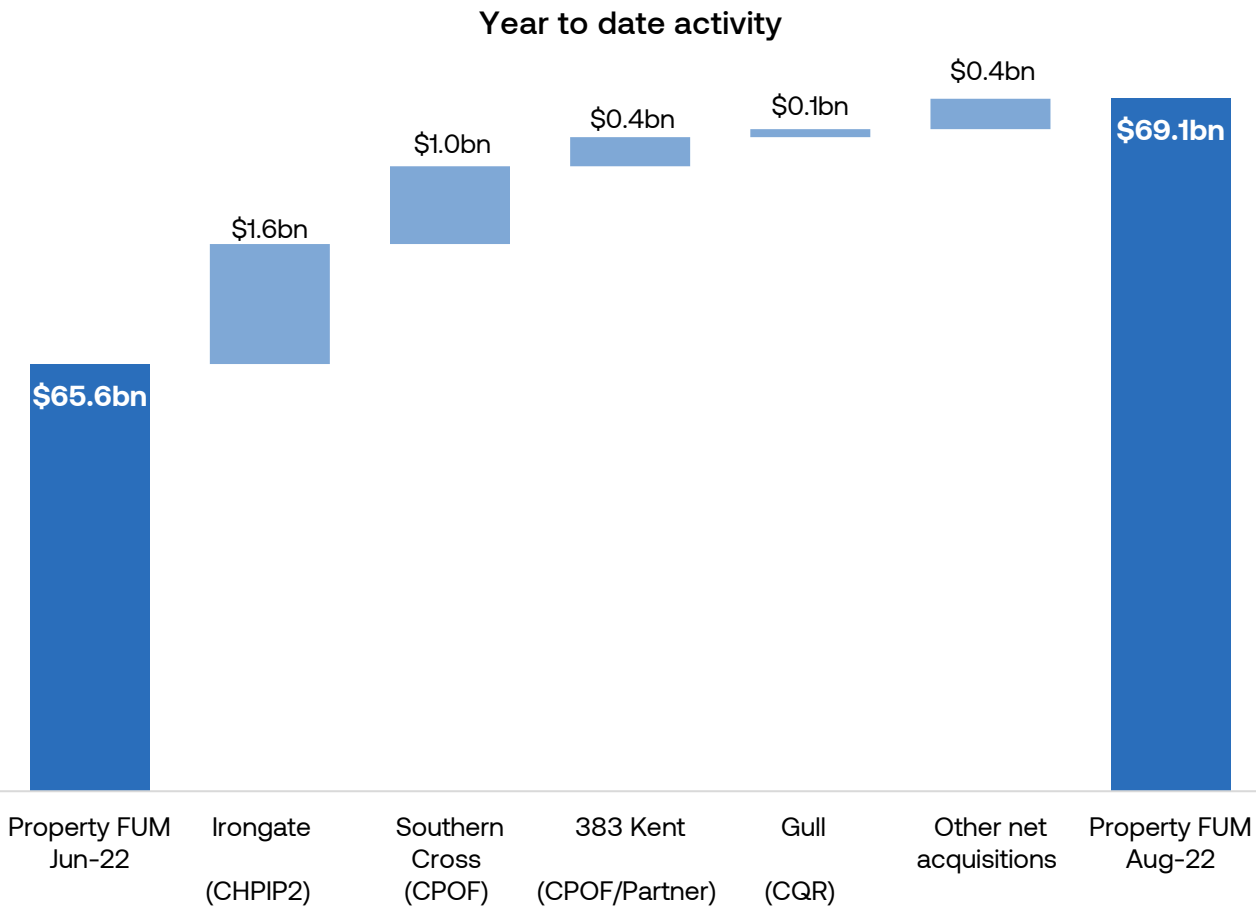
# 5

## Update and Guidance

Brisbane City Council Bus Network Terminal, Brisbane (CQE & CLW)

# FY23 – Year to date activity

\$3.5bn of net transactions since 30 June 2022





## FY23 operating earnings guidance

Based on no material adverse change in current market conditions, FY23 guidance is for post-tax operating earnings per security of no less than 90 cents.

FY23 distribution per security guidance is for 6% growth over FY22.



Wesley Place, 130 Lonsdale Street, Melbourne (CPOF)





# 6 Additional Information

Charter Hall Offices, 1 Martin Place, Sydney (CHOT)



# Management bench experience

## Charter Hall Executive Committee (EXCO)



# Charter Hall Group Property Platform<sup>1</sup>



1. Excludes Maxim and other smaller investments



# Charter Hall managed funds

	Industrial & Logistics		Long WALE Retail			Office			Social Infrastructure		SC Retail	Listed Equities
	\$21.2bn		\$9.9bn			\$26.0bn			\$3.7bn		\$4.4bn	\$14.7bn
Wholesale (Unlisted) Equity	CPIF \$11.8bn	CLP <sup>1</sup> \$2.7bn	LWHP \$2.4bn	LWIPs <sup>4</sup> \$0.9bn	LEP \$0.9bn	CPOF <sup>6</sup> \$8.9bn	CHOT \$3.9bn	BSWF <sup>7</sup> \$0.7bn	CHET <sup>9</sup> \$0.5bn		CPRF \$0.4bn	Australian Equities \$10.3bn
	CHALWF <sup>2</sup> \$0.5bn	CHPIP \$0.7bn	BPH \$0.2bn	DVP \$0.1bn	DJs \$0.1bn	CCT \$0.5bn	Mandates \$1.7bn	DVP \$0.7bn			RP <sup>10</sup> \$0.7bn	Global Equities \$4.0bn
			Ampol/BP <sup>5</sup> \$0.9bn			Chifley \$1.2bn	242X/201E <sup>8</sup> \$0.8bn	CHAIT \$0.4bn				
Direct (Unlisted) Equity	DIFs \$3.4bn	Diversified <sup>3</sup> \$0.2bn	BW Trust \$0.2bn	Diversified <sup>3</sup> \$0.4bn		DOF \$3.2bn	PFA \$2.5bn	Other <sup>3</sup> \$0.1bn	Other <sup>3</sup> \$0.2bn			
Listed Equity	CLW \$1.9bn	CQR \$0.1bn	CLW \$3.0bn	CQR \$0.8bn		CLW \$1.4bn			CQE \$2.1bn	CLW \$0.8bn	CQR \$3.3bn	MAXIM \$0.4bn

Note: Numbers on this page may not add due to rounding

1. DIF4 holds 8.9% of the units in CLP
2. CPIF holds 50% of the units in CHALWF
3. Diversified includes LWF, WPS1 and WPS2. Other includes WPS1 and WPS2
4. LWIPs include LWIP and LWIP2. CLW hold 49.9% of the units in LWIP
5. CLW and CQR hold 50% and 47.5% respectively, of the units in BP

6. DOF holds 0.9% of the units in CPOF
7. CPOF holds 49.9% of the units in BSWF
8. DVP holds 47.1% of the units in 201E, CPOF and CLW hold 49.9% and 15% respectively, of the units in 242X
9. CLW and LWF hold 50% and 3.7% respectively, of the units in CHET
10. RPs include RP1, RP2 and RP6. CQR holds 50%, 49.9%, and 20% of the units in RP1, RP2 and RP6 respectively

## Wholesale pooled and partnerships property funds



FUM

**\$41.6bn**



Gearing

**25.8%**



Occupancy

**97.2%**



WALE

**8.0yrs**



Cap rate

**4.2%**



CHC investment

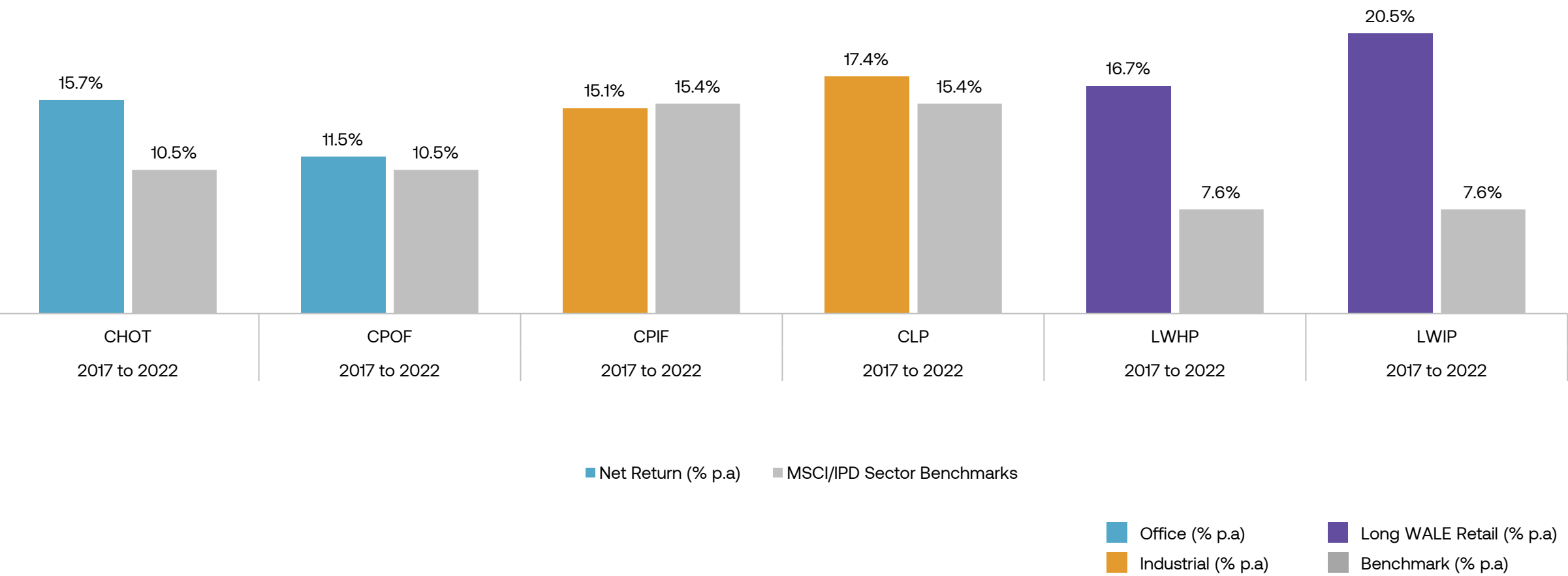
**\$1.6bn**



Midwest Logistics Hub, Truganina, Melbourne (CPIF)

# Major wholesale property investment portfolio returns

Relative to sector specific IPD/MSCI Core Wholesale indices





## Listed



FUM  
**\$13.5bn**



Gearing  
**27.7%**



Occupancy  
**99.3%**



WALE  
**10.5yrs**



Cap rate  
**4.7%**



CHC investment<sup>1</sup>  
**\$0.9bn**



Arnotts, Huntingwood Distribution Facility, Huntingwood (CPIF & CLW)

1. Held at accounting value not market value

## Charter Hall Direct



FUM

**\$10.5bn**



Gearing

**30.5%**



Occupancy

**98.8%**



WALE

**8.2yrs**



Cap rate

**4.6%**



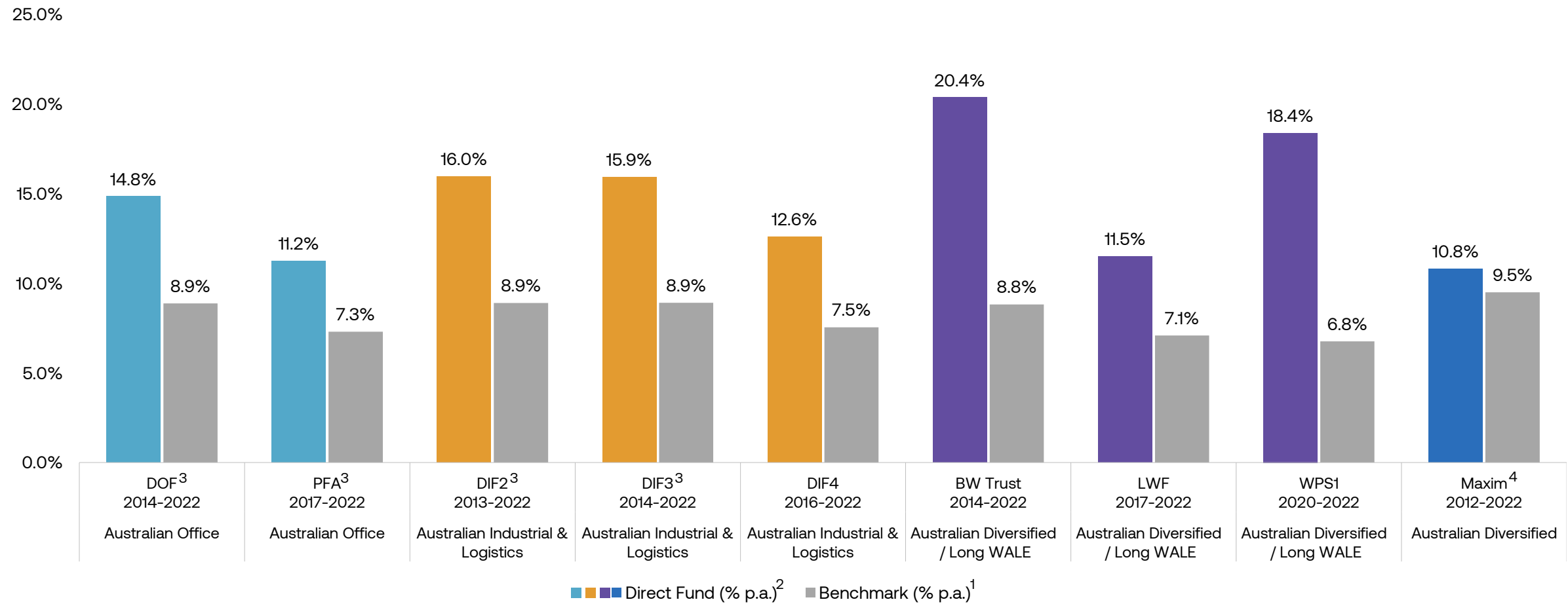
CHC investment

**\$0.5bn**



6 Hassall Street, Parramatta (DOF)

Direct funds have returned an average of 14.6% p.a. since inception  
Outperforming their respective MSCI/IPD indices<sup>1</sup> by over 1.8x



1. Benchmark refers to the headline MSCI/IPD Unlisted Core Wholesale Property Fund Index returns series as at June 2022, since the respective fund inception dates. Years shown are indicative of inception year to 30 June 2022, though returns are as at exact inception date. Past performance is not a reliable indicator of future performance.

2. DIF2, DIF3, DIF4, LWF, DOF – returns assume Bonus Units or Entitlement Offer as per respective PDS.

3. Returns refer to the following unit classes; DIF2, DIF3 – Wholesale, PFA – Ordinary and DOF – Wholesale A.

4. Benchmark refers to S&P/ASX 300 A-REIT Accumulation Index. Charter Hall Maxim Property Securities Fund and Benchmark Index returns series as at June 2022, over the past 10-year return period. Past performance is not a reliable indicator of future performance.



# CHPT Property Investment portfolio

	Ownership stake (%)	Charter Hall Investment (\$m)	Charter Hall PI Income (\$m)	WALE (years)	WACR (%)	WADR (%)	WARR <sup>1</sup> (%)	PI Yield <sup>2</sup> (%)
<b>Industrial &amp; Logistics</b>								
Charter Hall Prime Industrial Fund (CPIF)	1.4	120.3	4.8	10.7	3.8	5.4	3.2	4.1
Charter Hall PGGM Industrial Partnership (CHPIP)	12.0	45.9	1.2	8.4	4.2	5.7	3.6	4.1
Core Logistics Partnership (CLP)	3.6	65.3	3.3	8.7	3.8	5.5	3.1	4.6
<b>Long WALE Retail</b>								
Long WALE Hardware Partnership (LWHP)	15.7	239.9	7.4	7.3	4.1	5.4	3.0	4.5
CH DJ Trust (CHDJT) <sup>3</sup>	21.6	80.4	4.4	18.7	4.3	6.8	2.5	6.2
Other Long WALE Retail investments		37.8	3.3	n/a	n/a	n/a	n/a	n/a
<b>Office</b>								
Charter Hall Prime Office Fund (CPOF)	5.1	325.6	12.7	6.4	4.6	5.7	3.7	4.4
Charter Hall Office Trust (CHOT)	15.7	311.2	16.6	6.2	4.4	5.6	3.6	6.1
Charter Hall Direct PFA Fund (PFA)	12.2	205.5	10.9	6.7	4.9	5.9	3.4	5.9
Charter Hall Direct Office Fund (DOF)	8.7	183.7	8.9	7.0	4.7	5.8	3.8	5.6
Brisbane Square Wholesale Fund (BSWF)	16.8	126.7	9.0	7.4	4.9	6.0	3.9	8.4
Other Office investments <sup>4</sup>		104.9	5.5	n/a	n/a	n/a	n/a	n/a
<b>Social Infrastructure</b>								
Charter Hall Social Infrastructure REIT (ASX:CQE) <sup>5</sup>	8.7	126.4	5.5	14.3	4.8	n/a	3.5	5.6
Charter Hall Exchanges Trust (CHET)	4.5	24.8	1.8	18.1	3.7	5.1	3.6	5.3
<b>Shopping Centre Retail</b>								
Charter Hall Retail REIT (ASX:CQR) <sup>5, 6</sup>	10.7	300.6	17.6	7.4	5.2	5.9	3.2	7.2
<b>Diversified</b>								
Charter Hall Long WALE REIT (ASX:CLW) <sup>5</sup>	10.7	470.7	22.8	12.0	4.3	5.6	4.6	5.8
Charter Hall DVP Fund (DVP)	10.0	49.8	2.2	5.9	4.6	6.0	3.2	4.7
Other investments <sup>7</sup>		98.6	5.0	n/a	n/a	n/a	n/a	n/a
<b>Property Investment Total</b>	<b>6.5<sup>8</sup></b>	<b>2,918.1</b>	<b>142.9</b>	<b>8.2</b>	<b>4.6</b>	<b>5.8</b>	<b>3.6</b>	<b>5.6</b>

1. CPI is assumed at 6.5% over the forecast period

2. PI Yield is calculated as operating earnings divided by weighted average investment during the period. Excludes MTM movements in NTA during the year

3. Ownership stake reflects look-through ownership of the property via 43.2% ownership in CH DJ Trust

4. Includes 242X, 201E, CHAB247, CHAIT, CCT, No.1 Brisbane, CHKIP and CHCOT

5. Held at accounting value not market value

6. Refers to contracted weighted average rent reviews of the specialty tenants only

7. Includes DVAP, WPS2, Maxim, Maxim Property Income Fund and RP2

8. Reflects CHPT percentage of total equity under management

## Statutory balance sheet reconciliation

(\$m)	Statutory Balance Sheet	Adj. 1: Reclassify WPS2 as Equity Accounted investment	Adj 2: Reclassify mark-to-market on derivatives	Investor Presentation (slide 26)
Cash	595	-	-	595
Property Investment	2,882	36	-	2,918
Development Investment	78	-	-	78
Investment Properties	-	-	-	-
Receivables	110	-	-	110
Other assets	413	(79)	(26)	308
Intangibles	114	-	-	114
<b>Total assets</b>	<b>4,193</b>	<b>(43)</b>	<b>(26)</b>	<b>4,123</b>
Borrowings	508	-	(26)	482
Other liabilities	395	-	-	395
<b>Total liabilities</b>	<b>903</b>	<b>-</b>	<b>(26)</b>	<b>877</b>
<b>Total equity</b>	<b>3,290</b>	<b>(43)</b>	<b>-</b>	<b>3,247</b>

## Portfolio performance review testing FY23 – FY28

Fund	Testing frequency	
Charter Hall Direct Industrial Fund No. 2 (DIF2)	FY23	FY23
Core Logistics Partnership (CLP)	FY23, FY27 plus individual asset divestments	
Charter Hall Direct Long WALE Fund (LWF)	5 yearly – FY23, FY28, etc	
Charter Hall PFA Fund (PFA)	5 yearly – FY23, FY28, etc plus individual asset divestments	
Retail Partnership No. 2 (RP2)	7 yearly – FY23, etc	
Charter Hall Direct BW Trust (BW Trust)	FY24	FY24
Charter Hall Prime Office Fund (CPOF)	3 yearly – FY24, FY27, etc	
Counter Cyclical Trust (CCT)	FY25	FY25
Direct Office Fund (DOF)	5 yearly – FY25, etc	
Brisbane Square Wholesale Fund (BSWF)	3 yearly – FY25, FY28 etc	
Charter Hall 242 Exhibition St Trust (242X)	3 yearly – FY25, FY28 etc	
Charter Hall Exchanges Trust (CHET)	FY25	
Charter Hall Direct Industrial Fund No. 3 (DIF3)	FY25	
Charter Hall Prime Industrial Fund (CPIF)	3 yearly – FY25, FY28 etc	
Charter Hall DVP Fund (DVP)	7 yearly – FY26, etc plus individual asset divestments	FY26
Long WALE Hardware Partnership (LWHP)	4 yearly – FY26, etc	
Charter Hall Direct Industrial Fund No. 4 (DIF4)	5 yearly – FY27, etc	FY27
Charter Hall PGGM Industrial Partnerships (CHPIP 1 & 2)	8 yearly – FY27, etc	
Charter Hall Office Trust (CHOT)	FY27	



# Fund key and glossary

Listed entities	
ASX:CHC	Charter Hall Group
ASX:CLW	Charter Hall Long WALE REIT
ASX:CQR	Charter Hall Retail REIT
ASX:CQE	Charter Hall Social Infrastructure REIT

Direct funds	
DOF	Charter Hall Direct Office Fund
PFA	Charter Hall Direct PFA Fund
DIF2, DIF3, DIF4	Charter Hall Direct Industrial Fund series
BW Trust	BW Trust
LWF	Charter Hall Direct Long WALE Fund
WPS1, WPS2	Charter Hall Wholesale Property series
MAXIM	Charter Hall Maxim Property Securities Fund

Glossary	
CAGR	Compound Annual Growth Rate
DI	Development Investments
FUM	Funds Under Management
NTA	Net Tangible Assets
OEPS	Operating Earnings per Security
FM	Funds Management
PI	Property Investments
PIM	Paradice Investment Management
WACR	Weighted Average Cap Rate
WADR	Weighted Average Discount Rate
WALE	Weighted Average Lease Expiry
WARR	Weighted Average Rent Review

Wholesale funds	
BSWF	Brisbane Square Wholesale Fund
CCT	Charter Hall Counter Cyclical Trust
CHAB247	Charter Hall Abacus 247 Adelaide Street Trust
CHAIT	Charter Hall Australian Investment Trust
CHCOT	Charter Hall Canberra Office Trust
CHOT	Charter Hall Office Trust
CPOF	Charter Hall Prime Office Fund
CTT	Charter Hall Chifley Tower Trust
CHALWF	Charter Hall ALDI Logistics Wholesale Fund
CLP	Core Logistics Partnership
CHPIP1, CHPIP2	Charter Hall PGGM Industrial Partnerships
CPIF	Charter Hall Prime Industrial Fund
CPRF	Charter Hall Prime Retail Fund
RP1, RP2, RP6	Retail Partnership series
DVAP	Charter Hall DVAP Fund
DVP	Charter Hall DVP Fund
CHET	Charter Hall Exchanges Trust
CHAPF	Charter Hall Ampol Property Fund
BPH	Charter Hall Bunnings Holding Trust
BPP	Charter Hall bp Partnership
LWHP	Long WALE Hardware Partnership
LWIP, LWIP2	Long WALE Investment Partnership series

## Further information

### Investor Relations

Tel 1300 365 585 (within Australia)  
+61 2 8651 9000 (outside Australia)

Email [reits@charterhall.com.au](mailto:reits@charterhall.com.au)

Presentation authorised by the Board

[charterhall.com.au/chc](https://charterhall.com.au/chc)

#### IMPORTANT NOTICE & DISCLAIMER

This presentation has been prepared by Charter Hall Funds Management Limited ACN 082 991 786 (together, with its related bodies corporate, the Charter Hall Group).

This presentation has been prepared without reference to your particular investment objectives, financial situation or needs and does not purport to contain all the information that a prospective investor may require in evaluating a possible investment, nor does it contain all the information which would be required in a product disclosure statement prepared in accordance with the requirements of the Corporations Act 2001 (Commonwealth) (Corporations Act). Prospective investors should conduct their own independent review, investigations and analysis of the information contained in or referred to in this presentation and the further due diligence information provided.

Statements in this presentation are made only as of the date of this presentation, unless otherwise stated. Charter Hall Group is not responsible for providing updated information to any prospective investors. Any forecast or other forward looking statement contained in this presentation may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material.

In making an investment decision, prospective investors must rely on their own examination of the Charter Hall Group, and any other information they consider relevant. All information is provided as indicative only.

None of Charter Hall Group, its officers, employees, advisers or securityholders (together, the Beneficiaries) guarantee or make any representation or warranty as to, or take responsibility for, the accuracy, reliability or completeness of the information contained in this presentation. Nothing contained in this presentation nor any other related information made available to prospective investors is, or shall be relied on, as a promise, representation, warranty or guarantee, whether as to the past, present or the future. To the extent permitted by law, the Beneficiaries disclaim all liability that may otherwise arise due to any information contained in this presentation being inaccurate, or due to information being omitted from this document, whether by way of negligence or otherwise. Neither the Beneficiaries nor any other person guarantees the performance of an investment with or managed by Charter Hall Group.

All information contained herein is current as at 30 June 2022 unless otherwise stated. All references to dollars (\$) are to Australian dollars, unless otherwise stated.