16 February 2023

Appendix 4D
Results for the six months ended 31 December 2022

Results for announcement to the market

	Period ended 31-Dec-22	Period ended 31-Dec-21	Change
	$m	*$m*	*%*
Revenue and other income from ordinary activities	**181.7**	151.2	20.2%
Profit from ordinary activities after tax attributable to Securityholders[1]	**117.5**	104.8	12.1%
Net (loss) / profit attributable to Securityholders	**-109.6**	374.3	(129.3%)
Distribution to Securityholders	**82.0**	80.3	2.1%

Distributions

	Amount per security/unit	Franked amount per security	Record date
	cents	*%*	
Interim distribution payable on 28 February 2023	**10.70**	0%	31-Dec-22
Final distribution paid on 31 August 2022	**10.40**	0%	30-Jun-22

Net tangible assets per stapled security

	31-Dec-22	30-Jun-22	Change
	$	*$*	*%*
Net tangible assets per stapled security	**4.25**	4.56	(6.8%)

Additional information regarding the results for the period is contained in the 1H23 interim financial report and the 1H23 results presentation which have been released to the Australian Securities Exchange (ASX).

[1] In the 1H23 interim financial report and the 1H23 results presentation, profit from ordinary activities after tax attributable to Securityholders is referred to as funds from operations (FFO).

Entities over which control was gained or lost during the year

Growthpoint Properties Australia acquired the following entities during the year:

Entity	Date Control Gained
Fortius Funds Management Pty Ltd	15 September 2022
Fortius Asset Management Pty Ltd	15 September 2022
Fortius Property Investment Management Australia Ltd	15 September 2022
Fortius FAPT No. 1 Pty Ltd	15 September 2022
Fortius Investment Properties Pty Ltd	15 September 2022
Fortius Properties Pty Limited	15 September 2022
Fortius Rundle No 3 Pty Ltd	15 September 2022
Fortius Rundle No 2 Pty Ltd	15 September 2022
Fortius Rundle No 1 Pty Ltd	15 September 2022
Fortius Grenfell No.3 Pty Ltd	15 September 2022
Rundle Car Park Leasing Pty Ltd	15 September 2022
Rundle Car Park Leasing No 2 Pty Ltd	15 September 2022
Fortius Grenfell No.2 Pty Ltd	15 September 2022
Fortius Grenfell No.1 Pty Ltd	15 September 2022
Fortius QS No.3 Pty Ltd	15 September 2022
Fortius QS No.2 Pty Ltd	15 September 2022
Fortius QS No.1 Pty Ltd	15 September 2022
Fortius DC Pty Ltd	15 September 2022
Fortius Debt Capital Pty Ltd	15 September 2022
Fortius Heitman Barracks Pty Ltd	15 September 2022
Fortius Investment Management Pty Ltd	15 September 2022
Fortius Barracks Pty Ltd	15 September 2022
Fortius Waterloo Pty Ltd	15 September 2022
Fortius Bourke Street Pty Limited	15 September 2022
Fortius Home HQ Holding Pty Ltd	15 September 2022
Fortius Home HQ Sub Entity Pty Ltd	15 September 2022
Fortius Home HQ Artarmon Holding Fund Pty Ltd	15 September 2022
Artarmon Retail Centre TC Pty Ltd	15 September 2022
Fortius Broadway No 2 Pty Ltd	15 September 2022
Fortius Broadway No 1Pty Ltd	15 September 2022
Fortius Cammeray Pty Ltd	15 September 2022
Fortius Junction Fair Pty Ltd	15 September 2022
Fortius Allendale No.1 Pty Ltd	15 September 2022
Fortius Allendale No.2 Pty Ltd	15 September 2022
Fortius Allendale No. 3 Pty Ltd	15 September 2022

Details of associates and joint venture entities

Nil.

Distribution Reinvestment Plan

The Distribution Reinvestment Plan remains suspended and will not be in operation for the interim distribution payment.

Auditor review

The above information is based on the financial report contained within the 1H23 interim financial report which has been reviewed by the Group's auditor and contains an independent auditor's report.

The remaining disclosures required to comply with ASX listing rule 4.2A are contained within the 1H23 interim financial report.

This announcement was authorised by Growthpoint's Board of Directors.

Jacqueline Jovanovski
Company Secretary

For further information, please contact:

Kirsty Collins
Investor Relations and Communications Manager
Telephone: +61 3 8681 2933

Growthpoint Properties Australia
Level 18, 101 Collins St, Melbourne, VIC 3000
growthpoint.com.au

About Growthpoint

Growthpoint provides space for you and your business to thrive. For more than 13 years, Growthpoint has been investing in high-quality industrial and office properties across Australia.

Today, we have $6.9 billion[2] total assets under management. We directly own and manage 58 high quality, modern office and industrial properties, valued at approximately $5.0 billion[2]. We actively manage our portfolio and invest in our existing properties, ensuring they meet our tenants' needs now and into the future. We are also focussed on growing our property portfolio.

We manage a further $1.9 billion[2] on behalf of third-party investors through our funds management business, which manages funds that invest in office, retail and mixed-use properties and debt investments across value-add and opportunistic strategies.

We are committed to operating in a sustainable way and reducing our impact on the environment. We are targeting net zero by 2025 across our 100% owned on balance sheet operationally controlled office assets and corporate activities.

Growthpoint Properties Australia (ASX: GOZ) is a real estate investment trust (REIT), listed on the ASX, and is part of the S&P/ASX 200. Moody's has issued us with an investment-grade rating of Baa2 for domestic senior secured debt.

[2] Total $6.9 billion AUM as at 31 December 2022 includes: $5.0 billion directly owned property valuations, pro forma for sale of 333 Ann Street, Brisbane, QLD which settled in January 2023 and $1.9 billion third-party funds under management

Growthpoint Properties Australia

1H23

interim financial report.

for the half year ended
31 December 2022

space to thrive.

GROWTHPOINT
PROPERTIES AUSTRALIA

Contents

About this report

This half year report is a consolidated summary of Growthpoint Properties Australia's (comprising Growthpoint Properties Australia Limited, Growthpoint Properties Australia Trust and their controlled entities) (Growthpoint or the Group) operational and financial performance for the six months ended 31 December 2022 (1H23). It is available online at www.growthpoint.com.au.

This half year report does not include all the information and disclosures that are typically included in an annual financial report. Accordingly, this report should be read in conjunction with Growthpoint's annual report for the financial year ended 30 June 2022 and any public announcements made by Growthpoint during the half year reporting period.

About us

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Growthpoint Properties Australia

Growthpoint Properties Australia Trust ARSN 120 121 002
Growthpoint Properties Australia Limited ABN 33 124 093 901 AFSL 316409

[1] Total $6.9 billion AUM as at 31 December 2022 includes: $5.0 billion directly owned property valuations, pro forma for sale of 333 Ann Street, Brisbane, QLD which settled in January 2023 and $1.9 billion funds under management
[2] Net zero target across 100% owned on balance sheet operationally controlled office assets and corporate activities

Operating review

1H23 **overview.**

FFO
15.3cps
1H22: 13.6cps, +12.5%

Distribution
10.7cps
1H22: 10.4cps, +2.9%

Loss after tax
-$109.6m
1H22: profit after tax $374.3m

Gearing [3]
34.5%
Target 35-45%

Fixed rate debt[3]
66.7%
30 June 2022: 60.9%

WACD [3]
4.3%
at 31 December 2022

Directly owned portfolio value [3]
$5.0b
30 June 2022: $5.1b, -2.0%

Directly owned portfolio WALE [3]
6.3yrs
30 June 2022: 6.3yrs

NTA per security [3]
$4.25
30 June 2022: $4.56, -6.8%

Third-party funds under management
$1.9b
at 31 December 2022

- Positive FFO growth for Securityholders driven by net property income growth of 19%
- Entered funds management, completing the acquisition of Fortius on 15 September 2022, a key growth opportunity for the Group
- Strategic management of resilient, directly owned portfolio, including investing in high quality office asset in Dandenong, Victoria and contracting for the sale of Brisbane CBD office asset 333 Ann Street
- Pro forma like-for-like property valuation decline of -3.4% or $169.3m[3], reflecting changing market conditions
- Positive leasing result with strong portfolio WALE of 6.3 years and portfolio occupancy of 94%[3]
- Recognised by GRESB as Regional Sector Leader[4] in 2022 Sustainability Benchmark

[3] Pro forma for sale of 333 Ann Street, Brisbane, QLD which settled in January 2023
[4] Overall Regional Sector Leader - Diversified – Office/Industrial

The following sections review the performance of Growthpoint's directly owned property portfolio in 1H23 (diversified across two property sectors: office and industrial), and its funds management business.

Office [5]

Growthpoint directly owns and manages 27 high-quality office properties, which represent 66% of Growthpoint's directly owned property portfolio by value. The Group's office portfolio is focused on modern A-grade assets with high green credentials, located on the fringe of central business districts (CBD) or in key metropolitan markets. Growthpoint is the largest ASX-listed landlord focused on the fringe and metropolitan office markets. Approximately, 95% of Growthpoint's office properties are located on the Eastern seaboard.

Office highlights [5]

- Number of assets: 27
- Total lettable area: 348,777 square metres
- Portfolio value: $3,272.8 million (30 June 2022: $3,416.6 million)
- 1H23 net property income:[6] $101.5 million (1H22: $77.9 million)

Key metrics [5]

	31 December 2022	30 June 2022
Occupancy	**91%**	95%
Weighted average lease expiry	**6.6 years**	6.7 years
Weighted average capitalisation rate	**5.4%**	5.1%
Weighted average rent review	**3.6%[7]**	3.6%[8]

Office market

Office markets continue to see positive net absorption and increasing physical occupancy as workers return to the office, and as companies recognise the importance of quality of their office spaces to support collaboration and new ways of working. Vacancies remain elevated in most office markets.

Investment activity slowed during 1H23, as purchasers and vendors take time to consider the increased cost of capital and where market pricing sits. However, quality assets have continued to generate greater interest with limited demand for secondary assets. Office transaction volume was circa $7.5 billion in the period, compared to circa $8.8 billion in the prior six months.

In the Group's markets, net office absorption has been broadly positive, with modest face rent growth.

Leasing [9]

The Group saw positive leasing activity during 1H23, completing 16 lease agreements totalling 13,002 square metres and 3.5% by office portfolio income. Office lease expiries in FY23 have reduced to 4% as at 31 December 2022, from 6% as at 30 June 2022. The average lease term for new and renewed leases was 4.5 years and the average annual rent review was 3.6%.[7] Office portfolio occupancy stands at 91% (30 June 2022: 95%).

Leasing highlights include:

- New lease signed with Queensland State Government at 100 Skyring Terrace, Newstead, Queensland for 7.2 years across 2,200 square metres of net lettable area. The remaining balance of the circa 8,000 square metres previously occupied by Collection House Limited at 100 Skyring Terrace is under a heads of agreement for lease.
- Lease renewal with Progressive Green, trading as electricity retailer Flow Power, at 109 Burwood Road, Hawthorn, Victoria for 7.0 years across circa 1,193 square metres of net lettable area. The Group also entered into a lease renewal with tenant McConnell Dowell Corporation at 109 Burwood Road for 1.0 year across 2,483 square metres of net lettable area.

During the period, Growthpoint and Lion, the tenant in our 5 Murray Rose Avenue, Sydney Olympic Park, New South Wales property, entered an early surrender of lease with effect from 31 October 2022. The surrender enabled Growthpoint to obtain the approximate net present value of the remaining Lion lease in 1H23, with the aim to re-lease the premises ahead of the prior Lion lease expiry in FY24. The property is a modern A-grade office building of 12,386 square metres, with 6-star NABERS

[5] Pro forma for sale of 333 Ann Street, Brisbane, QLD which settled in January 2023
[6] Excludes straight line lease adjustment
[7] Assumes CPI change of 7.8% per annum as per ABS release at December 2022
[8] Assumes CPI change of 6.1% per annum as per ABS release at June 2022
[9] Leasing includes 333 Ann Street, Brisbane, Queensland

Energy rating and a high-quality fit out in-situ and will be presented to the leasing market after minor works, with the Group seeing encouraging initial leasing enquiry.

Valuation

Over 1H23 the value of the Group's office portfolio saw a decline of -$165.0 million, or -5.0%, on a like-for-like basis. 94% of the Group's office assets decreased in value[10] (24 properties), with 5% remaining stable[11] and 1% increasing[11].

Valuations reflect the increased cost of capital and demand for higher hurdle rates from investors in commercial property markets.

The Group's office weighted average capitalisation rate (WACR) of 5.4% at 31 December 2022, has seen 23 bps expansion since 30 June 2022.

Also impacting the Group's 31 December 2022 valuations:

- Lease surrender of Lion at 5 Murray Rose Avenue, Sydney Olympic Park, New South Wale – as noted above (-$21 million, -20% on prior book value).
- Uncertainty regarding the tenant's future accommodation requirements at 10-12 Mort Street, Civic, Australian Capital Territory following the current lease expiry, WALE of 2.2 years at 31 December 2022. (-$13 million, -14% on prior book value)
- Re-pricing (yield expansion 25 bps) of ultra-long WALE asset, 1 Charles Street, Parramatta, New South Wales (-$35 million, -6% on prior book value)

Strategic acquisition and divestment activity

In July 2022, the Group successfully settled the acquisition of a high quality modern, A-grade office asset at 165-169 Thomas Street, Dandenong, Victoria. The GSO[12] Dandenong asset, predominantly leased to the Victorian State Government with a long WALE of 9.4 years[13], was acquired by Growthpoint for $165 million on an initial yield of 5.3%.

On 2 November 2022, the Group exchanged contracts to sell its 333 Ann Street, Brisbane, Queensland office asset for $141.1 million[14], with settlement occurring in January 2023. Net proceeds from the sale were used to repay debt.

Property expansion

In October 2022, the Group completed the $26.1 million expansion of ASX listed tenant Autosports Group's state of the art Melbourne BMW dealership headquarters at 75 Dorcas Street, South Melbourne, Victoria; entered into as part of the 15 year and 11 month lease extension agreed in late FY21. The works included ground floor and level one showroom extension and the addition of mezzanine offices, increasing the lettable area by approximately 3,773 square metres.

[10] Weighted by value. Decline: Valuations declined by more than 1%
[11] Weighted by value. Stable: Valuations change between -1% and 1%; Increase: Valuations increase by more than 1%
[12] Government Service Office
[13] WALE at settlement
[14] Gross sale price

Industrial

Growthpoint directly owns and manages 31 industrial properties, which represent 34% of Growthpoint's directly owned total property portfolio by value. Growthpoint's industrial properties are well-located, near key logistics hubs or population centres across five capital cities of Melbourne, Sydney, Brisbane, Adelaide and Perth.

Industrial highlights

- Number of assets: 31
- Total lettable area: 717,801 square metres
- Portfolio value: $1,717.5 million (30 June 2022: $1,721.7 million)
- 1H23 net property income:[15] $38.3 million (1H22: $39.6 million)

Key metrics

	31 December 2022	30 June 2022
Occupancy	**100%**	100%
Weighted average lease expiry	**5.6 years**	5.3 years
Weighted average capitalisation rate	**5.0%**	4.7%
Weighted average rent review	**4.0%[16]**	3.7%[17]

Industrial market

Positive momentum in the Australian industrial market has continued in the period. Industrial occupier demand remains elevated, with national vacancy tightening further to a new historic low of 0.6%[18] at 31 December 2022. Markets remain undersupplied despite high levels of new supply being delivered.

Investment activity moderated over 1H23, given cautious purchaser sentiment and challenges in assessing cost of capital in a changing macro-environment. Industrial transaction volume in the period was circa $3.8 billion, compared to circa $6.3 billion in the prior six months.

The Group's industrial markets have continued to record strong face rent growth over the period, largely offsetting the impact of softening yields.

Prime net incentives declined further over the half and are now between 5% and 10% in most markets.

Leasing

The Group's positive leasing activity in 1H23 included signing six lease agreements totalling 76,146 square metres and 9.0% of industrial portfolio income. Industrial lease expiries in FY23 have reduced to 3% from 8% at 30 June 2022. The average lease term for new and renewed leases was 4.4 years and the average annual rent review was 3.7%.[16]

The Group's industrial portfolio occupancy remains at 100% (30 June 2022: 100%). Leasing highlights include:

- New lease signed with 101 Warehousing at 3 Maker Place, Truganina, Victoria for a lease term of 7.0 years across a lettable area of 31,109 square metres
- New Lease signed with Automotive Imports at 6 Kingston Park Court, Knoxfield, Victoria for a lease term of 5.0 years across a lettable area of 7,677 square metres
- Lease renewal signed with Unipart Group Australia at 75 Annandale Road, Melbourne Airport, Victoria for a lease term of 3.0 years across a lettable area of 10,310 square metres

During the period, the Group was pleased to confirm an additional 2.5 year lease extension with Woolworths for their major Queensland distribution centre at Larapinta, the Group's largest industrial property by value. This followed Woolworths exercising its five year lease option in the latter half of FY22, resulting in a 7.5 year lease term from February 2022.

Moving forward, the Group has the opportunity to capitalise on market rental growth on future lease expiries in the industrial portfolio.

[15] Excludes straight line lease adjustment
[16] Assumes CPI change of 7.8% per annum as per ABS release at December 2022
[17] Assumes CPI change of 6.1% per annum as per ABS release at June 2022
[18] CBRE

Valuation

Over 1H23, the value of the Group's industrial portfolio saw a -$4 million, or -0.2%, decline on a like-for-like basis. 42% of the Group's industrial assets increased[19] in value (14 properties), with 18% remaining stable[19] (9 properties) and 40% declining (8 properties)[19].

Market rent growth and leasing success largely off-set the impact of yield expansion in the Group's industrial portfolio over the six months to 31 December 2022. The Group's industrial weighted average capitalisation rate (WACR) of 5.0% at 31 December 2022, saw 23 bps expansion since 30 June 2022.

Valuations results were also impacted by the repricing (yield expansion 25bps) of a long WALE industrial asset on 599 Main North Road, Gepps Cross, South Australia (-$11 million, -4% on prior book value)

Property expansion

During the period, a $3.4 million warehouse expansion with a seven year lease from completion was completed at 120-132 Atlantic Drive, Keysborough, Victoria for Symbion, a national wholesaler of healthcare products and services. The works extended the warehouse by 2,910 square metres. Growthpoint separately agreed with Symbion to add a 330kW solar array on the roof of the property, with installation being completed in 1H23. Symbion agreed to add an additional 2.5 years to their lease as a consequence of the Group funding installation, taking it to 2032.

Funds Management

Growthpoint completed the acquisition of 100% of the shares in Fortius in September 2022. The transaction comprised a $45 million initial purchase price, with a net asset adjustment, paid in cash and funded from the Group's existing liquidity and debt facilities. An additional earn out component of up to $10 million is payable based on agreed milestones being met over the period to June 2024.

A key strategic priority and growth opportunity for the business, the Group intends to grow the funds management business, targeting 10% to 20% of Group EBIT, over the medium term with the aim of delivering incremental growth to earnings and income stream diversification for securityholders.

Key metrics

	31 December 2022	15 September 2022	30 June 2022
Third-party funds under management	**$1,874 million**	$1,914 million	-
- **Retail**	**$1,310 million**	$1,300 million	-
- **Office**	**$215 million**	$272 million	-
- **Mixed use**	**$282 million**	$279 million	-
- **Debt**	**$66 million**	$63 million	-

Successful integration of the funds management business is ongoing, with positive feedback received from fund investors.

The funds management business divested property assets of $55 million since the acquisition, including the sale of 99 Gawler Place, Adelaide, South Australia in December 2022.

Property fund FUM saw positive movement of $12 million to 31 December 2022 since the acquisition, including external valuations of 52%[20] of property assets, with a moderate 0.7%[21] uplift in the value of investment properties across the funds.

The disruption and dislocation in current commercial property market conditions presents opportunities for the value-add strategy of the funds management business. The experience, patience and disciplined approach of the funds business remains key in a changing market. The Group is well-positioned with the combined execution capability and experience across the team.

Observationally, there is significant domestic and international capital to invest in commercial real estate in Australia. There is opportunity within disrupted and dislocated markets, where the funds business can leverage and target attractive equity IRR outcomes for fund investors.

[19] Weighted by value. Stable: Valuations change between -1% and 1%; Decline: Valuations declined by more than 1%
[20] Percentage by value of total funds property assets at 31 December 2022, excluding debt
[21] Excluding sale of 99 Gawler Place, Adelaide, South Australia in December 2022

The Group will support the growth and success of funds management business, with opportunities including:

- Establishing new funds and strategies, including new asset classes or sectors in the future
- Opportunity for the Group to co-invest, underwrite acquisitions with balance sheet capacity
- Potential for Group to warehouse assets
- Ability to execute more transactions, more efficiently, with higher execution certainty

Sustainability

Growthpoint continues to focus on improving the sustainability performance of its property portfolio as part of the Group's commitment to reducing its environmental footprint and meeting its net zero 2025 target.[22]

Growthpoint continued to see its strong performance reflected in external ESG[23] benchmarks during 1H23. The Group was again recognised by the Global Real Estate Benchmark (GRESB) as a Sector Leader,[24] receiving a 4-star ranking, with a score of 81/100, its highest achievement to date. The Group also maintained its Carbon Disclosure Project (CDP) score, B, which is higher than the Oceania region average of C.

Growthpoint's portfolio average NABERS Energy rating remains 5.2 stars at 31 December 2022. The average portfolio NABERS Water rating also remains 5.1 stars at 31 December 2022, with the Group seeing its average portfolio NABERS Indoor Environment rating improving to 4.4 stars, from 4.2 stars at June 2022. Building 3, 570 Swan Street, Richmond, Victoria (Botanicca 3) received its inaugural NABERS ratings in the period receiving: 5.0 star NABERS Energy, 5.5 star NABERS Water and 4.5 star NABERS Indoor Environment ratings.

Work on our solar program continued in 1H23, with solar PV systems commissioned at three of our office assets in Queensland, totalling 259kW. We also completed the installation of 330kW solar PV system at our industrial asset at 120-132 Atlantic Drive, Keysborough, Victoria. We are also progressing with planned installation of a further seven solar systems across our office portfolio. Working with the Group's tenants in developing these projects is important to ensure they deliver great commercial and sustainability outcomes.

We have also progressed on delivering our energy procurement strategy in the period, confirming gas and electricity contracts with GreenPower which will help the Group secure renewable energy and carbon offsets to progress towards net zero by 2025.

Growthpoint published its 2022 Sustainability Report in September 2022, providing an update on our continued progress and introduced our new sustainability framework and targets which are an evolution of our approach and furthers our commitment to sustainability. The Group also published its third Modern Slavery Statement in the period. The statement details the actions the Group has taken to assess and address modern slavery risks in its operations and supply chains during the financial year ending 30 June 2022.

[22] Growthpoint's goal is to reach net zero emissions by 1 July 2025 as the Group's contribution to the global commitment to a low carbon future. The boundary of the target includes all scope 1 and 2 emissions from its 100% owned on balance sheet operationally controlled office assets, and scope 1, 2 and some scope 3 emissions from its corporate activities.

[23] Environment, social and governance

[24] Growthpoint received Sector Leader Status in the 2022 GRESB Real Estate Assessment - Standing Investments Benchmark. The full designation was 'Overall Regional Sector Leader – Diversified – Office /Industrial'.

Financial review

The following section provides a summary of Growthpoint's financial performance and capital management for 1H23.

Financial highlights

Funds from operations (FFO) and distributions

Growthpoint uses FFO as its primary earnings measure. FFO enables Securityholders to identify the income which is available for distribution and also assists in determining the relative performance of the Group.

The following table reconciles statutory profit after tax to FFO and reports distributions paid to Securityholders.

	1H23	1H22	Change	Change
	$m	*$m*	*$m*	*%*
Profit after tax	**(109.6)**	**374.3**	**(483.9)**	
Less FFO items:				
- Straight line adjustment to property revenue	(5.4)	(5.9)	0.5	
- Net loss / (gain) in fair value of investment properties	206.4	(267.1)	473.5	
- Net gain in fair value of investment in securities	(10.0)	(7.1)	(2.9)	
- Net loss / (gain) in fair value of derivatives	11.9	(22.6)	34.5	
- Net loss on exchange rate translation of interest-bearing liabilities	3.7	12.2	(8.5)	
- Amortisation of incentives and leasing costs	20.0	15.5	4.5	
- Amortisation of management rights	0.4	-	0.4	
- Deferred tax (benefit) / expense	(4.3)	3.0	(7.3)	
- Other	4.4	2.5	1.9	
FFO	**117.5**	**104.8**	**12.7**	**12.1**
Distributions provided for or paid during the half	**82.0**	**80.3**	**1.7**	**2.1**
FFO per security (cents)	15.3	13.6		12.5
Distribution per security (cents)	10.7	10.4		2.9
Payout ratio to FFO (%)	69.8	76.5		(6.7)

FFO for 1H23 was $117.5 million, an increase of 12.1% over the prior corresponding period. The key drivers of this increase were:

- Strategic acquisitions in 2H22 and the settlement of GSO Dandenong and acquisition of Fortius in 1H23.
- One-off early surrender fees received at 5 Murray Rose Avenue, Sydney Olympic Park and 100 Skyring Terrace, Newstead, leading to higher net property income; and
- Increased rent earned across the portfolio.

These positive drivers were partially offset by an uplift in borrowing costs due to an increase in the weighted average cost of debt in 1H23 to 4.2% as at 31 December 2022 (1H22: 2.9% as at 31 December 2021) and higher drawn debt to settle GSO Dandenong and acquire Fortius and facilitate the share buyback program. There was also an uplift in operating expenses due to the increased headcount following the acquisition of Fortius, and resumption of normal travel and business operations post the COVID pandemic reductions.

FFO per security was 15.3 cents per security (cps), up 12.5% on 1H22. Growthpoint's distribution for the six months ending 31 December 2022 was 10.7 cps, up 2.9% on 1H22. The 1H23 payout ratio, calculated as distributions on ordinary stapled securities divided by FFO, was 69.8% (1H22: 76.5%). The distribution will be paid to Securityholders on 28 February 2023.

Capital management highlights

The table below highlights Growthpoint's key debt metrics and changes during 1H23.

		31 December 2022	30 June 2022	Change
Gross assets	*$m*	**5,537.7**	5,499.8	37.9
Interest bearing liabilities	*$m*	**1,979.5**	1,740.0	239.5
Total debt facilities	*$m*	**2,215.3**	2,101.5	113.8
Undrawn debt	*$m*	**227.0**	353.5	(126.5)
Gearing	*%*	**36.1**	31.6	4.5
Weighted average cost of debt (based on drawn debt)	*%*	**4.2**	3.4	0.8
Weighted average debt maturity	*years*	**3.9**	4.2	(0.3)
Annual interest coverage ratio (ICR) / Covenant ICR	*times*	**4.4 / 1.6**	5.2 / 1.6	(0.8) / -
Actual loan to value ratio (LVR) / Covenant LVR	*%*	**39.2 / 60**	33.6 / 60	5.6 / -
Weighted average fixed debt maturity	*years*	**3.3**	3.8	(0.5)
Proportion of debt fixed	*%*	**62.2**	60.9	1.3
Debt providers	*no.*	**22**	21	1

As at 31 December 2022, Growthpoint's gearing was 36.1%, 4.5% higher than 30 June 2022 due to debt drawn to fund acquisitions and investment property revaluations. Albeit gearing was 36.1% at 31 December 2022, on a proforma basis this reduces to 34.5% and sits below the Group's target range of 35% to 45% on settlement of 333 Ann Street, Brisbane which occurred on 17 January 2023 with the proceeds used to repay debt.

During 1H23, the Group entered into $200 million of new facilities with one $90 million facility maturing. The Group also entered into $170 million of new interest rate swaps.

Growthpoint remains well within all its debt covenant limits.

Outlook

Growthpoint remains well positioned to manage through the current period of macroeconomic volatility, with a high-quality, defensively positioned portfolio with a consistently strong WALE and leading asset management capability.

The Group is pleased to reaffirm the guidance provided on the 20 December 2022 of FY23 FFO of 25.5 to 26.5 cps, and FY23 distribution of 21.4 cps. A key assumption to guidance is in respect of rising interest rates, with the Group assuming an average FY23 floating cash rate of 3.0%[25]. This guidance anticipates no significant market movements or unforeseen circumstances occurring during the remainder of the financial year.

[25] Up from 2.9% provided as an assumption to guidance of 20 December 2022, based on changes to interest rates to date and forecasts for the remaining five months of FY23.

Auditor's independence declaration

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Auditor's Independence Declaration to the Directors of Growthpoint Properties Australia Limited, being the Responsible Entity of Growthpoint Properties Australia Trust

As lead auditor for the review of the half-year financial report of Growthpoint Properties Australia for the half-year ended 31 December 2022, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Growthpoint Properties Australia and the entities it controlled during the financial period.

Ernst & Young

David Shewring
Partner
16 February 2023

Directors' report

The Directors of Growthpoint present this report together with the consolidated Financial Statements for the half year ended 31 December 2022.

Principal activities

The principal activities of Growthpoint are commercial real estate investment, property asset management and funds management.

Directors

The following persons were Directors of Growthpoint at all times during 1H23 and to the date of this report, unless otherwise stated:

- Geoffrey Tomlinson
- Timothy Collyer
- Estienne de Klerk
- Grant Jackson
- Francois Marais (retired with effect from 17 November 2022)
- Deborah Page AM
- Norbert Sasse
- Josephine Sukkar AM
- Andrew Fay (appointed with effect from 1 December 2022)

Review of operations

A review of Growthpoint's operations and the results of those operations are set out in the operating and financial review on pages 3 to 10 of this report. Further details of Growthpoint's financial results are provided in the Financial Statements on pages 14 to 17 of this report.

Significant changes in the state of affairs

The Directors are not aware of any matter or circumstance, that is not discussed in the operating and financial review, that has significantly or may significantly impact the Group in the current or subsequent period.

Auditor's independence

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 11 and forms part of this report.

Rounding of amounts

All financial information presented is in Australian dollars and has been rounded to the nearest hundred thousand unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) 2016/191*.

This report is made in accordance with a resolution of the Directors of Growthpoint Properties Australia Limited.

T.J. Collyer

Timothy Collyer
Managing Director
Growthpoint Properties Australia Limited

16 February 2023

Financial report

Contents

Consolidated Statement of Comprehensive Income

For the half year ended 31 December 2022	Notes	**1H23**	1H22
		$m	*$m*
Revenue and other income			
Property revenue	2.1	174.2	147.7
Funds management revenue	2.1	2.8	-
Distributions from investment in securities		4.2	3.5
Interest income		0.5	-
Total revenue and other income		181.7	151.2
Expenses			
Property expenses	2.1	(26.8)	(22.1)
Borrowing costs		(38.6)	(24.4)
Other expenses		(16.2)	(9.7)
Depreciation of right of use assets		(2.0)	(2.0)
Amortisation expenses		(0.4)	-
Total expenses		(84.0)	(58.2)
Other gains/losses			
Net (loss) / gain in fair value of investment properties	2.3	(206.4)	267.1
Net gain in fair value of investment in securities	2.5	10.0	7.1
Net (loss) / gain in fair value of derivatives		(11.9)	22.6
Net gain in fair value of business combination variable consideration		0.1	-
Net loss on exchange rate translation of interest-bearing liabilities		(3.7)	(12.2)
Net (losses) / gains from other items		(211.9)	284.6
(Loss) / Profit before tax		**(114.2)**	**377.6**
Income tax benefit / (expense)		4.6	(3.3)
(Loss) / Profit after tax		**(109.6)**	**374.3**
Other comprehensive income		-	-
Total comprehensive (loss) / income		**(109.6)**	**374.3**
Total Comprehensive income attributable to:			
Owners of the Trust		(106.1)	375.0
Owners of the Company		(3.5)	(0.7)
Total comprehensive (loss) / income		(109.6)	374.3
Earnings per security attributable to Securityholders of the Group:			
Basic earnings per security (cents)		(14.3)	48.5
Diluted earnings per security (cents)		(14.2)	48.4

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 31 December 2022	Notes	**31-Dec-2022**	30-Jun-2022
		$m	*$m*
Current assets			
Cash and cash equivalents	2.8	51.5	49.2
Assets held for sale	2.4	130.4	-
Receivables and other assets	2.6	15.2	7.2
Current tax receivable		0.6	-
Intangible assets	2.9	5.8	-
Derivative financial instruments	3.3	1.2	-
Total current assets		204.7	56.4
Non-current assets			
Investment properties	2.3	5,083.4	5,233.1
Investment in securities	2.5	146.8	132.4
Receivables and other assets	2.6	-	16.7
Intangible assets	2.9	45.8	-
Derivative financial instruments	3.3	50.4	59.1
Right-of-use assets		3.4	-
Plant and equipment		3.1	0.6
Deferred tax assets		0.1	1.6
Total non-current assets		5,333.0	5,443.5
Total assets		**5,537.7**	**5,499.9**
Current liabilities			
Distribution to Securityholders		82.0	80.3
Trade and other liabilities	2.7	50.2	46.1
Current tax payable		-	0.4
Interest bearing liabilities	3.1	-	40.0
Lease liabilities		1.8	0.7
Deferred tax liabilities		4.5	8.3
Total current liabilities		138.5	175.8
Non-current liabilities			
Trade and other liabilities	2.7	0.3	-
Interest bearing liabilities	3.1	1,979.5	1,700.0
Lease liabilities		106.0	103.9
Derivative financial instruments	3.3	4.7	0.3
Total non-current liabilities		2,090.5	1,804.2
Total liabilities		**2,229.0**	**1,980.0**
Net assets		**3,308.7**	**3,519.9**
Equity			
Contributed equity	3.5	2,025.5	2,046.5
Reserves		14.5	13.1
Retained profits		1,268.7	1,460.3
Total equity		**3,308.7**	**3,519.9**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

		Attributable to unitholders of the Trust (Parent entity)			Attributable to shareholders of the Company (other stapled entity)				
For the half year ended 31 December 2022	Notes	Contri-buted equity	Retained profits	Total	Contri-buted equity	Reserves	Retained profits	Total	Total equity
		$m	$m	$m	$m	$m	$m	$m	$m
Equity as at 30 June 2022		**1,976.0**	**1,462.3**	**3,438.3**	**70.5**	**13.1**	**(2.0)**	**81.6**	**3,519.9**
Loss after tax		-	(106.1)	(106.1)	-	-	(3.5)	(3.5)	(109.6)
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive loss		-	(106.1)	(106.1)	-	-	(3.5)	(3.5)	(109.6)
Transactions with Securityholders in their capacity as Securityholders:									
Security buybacks		(20.5)	-	(20.5)	(0.5)	-	-	(0.5)	(21.0)
Distributions provided	3.6	-	(82.0)	(82.0)	-	-	-	-	(82.0)
Share-based payment transactions		-	-	-	-	1.4	-	1.4	1.4
		(20.5)	(82.0)	(102.5)	(0.5)	1.4	-	0.9	(101.6)
Equity as at 31 December 2022		**1,955.5**	**1,274.2**	**3,229.7**	**70.0**	**14.5**	**(5.5)**	**79.0**	**3,308.7**
Equity as at 30 June 2021		**1,978.0**	**1,161.3**	**3,139.3**	**70.5**	**11.2**	**0.4**	**82.1**	**3,221.4**
Profit after tax		-	375.0	375.0	-	-	(0.7)	(0.7)	374.3
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income		-	375.0	375.0	-	-	(0.7)	(0.7)	374.3
Transactions with Securityholders in their capacity as Securityholders:									
Distributions provided	3.6	-	(80.3)	(80.3)	-	-	-	-	(80.3)
Share-based payment transactions		-	-	-	-	1.1	-	1.1	1.1
		-	(80.3)	(80.3)	-	1.1	-	1.1	(79.2)
Equity as at 31 December 2021		**1,978.0**	**1,456.0**	**3,434.0**	**70.5**	**12.3**	**(0.3)**	**82.5**	**3,516.5**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Cash Flows Statement

For the half year ended 31 December 2022	Notes	**1H23**	1H22
		$m	*$m*
Cash flows from operating activities			
Cash receipts from customers		198.0	152.4
Cash payments to suppliers		(68.6)	(50.7)
Distributions from investment in securities		4.3	2.7
Borrowing costs		(35.1)	(24.0)
Interest received		0.5	-
Income tax paid		(1.4)	(0.3)
Net cash flows from operating activities		**97.7**	**80.1**
Cash flows from investing activities			
Payments for investment properties		(176.8)	(154.4)
Payments for acquisition of business (net of cash acquired)	2.2	(49.7)	-
Payments for investment in securities		(1.1)	(60.3)
Payments for plant & equipment		(2.6)	(0.1)
Net cash flows from investing activities		**(230.2)**	**(214.8)**
Cash flows from financing activities			
Proceeds from external borrowings		350.5	583.5
Repayments of external borrowings		(114.0)	(361.5)
Payments to restructure derivatives		-	(3.9)
Payments for security buybacks		(21.0)	-
Repayments of lease liabilities		(0.4)	(0.5)
Distributions to Securityholders		(80.3)	(77.2)
Net cash flows from financing activities		**134.8**	**140.4**
Net cash flows		**2.3**	**5.7**
Cash and cash equivalents at the beginning of the period		49.2	33.5
Cash and cash equivalents at the end of the period		**51.5**	**39.2**

The above Consolidated Cash Flows Statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

Section 1: Basis of preparation, accounting policies and other pronouncements

1.1 Basis of preparation

Reporting entity

Growthpoint Properties Australia was formed by the stapling of two entities: Growthpoint Properties Australia Limited (the Company) and Growthpoint Properties Australia Trust (the Trust) which are collectively referred to as Growthpoint Properties Australia (the Group).

The Group's stapled structure was established for the purpose of facilitating a joint quotation of the Company and the Trust on the Australian Securities Exchange (ASX: GOZ). The constitutions of the Company and the Trust ensure that, for so long as the two entities remain jointly quoted, the number of shares in the Company and the number of units in the Trust shall be equal and the shareholders of the Company and the unitholders in the Trust are identical. The Company, both in its personal capacity and in its capacity as the Responsible Entity of the Trust, must always act in the best interests of the Group. The Group is a for profit entity.

In accordance with AASB 3 *Business Combinations*, the Trust is the parent entity and deemed acquirer of the Company in the stapling arrangement. This consolidated interim financial report includes financial statements for the Trust, comprising the Trust and its controlled entities and the Company and its controlled entities, for the half year ended 31 December 2022. The Group is domiciled in Australia and its registered address is Level 18, 101 Collins Street, Melbourne, Victoria, 3000, Australia.

The ultimate parent of the Group is Growthpoint Properties Limited, a South African Real Estate Investment Trust listed on the Johannesburg Stock Exchange.

Statement of compliance

This consolidated interim financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Trust's constitution, the *Corporations Act 2001* (Cth), AASB 134 *Interim Financial Reporting* and other mandatory Australian Accounting Standards. The report complies with International Financial Reporting Standards (IFRS) as issued by the Australian Accounting Standards Board.

The consolidated interim financial report does not include all of the information required for a full annual financial report and should be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by Growthpoint Properties Australia during the interim reporting period.

The consolidated interim financial report was authorised for issue by the Board on 16 February 2023.

Basis of measurement

The interim consolidated financial statements have been prepared on a going concern basis using historical cost convention except for derivative financial instruments, investment properties, business combination variable consideration classified as trade and other liabilities, investment in securities and share-based payment arrangements which are measured at fair value.

Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Group's functional currency. The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that Instrument, all financial information presented in Australian dollars has been rounded to the nearest hundred thousand dollars unless otherwise stated.

1.2 Accounting policies

Except as described below, the accounting policies applied by the Group in this interim financial report are consistent with those of the previous financial year ended 30 June 2022 and the corresponding interim reporting period.

Intangible assets

As a result of the Group's acquisition of Fortius Funds Management Pty Ltd the Group has adopted new accounting policies for its intangible assets.

Management rights

Management rights intangible assets, that are acquired by the Group and have finite useful lives, are measured at cost less accumulated amortisation and any accumulated impairment losses.

The performance fee rights intangible assets acquired by the Group as part of the Fortius acquisition, for which there is a contractual obligation to forward any fee earned to the Fortius vendors net of income tax, have finite useful lives are measured at cost less any accumulated impairment losses.

Amortisation is calculated to expense the cost of intangible assets using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. The estimated useful lives are calculated in line with the expected exit dates of each respective fund. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if not appropriate.

Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

At each reporting date, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Business combination

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any variable consideration is measured at fair value at the date of acquisition. If an obligation to pay variable consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other variable consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the variable consideration are recognised in profit or loss.

Trade and other liabilities

Trade and other liabilities which are unpaid and for goods and services provided to the Group prior to the end of the reporting period are unsecured and are usually paid within 30 days of recognition. These trade and other liabilities are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Business combination variable consideration is measured at the date of acquisition and re-measured in line with the business combination accounting policy.

Assets held for sale

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets are re-measured in accordance with the Group's accounting policies. Thereafter the assets are measured at the lower of their carrying amount and fair value less costs to sell.

Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST). Rent from investment properties is recognised and measured in accordance with AASB 16 on a straight-line basis over the life of the lease for leases where the revenue under the lease terms is fixed and determinable. For leases where the revenue is determined with reference to market reviews, inflationary measures or other variables, revenue is not straight-lined and is recognised in accordance with the lease terms applicable for the period. The Group also earns revenue from tenants as stipulated in the lease agreements for services including cleaning, security, electricity and other outgoings. This revenue is recognised and measured in accordance with AASB 15 Revenue from Contracts with Customers.

The amount of revenue recognised in each period is based on the delivery of performance obligations and when control has been transferred to customers in accordance with the principles set out in AASB 15. Where the Group enters into contracts with multiple service components, judgement is applied to determine whether the components are:

- i) distinct - accounted for as separate performance obligations;
- ii) not distinct - combined with other promised services until a distinct bundle is identified; or
- iii) part of a series of distinct services that are substantially the same and have the same pattern of transfer to the customer

For each performance obligation identified, it is determined whether revenue is recognised at a point in time or over time. Revenue is recognised over time if:

- i) the customer simultaneously receives and consumes the benefits provided over the life of a contract as the services are performed;
- ii) the customer controls the asset that the Group is creating or enhancing; or
- iii) the Group's performance does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date.

At contract inception, the Group estimates the consideration to which it expects to be entitled and has rights to receive under the contract. Variable consideration, where the Group's performance could result in further revenue, is only included to the extent that it is highly probable that a significant reversal of revenue recognised will not occur. In assessing the amount of consideration to recognise, key judgements and assumptions are made on a forward-looking basis where required. To the extent revenue has not been received at reporting date, a receivable is recognised in the Consolidated Statement of Financial Position.

Fund management fees are received for performance obligations fulfilled over time with revenue recognised accordingly. Fund management fees are determined in accordance with relevant agreements for each fund, generally based on the fund's Gross Asset Value (GAV) or loan amount for debt funds.

Accounting and Trustee fees are received for performance obligations fulfilled over time with revenue recognised accordingly, determined in accordance with the relevant agreements for each fund.

Transaction fees and leasing fees are received for performance obligations fulfilled at a point in time with revenue recognised accordingly, determined in accordance with the relevant agreements for each fund.

1.3 Other pronouncements

Other accounting pronouncements which have become effective from 1 July 2022 and have therefore been adopted do not have a significant impact on the Group's financial results or position.

Section 2: Operating results, assets and liabilities

2.1 Revenue and operating segment information

Group earnings and operating segment results

The primary measure of recurring earnings for the Group is funds from operations (FFO), which is used to make strategic decisions and as a guide to assessing appropriate distributions to investors. FFO represents profit after tax adjusted for various non-cash accounting items which are listed in the reconciliation below.

The Group has three operating segments, namely Industrial property investments, Office property investments and Funds management. The primary measure of performance of the Group's property investment segments is net property income. The primary measure of performance of the Group's funds management segment is funds management revenue.

The Group's FFO and operating segment results are reported monthly to the Group's Managing Director, who is the chief operating decision maker.

			1H23			1H22
	Industrial	**Office**	**Total**	Industrial	Office	Total
	$m	*$m*	*$m*	*$m*	*$m*	*$m*
Property rental income	40.8	106.4	147.2	42.4	81.8	124.2
Revenue from services to tenants	7.6	14.0	21.6	6.5	11.1	17.6
Property revenue, excluding straight line lease adjustment	*48.4*	*120.4*	*168.8*	*48.9*	*92.9*	*141.8*
Property expenses [1]	(2.6)	(1.0)	(3.6)	(2.7)	(0.8)	(3.5)
Expense from services to tenants [2]	(7.5)	(17.9)	(25.4)	(6.6)	(14.2)	(20.8)
Net property income	*38.3*	*101.5*	*139.8*	*39.6*	*77.9*	*117.5*
Funds management revenue			*2.8*			-
Total Segment Revenue			**142.6**			**117.5**
Unallocated items						
Amortisation of incentives and leasing costs			20.0			15.5
Other expenses [3]			(13.4)			(9.1)
Distributions from investment in securities			4.2			3.5
Borrowing costs net of interest income [4]			(36.2)			(22.3)
Current income tax benefit / (expense)			0.3			(0.3)
FFO			**117.5**			**104.8**
Distributions						
Weighted average securities on issue (m)			768.1			771.9
FFO per stapled security (cents)			15.3			13.6
Distribution per stapled security (cents)			10.7			10.4

1. Property expenses in FFO include $2.3 million (1H22: $2.2 million) of ground lease payments which are replaced with depreciation of right of use assets and interest expense associated with leases on the Consolidated Statement of Comprehensive Income.
2. Outgoings expenses from services to tenants includes $3.8 million (1H22: $3.2 million) that was not recoverable under the terms of certain leases.
3. Operating and trust expenses in FFO of $13.4 million (1H22: $9.1 million) excludes $2.3 million (1H22: $0.8 million) in discontinued and non-FFO project costs and $0.2 million (1H22: $0.1 million) depreciation of plant and equipment and includes $0.2 million (1H22: $0.3 million) of rent payments for the Group's head offices at 101 Collins St, Melbourne and 88 Phillip St, Sydney (1H22: 35 Collins Street, Melbourne) which are replaced with depreciation of right of use assets and interest expense associated with leases on the Consolidated Statement of Comprehensive Income.
4. Borrowing costs are shown in segment reporting net of $0.5 million (1H22: $nil) interest income and exclude $1.9 million (1H22: $2.0 million) interest expense associated with ground lease liabilities which is included on the Consolidated Statement of Comprehensive Income.

Reconciliation of profit after tax to FFO

	31-Dec-22	31-Dec-21
	$m	*$m*
Profit after tax	**(109.6)**	**374.3**
Adjustments for FFO items		
- Straight line adjustment to property revenue	(5.4)	(5.9)
- Net loss / (gain) in fair value of investment properties	206.4	(267.1)
- Net gain in fair value of investment in securities	(10.0)	(7.1)
- Net loss / (gain) in fair value of derivatives	11.9	(22.6)
- Net loss on exchange rate translation of interest-bearing liabilities	3.7	12.2
- Amortisation of incentives and leasing costs	20.0	15.5
- Amortisation of management rights	0.4	-
- Deferred tax (benefit) / expense	(4.3)	3.0
- Other	4.4	2.5
FFO	**117.5**	**104.8**

Reconciliation of total property revenue per segment note to revenue per Consolidated Statement of Comprehensive Income

	1H23	1H22
	$m	*$m*
Property revenue from segments	168.8	141.8
- Straight line adjustment to property revenue	5.4	5.9
Property revenue as reported on the Consolidated Statement of Comprehensive Income	**174.2**	**147.7**

Major customer

Revenues from Woolworths Group Limited, in the Group's Industrial segment represents $17.9 million (1H22: $20.1 million) of the Group's total revenues.

2.2 Business combination

On 15 September 2022, the Group acquired 100% of the shares in Fortius Funds Management Pty Ltd. The acquisition involved a $45 million initial purchase price and subsequent $8.1 million net assets adjustment, paid in cash and funded from the Group's existing debt facilities.

As part of the purchase agreement, the Group agreed to pay the selling shareholders any performance fees earned from existing funds during their current terms, net of any income tax expense. This earn-out component has been classified as variable consideration and forms part of the total purchase consideration. The acquisition-date fair value of these fees was estimated at $4.1 million. Refer to note 1.2 Accounting policies and note 3.4 Financial Instrument fair value hierarchy for the valuation method and fair value as at 31 December 2022.

As part of the purchase agreement, the Group agreed to pay the selling shareholders an additional earn-out component of up to $10 million, payable based on agreed milestones relating to funds under management (FUM) and funds management revenue growth targets being met over the period to 30 June 2024. This earn-out component has been classified as compensation for post-combination services and does not form part of the total purchase consideration. Refer to Note 4.2 Contingent liabilities.

Fortius is one of Australia's leading privately-owned real estate funds management businesses with an established track record of investing in Australian real estate markets and generating strong returns for its investors. Establishment of a funds management business segment had been a key priority for the Group and this acquisition added $1.9 billion of FUM to the Group's business.

a) Total Purchase Consideration

The following table summarises the acquisition-date provisional fair value of each component of purchase consideration.

	Notes	
		$m
Cash - Initial purchase price		45.0
Cash - Net asset adjustment		8.1
Variable consideration – performance fee earn-out		4.1
Other consideration payable		0.3
Total purchase consideration		**57.5**

A critical judgement was the classification of future variable components included in the purchase agreement as either variable purchase consideration or compensation for post-combination services. Components that are contingent upon ongoing employee service conditions being fulfilled have been classified as compensation for post-combination services and do not form part of the total purchase consideration. Components that are not contingent upon ongoing employee service conditions being fulfilled have been classified as variable consideration and are included as part of the total purchase consideration.

Critical judgements and estimates were made by the Group in assessing the fair value of the variable consideration. Refer Note 3.4 for further information.

b) Identifiable assets acquired and liabilities assumed

The following table summarises the provisional fair value of net assets acquired at the date of acquisition:

	Notes	
		$m
Cash and cash equivalents		3.4
Investment in securities	2.5	3.3
Receivables and other assets	2.6	2.9
Intangible assets (management rights)	2.9	10.3
Right of use assets		0.6
Plant and equipment		0.1
Current tax receivable		0.3
Lease liabilities		(0.8)
Deferred tax liabilities		(2.9)
Trade and other liabilities	2.7	(1.4)
Total identifiable net assets acquired		**15.8**

c) Goodwill

Goodwill arising from the acquisition has been recognised provisionally as follows:

	Notes	
		$m
Total purchase consideration	(a)	57.5
Fair value of identifiable net assets	(b)	(15.8)
Goodwill	2.9	**41.7**

Goodwill is attributable to the funds management platform and investor base acquired, expected synergies from Growthpoint's existing management capabilities and the increased diversity of investment opportunities available to the Group and the funds' investors.

d) Revenue and profit contribution

Fortius contributed revenue of $2.8 million and net profit of $0.2 million to the Group for the period 15 September 2022 to 31 December 2022. If the acquisition had occurred on 1 July 2022, total revenue for the Group, combining Growthpoint and Fortius, would have been $183.5 million and net loss would have been $110.4 million.

e) Acquisition-related costs

The Group incurred acquisition-related costs of $3.0 million relating to external legal fees and due diligence costs. $2.0 million of these costs have been incurred in 1H23, with the remaining $1.0 million incurred in FY22, and included in 'other expenses' in the Consolidated Statement of Comprehensive Income. Refer to note 2.1.

2.3 Investment properties

Determination of fair value

The fair value of the investment properties is determined either solely by Directors' valuations or together with verification from an external, independent valuer, with recognised professional qualifications and recent experience in the location and category of property being valued generally.

Fair value is based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and willing seller in an arm's length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.

The fair value of investment properties is classified as Level 3 in the fair value hierarchy based on the significant unobservable inputs into the valuation techniques used. Further detail on the Group's valuation process and valuation methods is described below.

Investment property values

Industrial properties		Latest external valuation Date	Latest external valuation Amount	Carrying amounts 31-Dec-22	Carrying amounts 30-Jun-22
			$m	*$m*	*$m*
Victoria					
3 Maker Place	Truganina	30-Jun-22	70.3	**70.0**	70.3
1500 Ferntree Gully Road & 8 Henderson Road	Knoxfield	31-Dec-22	60.0	**60.0**	61.8
9-11 Drake Boulevard	Altona	30-Jun-22	58.5	**56.5**	58.5
Lots 2, 3 & 4, 34-44 Raglan Street	Preston	31-Dec-22	53.8	**53.8**	55.3
120-132 Atlantic Drive	Keysborough	30-Jun-22	45.0	**46.0**	45.0
40 Annandale Road[1]	Melbourne Airport	30-Jun-22	43.4	**43.5**	43.4
20 Southern Court	Keysborough	31-Dec-22	28.0	**28.0**	24.5
120 Link Road[1]	Melbourne Airport	30-Jun-22	25.2	**25.3**	25.2
130 Sharps Road[1]	Melbourne Airport	30-Jun-22	24.7	**25.0**	24.7
3 Millennium Court	Knoxfield	30-Jun-22	19.3	**19.0**	19.3
6 Kingston Park Court	Knoxfield	30-Jun-22	18.0	**19.0**	18.0
31 Garden Street	Kilsyth	31-Dec-22	17.9	**17.9**	17.3
19 Southern Court	Keysborough	31-Dec-22	16.3	**16.3**	14.9
60 Annandale Road[1]	Melbourne Airport	30-Jun-22	14.0	**13.8**	14.0
101-111 South Centre Road[1]	Melbourne Airport	30-Jun-22	13.4	**13.8**	13.4
75 Annandale Road[1]	Melbourne Airport	30-Jun-22	10.4	**10.5**	10.4
Queensland					
70 Distribution Street	Larapinta	31-Dec-22	260.0	**260.0**	255.0
13 Business Street	Yatala	31-Dec-22	18.3	**18.3**	18.2
5 Viola Place[1]	Brisbane Airport	31-Dec-22	14.3	**14.3**	14.2
3 Viola Place[1]	Brisbane Airport	31-Dec-22	4.5	**4.5**	3.6
Western Australia					
20 Colquhoun Road	Perth Airport	31-Dec-22	215.0	**215.0**	225.0
2 Hugh Edwards Drive	Perth Airport	30-Jun-22	24.3	**25.3**	24.3
58 Tarlton Crescent	Perth Airport	30-Jun-22	19.8	**20.5**	19.8
10 Hugh Edwards Drive	Perth Airport	30-Jun-22	14.6	**15.1**	14.6
36 Tarlton Crescent	Perth Airport	30-Jun-22	11.7	**11.9**	11.7
New South Wales					
27-49 Lenore Drive	Erskine Park	31-Dec-22	111.0	**111.0**	106.5
6-7 John Morphett Place	Erskine Park	30-Jun-22	79.5	**81.5**	79.5
51-65 Lenore Drive	Erskine Park	31-Dec-22	48.0	**48.0**	48.0
34 Reddalls Road	Kembla Grange	30-Jun-22	39.0	**38.0**	39.0
81 Derby Street	Silverwater	31-Dec-22	32.5	**32.5**	32.5
South Australia					
599 Main North Road	Gepps Cross	30-Jun-22	245.0	**234.0**	245.0
1-3 Pope Court	Beverley	30-Jun-22	31.0	**30.8**	31.0
12-16 Butler Boulevard[1]	Adelaide Airport	31-Dec-22	25.0	**25.0**	25.0
10 Butler Boulevard[1]	Adelaide Airport	31-Dec-22	13.7	**13.7**	13.1
Total industrial properties			**1,725.1**	**1,717.6**	**1,721.7**

1. Held under leasehold; right-of-use asset recognised on ground lease.

Office properties		Latest external valuation Date	Latest external valuation Amount	Carrying amounts 31-Dec-22	Carrying amounts 30-Jun-22
			$m	$m	$m
Victoria					
75 Dorcas Street	South Melbourne	30-Jun-22	292.0	**288.0**	292.0
Building 3, 570 Swan Street	Richmond	31-Dec-22	199.0	**199.0**	203.0
165-169 Thomas Street[1]	Dandenong	30-Jun-22	165.0	**161.3**	N/A
Building 2, 572-576 Swan Street	Richmond	30-Jun-22	131.6	**130.0**	131.6
109 Burwood Road	Hawthorn	30-Jun-22	124.2	**120.0**	124.2
141 Camberwell Road	Hawthorn East	31-Dec-22	119.0	**119.0**	123.0
Building B, 211 Wellington Road	Mulgrave	31-Dec-22	83.0	**83.0**	84.0
Building 1, 572-576 Swan Street	Richmond	31-Dec-22	81.2	**81.2**	82.7
Building C, 211 Wellington Road	Mulgrave	31-Dec-22	54.5	**54.5**	58.2
Car Park, 572-576 Swan Street	Richmond	30-Jun-22	0.9	**0.8**	0.9
Queensland					
100 Skyring Terrace	Newstead	30-Jun-22	242.5	**236.0**	242.5
15 Green Square Close	Fortitude Valley	31-Dec-22	138.0	**138.0**	147.0
CB1, 22 Cordelia Street	South Brisbane	31-Dec-22	92.0	**92.0**	99.0
A1, 32 Cordelia Street	South Brisbane	31-Dec-22	84.5	**84.5**	90.0
A4, 52 Merivale Street	South Brisbane	31-Dec-22	81.0	**81.0**	88.5
CB2, 42 Merivale Street	South Brisbane	31-Dec-22	56.0	**56.0**	61.8
Car Park, 32 Cordelia Street & 52 Merivale Street	South Brisbane	31-Dec-22	33.5	**33.5**	32.0
333 Ann Street[2]	Brisbane	30-Jun-22	140.0	**-**	140.0
South Australia					
33-39 Richmond Road	Keswick	31-Dec-22	76.0	**76.0**	78.5
New South Wales					
1 Charles Street	Parramatta	31-Dec-22	520.0	**520.0**	555.0
Building C, 219-247 Pacific Highway	Artarmon	31-Dec-22	145.5	**145.5**	146.0
3 Murray Rose Avenue	Sydney Olympic Park	31-Dec-22	104.0	**104.0**	116.0
5 Murray Rose Avenue	Sydney Olympic Park	31-Dec-22	85.0	**85.0**	106.0
11 Murray Rose Avenue	Sydney Olympic Park	30-Jun-22	53.8	**51.5**	53.8
Australian Capital Territory					
10-12 Mort Street	Canberra	31-Dec-22	77.0	**77.0**	90.0
2-6 Bowes Street	Phillip	31-Dec-22	83.1	**83.1**	84.6
255 London Circuit	Canberra	31-Dec-22	76.5	**76.5**	82.5
Western Australia					
836 Wellington Street	West Perth	31-Dec-22	96.5	**96.5**	104.0
Total office properties			**3,435.2**	**3,272.8**	**3,416.6**
Total portfolio at fair value			**5,160.3**	**4,990.3**	**5,138.3**
Ground leases as right-of-use assets				93.1	94.8
Total investment properties carrying amount				**5,083.4**	**5,233.1**

1. Acquired in July 2022.
2. Divested in January 2022; reclassified to assets held for sale as at 31 December 2022.

Valuation process

Each investment property is valued either independently (externally) or internally in June and December each year. Investment properties are valued according to the Group's valuation policy which requires:

- Independent valuations of investment properties at least once per year;
- External valuers are appropriately qualified. Qualified valuers must be authorised by law to carry out such valuations and have at least five years' valuation experience;
- Any individual external valuer may perform valuations on a property on no more than two consecutive occasions;
- Internal valuations are undertaken at the end of a reporting period (half year and year end) if a property is not due for an independent valuation; and
- Where an internal valuation indicates a variance that exceeds prescribed percentage thresholds, an external valuation is undertaken (even if this results in a property being independently valued twice in one year).

The valuation process is governed by the Board with input from the Executive Management Team. The process is reviewed periodically to consider changes in market conditions and any other requirements that would need to be adopted.

As at 31 December 2022, 35 investment properties representing approximately 63% (by value) of the portfolio were independently valued by external valuers at eight valuation firms being JLL, Savills, CBRE, Knight Frank, Colliers, m3property, Urbis and Acumentis. Fair values for the remaining 24 investment properties were based solely on Directors' internal valuations.

Valuation methodology

The Group determines a property's value within a range of reasonable fair value estimates and, in making that assessment, considers information from a variety of sources including:

- Current prices for comparable properties, as adjusted to reflect differences for location, building quality, tenancy profile and other factors;
- Discounted cash flow (DCF) projections based on estimates of future cash flows; and
- Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from analysis of market evidence.

Under the DCF approach, a property's fair value is estimated by projecting a series of cash flows over a specified time horizon (typically 10 years) and discounting this cash flow, including the projected exit or terminal value, at a market-derived discount rate. Projected cash flows are derived from contracted or expected market rents, operating costs, lease incentives, capital expenditure and future income on vacant space. The net present value of the discounted cash flow represents the fair value of the property.

The income capitalisation approach involves estimating the potential sustainable gross market income of a property from which annual outgoings are deducted to derive the net market income. Net market income is then capitalised in perpetuity at an appropriate market-derived capitalisation rate (market yield). Appropriate capital adjustments are then made where necessary to reflect the specific cash flow profile and general characteristics of the property.

At reporting date, the key assumptions used by the Group in determining fair value were as follows:

Industrial	**31-Dec-22**	30-Jun-22
Discount rate	5.5%-6.8%	5.3%-6.5%
Terminal yield	4.3%-10.1%	4.0%-9.8%
Capitalisation rate	4.0%-7.2%	4.0%-7.0%
Expected vacancy period	6-12 months	4-9 months
Rental growth rate	2.9%-3.8%	2.5%-3.5%

Office	**31-Dec-22**	30-Jun-22
Discount rate	5.5%-6.8%	5.5%-6.5%
Terminal yield	4.6%-7.0%	4.1%-6.5%
Capitalisation rate	4.0%-.6.5%	3.8%-6.8%
Expected vacancy period	6-18 months	6-18 months
Rental growth rate	2.8%-3.8%	2.2%-3.7%

Discount Rates

As shown in the below table, over the six months to 31 December 2022 discount rates utilised in the valuation of the Group's property portfolio expanded by approximately 22 basis points. Over the same time period, the implied property risk premium decreased by approximately 17 basis points. The implied property risk premium is the difference between the weighted average discount rate and the 10-year Australian Government bond yield. The decrease in the implied property risk premium is due to a greater rise in the 10-year Australian Government bond yield (39 basis points) relative to the increase in the Group's weighted average discount rate (22 basis points) over the six months to 31 December 2022.

	31-Dec-22	30-Jun-22
10-year Australian Government bond rate	4.05%	3.66%
Implied property risk premium	2.01%	2.18%
Weighted average 10-year discount rate used to value the Group’s properties	6.06%	5.84%

Capitalisation Rates

Office

Office transaction volume was relatively subdued over 1H23, with circa $7.5 billion transacting nationally compared to circa $8.8 billion over the 6 months prior. Sales activity slowed as buyers digested the impact of increased funding and hedging costs for overseas buyers. Eastern seaboard states recorded the largest amount of transaction activity over the half. Notable sales included the sale of a 50% interest in Southern Cross Towers, Melbourne CBD ($967.5m), 555 Collins Street, Melbourne CBD ($407m) and the Geoscience Building, Canberra ($363.5m). Sales that occurred within the Group’s markets, particularly those within the second quarter, provide reasonable guidance for the Group’s office properties and revealed market capitalisation rate expansion. The weighted average capitalisation rate used to value the Group’s office portfolio softened (increased) 23 basis points to 5.38% over the six months to 31 December 2022.

Industrial

Despite remaining the asset class of choice for many investors, investment activity for industrial assets slowed over the 1H23 ($3.8 billion 1H23, $6.3 billion 2H22). A low volume of assets brought to market, coupled with a degree of hesitancy from investors, impacted transaction volumes. Investment activity in Melbourne and Sydney was the strongest, with the majority of the balance split between Brisbane and Adelaide. Like the national office market, the national industrial market moved into a decompression cycle over 1H23, with yields decompressing for most assets in most markets. The weighted average capitalisation rate used to value the Group’s industrial portfolio softened (increased) 23 basis points to 4.95% over the six months to 31 December 2022.

Key valuation inputs

The key inputs used to measure fair value of investment properties held at fair value are disclosed below, along with the directional impact an increase and decrease in the input has on fair values:

		Impact on fair values	
Key valuation input	Description	Increase in the input	Decrease in the input
Market capitalisation rate	The rate at which the net market rental income is capitalised to determine the value of the property. The rate is determined with regard to market evidence and the prior external valuation. Used within the capitalisation method.	Decrease	Increase
Net market rent (per sqm)	The estimated amount for which a property, or space within a property, should lease between a lessor and a lessee on appropriate lease terms in an arm's length transaction. Used within both the capitalisation method and DCF method.	Increase	Decrease
Discount rate	The rate of return used to discount cash flows, payable or receivable in the future, into present value. The rate is determined with regard to market evidence and the prior external valuation. Used within the DCF method.	Decrease	Increase
Terminal capitalisation rate	The terminal capitalisation rate used to convert (capitalise) the future net market rental income at the end of the holding period into an indication of terminal value of the property. Used in the DCF method.	Decrease	Increase

The valuations of the Group's investment properties are sensitive to increases or decreases in key inputs, including market rents, growth rates and yields. An increase in discount rates, terminal yields and or capitalisation rates would decrease the fair value of investment property, whereas a decrease in these inputs would increase the fair value of investment property. Similarly, lower market rents and market rental growth rates would decrease the fair value of investment property, while higher rents and growth rates would increase fair values.

Contractual obligations

On 2 November 2022, the Group exchanged contracts to sell its 100 per cent freehold interest in 333 Ann Street, Brisbane, Queensland for $141.1 million (gross sale price). The sale settled on 17 January 2023 and the net proceeds were used to repay debt.

The Group has an obligation to make available $6.0 million to the tenant at 1 Charles Street, Parramatta, New South Wales to spend on capital expenditure or refurbishment at the property. As at 31 December 2022, $4.1 million of refurbishment works had been carried out, leaving a balance of $1.9 million which is held as restricted cash (refer note 2.8). As part of the 25-year lease contracted with the tenant in December 2019, the Group also entered a refurbishment deed under which it committed to contribute up to $44.0 million of office fit out and building refurbishment. As at 31 December 2022, the Group has made $1.3 million of contributions. To the extent the tenant does not utilise the full $44.0 million on these works, the balance will be provided as a rent abatement spread over the remaining lease term.

Movement in investment properties' carrying amounts

	6 months to Dec-22	6 months to Jun-22
	$m	*$m*
Opening balance	**5,233.1**	**5,055.6**
Acquisitions and expansion capital expenditure	182.2	148.2
Maintenance capital expenditure	7.6	11.6
Lease incentives and leasing costs	13.8	12.9
Amortisation of lease incentives and leasing costs	(20.0)	(17.5)
Transfer to assets held for sale	(130.4)	-
Straight lining of revenue adjustment	5.4	6.2
Amortisation of right-of-use leasehold assets recognised	(1.9)	(1.9)
Net (loss) / gain from fair value adjustments	(206.4)	18.0
Closing balance	**5,083.4**	**5,233.1**

2.4 Assets held for sale

As at 31 December 2022, there is one property classified as held for sale (30 June 2022: nil). Details of the value of properties held for sale are shown in the table below:

	31-Dec-22	30-Jun-22
	$m	*$m*
333 Ann Street, Brisbane, QLD[1]	130.4	-
Closing balance	**130.4**	**-**

1. The Group exchanged contracts to sell this property on 2 November 2022. The property is measured at its fair value less costs to sell as at 31 December 2022 and was reclassified from Investment properties. The sale settled on 17 January 2023.

2.5 Investment in securities

Carrying Amounts

Accounted for at fair value through profit and loss	**6 months to Dec-22**	**6 months to Jun-22**
	$'m	*$'m*
Listed		
Dexus Industria REIT [1]	142.2	132.4
Unlisted		
Co-investments in Fortius Funds [2]	4.3	-
Closing balance	**146.5**	132.4

[1] Fair value is at the last traded market price on the Australian Securities Exchange (ASX) as at the reporting date, which as at 31 December 2022 was $2.90 (30 June 2022: $2.70).

[2] The fair value per security is the unit price for each fund, representing net asset value per unit as at 31 December 2022.

The following table represents the fair value movement in investments in securities for the half year ended 31 December 2022.

	6 months to Dec-22	6 months to Jun-22
	$m	*$m*
Opening balance	132.4	172.2
Additions (including from acquisition of business)	4.1	-
Gain / (loss) in fair value	10.0	(39.8)
Closing balance	**146.5**	**132.4**

2.6 Receivables and other assets

As at 31 December 2022, the Group had $5.4 million in property revenue receivables outstanding (30 June 2022: $2.6 million). Deferrals granted during the COVID-19 pandemic have been agreed with tenants to be repaid over periods between October 2020 and January 2025 and have been classified between current and non-current receivables accordingly.

Of the current property revenue receivables balance not subject to COVID-19 deferrals, $0.5 million was more than 30 days past its due date (30 June 2022: $0.8 million). As at 31 December 2022, the Group maintained $0.2 million allowance for expected credit losses (ECL) (30 June 2022: $0.2 million). During 1H23 the Group incurred negligible credit losses (30 June 2022: $0.1 million).

Receivables and other assets are presented as follows:

	31-Dec-22	30-Jun-22
	$m	*$m*
Current		
Property revenue receivables	5.1	1.9
Property revenue receivables (COVID-19 deferrals)	0.5	0.9
Allowance for expected credit losses	(0.2)	(0.2)
Distribution receivables	2.0	2.1
Prepayments	7.8	2.4
	15.2	**7.2**
Non-current		
Deposit and acquisition costs for investment property	-	16.7
	-	**16.7**

2.7 Trade and other liabilities

Trade and other liabilities are presented as follows:

	31-Dec-22	30-Jun-22
	$m	*$m*
Current		
Trade payables	4.4	0.7
Employee entitlements	2.4	1.3
GST payable	2.1	1.5
Accrued expenses – other	20.0	19.4
Unearned income	16.2	22.1
Other liability[1]	1.1	1.1
Business combination variable consideration	4.0	-
	50.2	**46.1**
Non-current		
Business combination variable consideration	0.3	-
	0.3	**-**

1. The other liability of $1.1 million is an amount of cash received by a tenant which is required to be used to fund capital expenditure by the Company as the custodian of the Charles Street Property Trust in relation to that tenancy. The amount held is classified as restricted cash (Refer to Note 2.8).

2.8 Restricted cash

The Group held $3.0 million of restricted cash in trust as at 31 December 2022 (30 June 2022: $3.0 million) in relation to its role as custodian of the Charles Street Property Trust. The balance comprises $1.9 million of the Group's own cash along with $1.1 million received from a tenant. These funds are not available for general use by the Group.

2.9 Intangible assets

Intangible assets are presented as follows:

	31-Dec-22	30-Jun-22
	$m	*$m*
Current		
Management rights	5.8	-
	5.8	**-**
Non-current		
Management rights	4.1	
Goodwill	41.7	-
	45.8	**-**

The following table represents the movement in intangible assets for the half year ended 31 December 2022:

	6 months to Dec-22	6 months to Jun-22
	$m	*$m*
Management rights		
Opening balance	-	-
Acquisition through business combination	10.3	-
Amortisation	(0.4)	-
Closing balance	**9.9**	-
Goodwill		-
Opening balance	-	-
Acquisition through business combination	41.7	-
Closing balance	**41.7**	-

Section 3: Capital structure and financing

3.1 Interest bearing liabilities

The table below shows the movements in the Group's interest-bearing liabilities during the half-year reported in Australian dollars.

		Movement during period					
	Opening balance 1-Jul-22	Net cash (repayments)/ drawdowns of borrowings	Foreign exchange rate adjustments recognised in profit or loss	**Closing balance 31-Dec-22**	Facility limit	Facility headroom	**Maturity**
Secured loans	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*	
Current							
Floating bank facility 1	40.0	(40.0)	-	-	-	-	Dec-22
Total current loans	**40.0**	**(40.0)**	**-**	-	**-**	**-**	
Less unamortised up-front costs	-	-	**-**	**-**			
Carrying amount - Current	**40.0**	**(40.0)**	**-**	**-**			
Non-current							
Syndicated bank facility							
- Facility B	100.0	-	-	100.0	100.0	-	Mar-26
- Facility C	245.0	-	-	245.0	245.0	-	Dec-26
- Facility D	70.0	-	-	70.0	70.0	-	Dec-26
- Facility E	150.0	-	-	150.0	150.0	-	Jun-26
- Facility G	150.0	-	-	150.0	150.0	-	Sep-26
- Facility H	-	75.0	-	75.0	75.0	-	Dec-24
- Facility I	-	75.0	-	75.0	75.0	-	Dec-24
- Facility K	-	50.0	-	50.0	50.0	-	May-25
- Facility L	-	23.0	-	23.0	50.0	27.0	May-27
- Facility M	75.0	-	-	75.0	75.0	-	Nov-25
- Facility N	75.0	-	-	75.0	75.0	-	Nov-25
- Facility O	75.0	-	-	75.0	75.0	-	Apr-27
- Facility P	71.5	3.5	-	75.0	75.0	-	Apr-27
- Facility Q	-	50.0	-	50.0	50.0	-	Apr-27
Floating bank facility 2	-	-	-	-	100.0	100.0	Apr-28
Floating bank facility 3	-	-	-	-	100.0	100.0	Nov-27
Loan note 1	200.0	-	-	200.0	200.0	-	Mar-25
Loan note 2	100.0	-	-	100.0	100.0	-	Dec-26
USPP 1 (USD 100.0m) [1]	145.5	-	1.5	147.0	147.0	-	Jun-27
USPP 2 (USD 40.0m) [1]	58.0	-	0.6	58.6	58.6	-	Jun-29
USPP 3 (AUD 26.0m)	26.0	-	-	26.0	26.0	-	Jun-29
USPP 4 (USD 115.0m) [1]	167.0	-	1.7	168.7	168.7	-	May-29
Total non-current loans	**1,708.0**	**276.5**	**3.8**	**1,988.3**	**2,215.3**	**227.0**	
Less unamortised up-front costs	(8.0)	(0.8)	-	(8.8)			
Carrying amount – Non-current	**1,700.0**	**275.7**	**3.8**	**1,979.5**			
Total loans	**1,748.0**	**236.5**	**3.8**	**1,988.3**	**2,215.3**	**227.0**	
Less: unamortised up-front costs	**(8.0)**	**(0.8)**	**-**	**(8.8)**			
Total carrying amount	**1,740.0**	**235.7**	**3.8**	**1,979.5**			

[1] USD denominated debt closing balance and facility limits are reported in AUD at the 31 December 2022 spot rate of 0.68 (30 June 2022: 0.69).

The following changes to interest bearing liabilities were made during 1H23:

- In September 2022, the Group established Floating bank facility 2, of $100 million, with 5.5 year tenor at current market pricing.
- In November 2022, the Group established Floating bank facility 3, of $100 million, with 5 year tenor at current market pricing.
- In December 2022, Floating bank facility 1 of $90 million matured and the drawn amount of $40 million was repaid on maturity date.

The weighted average cost of debt (WACD) across the Group's interest bearing liabilities (including bank margin, line fees and amortisation of upfront fees) as at 31 December 2022 was 4.23% per annum (30 June 2022: 3.38% per annum). Refer to note 3.3 for details on interest rate and cross currency swaps.

Fair value

As at 31 December 2022, the Group's interest-bearing liabilities had a fair value of $1,880.9 million (30 June 2022: $1,639.2 million).

The carrying amount of these interest-bearing liabilities was $1,979.5 million (30 June 2022: $1,740.0 million). The difference between the carrying amounts and the fair values is due to:

- Unamortised up-front costs which are included in the carrying amounts but excluded from fair values; and
- Movements in discount rates applied in fair value discount cash flows based on current funding curves.

Assets pledged as security

The bank loans, Loan Notes and USPP payable by the Group are secured by first ranking mortgages over the Group's real property interests, including those classified as investment properties.

3.2 Borrowing costs

Borrowing costs can be analysed as follows:

	1H23	1H22
	$m	*$m*
Bank interest expense and charges	35.6	21.6
Amortisation of borrowing costs	1.0	0.8
Interest expense on lease liabilities	2.0	2.0
	38.6	24.4

3.3 Derivative financial instruments

The Group's derivative financial instruments are summarised below:

	31-Dec-22	30-Jun-22
	$m	*$m*
Derivative financial instrument contracts		
Total current derivative financial instrument assets	1.2	-
Total non-current derivative financial instrument assets	50.4	59.1
Total non-current derivative financial instrument liabilities	(4.7)	(0.3)
	46.9	58.8

Instruments used by the Group

The Group is party to derivative financial instruments to hedge exposure to fluctuations in interest and currency rates in accordance with the Group's financial risk management policies.

Interest rate swap contracts

The Group uses interest rate swaps to economically hedge part of its floating rate debt to fixed rate debt. Interest rate swaps in effect as at 31 December 2022 covered 49% (30 June 2022: 44%) of the floating rate loan principal outstanding. With total fixed interest rate debt of $1,218.5 million outstanding (30 June 2022: $1,048.5 million), the total fixed interest rate coverage of outstanding principal is 62% (30 June 2022: 61%).

During 1H23, the Group entered into four new interest rate swaps with total face value $170.0 million.

The average interest rate swap fixed interest rate paid as at 31 December 2022 was 1.86% per annum (30 June 2022: 1.33% per annum) and the variable interest rate received is 3.05% per annum (30 June 2022: 1.13% per annum) at balance date. See table below for further details of interest rate swaps in effect as at 31 December 2022:

Counter Party	Amount of Swap	Swap Expiry	Fixed Rate	Term to Maturity
	$m		*% p.a.*	*Years*
Interest rate swaps				
NAB	20.0	Dec-23	0.22%	1.0
WBC	15.0	Dec-23	0.21%	1.0
ANZ	100.0	Jun-25	0.60%	2.5
ANZ	100.0	Jun-25	1.29%	2.5
WBC	75.0	Sep-24	0.50%	1.7
NAB	25.0	Sep-24	0.44%	1.7
NAB	35.0	Dec-25	1.48%	3.0
ANZ	25.0	Feb-24	0.22%	1.1
CBA	35.0	Feb-29	2.29%	6.2
ANZ	50.0	Mar-27	2.08%	4.2
NAB	25.0	Jun-26	4.08%	3.5
ANZ	20.0	Jun-26	3.73%	3.5
WBC	15.0	Jun-26	3.72%	3.5
ANZ	60.0	Sep-27	3.57%	4.7
NAB	30.0	Sep-26	3.55%	3.7
WBC	30.0	Oct-26	3.59%	3.8
ANZ	50.0	Dec-25	3.51%	3.0
Total / Weighted average	**710.0**		**1.86%**	**3.0**

These contracts require settlement of net interest receivable or payable monthly. The settlement dates generally coincide with the dates on which interest is payable on the underlying debt. These contracts are settled on a net basis.

Cross currency swap and Cross currency interest rate swap contracts

The Group is a party to several swaps to mitigate the currency and/or interest rate risk exposures of its USPP bonds.

Cross currency interest rate swaps

The cross-currency interest rate swaps hedge both foreign exchange risk and interest rate risk. The quarterly coupon payments are swapped from a USD denominated principal at a fixed interest rate into an AUD denominated principal at a fixed AUD interest rate. The USD denominated principal repayment at expiry is swapped into a fixed AUD amount.

Cross currency swap

The cross-currency swap hedges the quarterly coupon payments from a USD denominated principal at a fixed interest rate into an AUD denominated principal exposed to BBSW plus a fixed margin. The USD denominated principal repayment at expiry is swapped for a fixed AUD amount.

Counter Party	Amount of Swap	Swap Expiry	Fixed Rate	3 months BBSW+	Term to Maturity
	$m		*%*	*%*	*Years*
Cross currency interest rate swaps					
NAB	32.6	Jun-27	5.29%	-	4.5
Westpac	32.6	Jun-27	5.29%	-	4.5
ANZ	32.6	Jun-27	5.27%	-	4.5
CBA	32.6	Jun-27	5.26%	-	4.5
NAB	13.0	Jun-29	5.47%	-	6.5
Westpac	13.0	Jun-29	5.47%	-	6.5
ANZ	13.0	Jun-29	5.45%	-	6.5
CBA	13.0	Jun-29	5.44%	-	6.5
Cross currency swap					
Westpac	161.0	May-29	-	5.29%	6.4
Total / Weighted average	**343.4**		**5.33%**	**5.29%**	**5.7**

3.4 Financial instrument fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	$m	*$m*	*$m*	*$m*
31-Dec-22				
Investment in securities	142.2	-	4.3	146.5
Derivative financial assets	-	51.6	-	51.6
Derivative financial liabilities	-	(4.7)	-	(4.7)
Business combination variable consideration	-	-	(4.3)	(4.3)
	142.2	46.9	-	189.1
30-Jun-22				
Investment in securities	132.4	-	-	132.4
Derivative financial assets	-	59.1	-	59.1
Derivative financial liabilities	-	(0.3)	-	(0.3)
	132.4	58.8	-	191.2

Determination of fair value

Derivative financial assets and liabilities

The fair value of derivatives is estimated using valuation techniques including discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates and exchange rates for a substitute instrument at the measurement date. Fair values reflect the credit risk of the instrument, the Group and counterparty when appropriate. Derivatives are classified as Level 2 on the fair value hierarchy as the inputs used to determine fair value are observable market data but not quoted prices.

Investment in securities

Listed investments comprises the investment in Dexus Industria REIT (ASX: DXI). Fair value is at the last traded market price on the ASX as at the reporting date. The Dexus Industria REIT investment has been classified as Level 1 in the fair value hierarchy as the inputs used to determine fair value are quoted prices (unadjusted) in active markets for identical assets.

Unlisted investments comprise investments in unlisted property fund securities. They have been designated on initial recognition to be treated at fair value through profit or loss. Movements in fair value during the period have been recognised in the consolidated statement of comprehensive income. These assets have been acquired with the intention of being long-term investments. Where the assets in this category are expected to be sold within 12 months, they are classified as current assets; otherwise they are classified as non-current.

The carrying amount of investments in securities held at fair value through profit and loss, which are investments in unlisted securities, is determined by reference to the corresponding balance date unit price of the fund, which represents the net asset value attributable to each unit. The net asset values are largely driven by the fair values of investment properties held by the funds. Each property is externally valued at least annually. Recent arm's length comparable transactions, if any, are taken into consideration. A change in the fair value of investment properties results in a corresponding change in the fund’s unit price. The investments in unlisted funds have been classified as Level 3 in the fair value hierarchy as the inputs for the assets are not based on observable market data.

Movement in investment in securities Level 3 fair value amounts

	6 months to Dec-22	6 months to Jun-22
	$m	*$m*
Opening balance	**-**	**-**
Additions (including from acquisition of business)	4.1	-
Net gain from fair value adjustments	0.2	-
Closing balance	**4.3**	**-**

Business combination variable consideration

Performance fee earn-out liabilities under the purchase agreement is classified as variable consideration in the FFM business combination. They have been designated on initial recognition to be treated at fair value through profit or loss. Movements in fair value during the period have been recognised in the consolidated statement of comprehensive income.

Fair value is based on market values, being the estimated amount for which the instrument could be exchanged on the date of the valuation between a willing buyer and willing seller in an arm’s length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.

The fair value of the business combination variable consideration is classified as Level 3 in the fair value hierarchy based on the significant unobservable inputs into the valuation techniques used.

Key valuation inputs

The key inputs used to measure fair value of the business combination variable consideration held at fair value are disclosed below, along with the directional impact an increase and decrease in the input has on fair values:

		Impact on earn out liability fair values	
Key valuation input	Description	Increase in the input	Decrease in the input
Current property valuation	The fund's current property valuation, used as proxy for the sale price at expected exit date of the fund in the valuation cash flow, has a significant influence on the performance fee outcome.	Increase	Decrease
Forecast fund distributions	The forecast cashflow from fund distributions through to the expected exit date of the fund, reflecting the net income of the fund, primarily net property income from the underlying property, offset by borrowing costs and any fund level expenses.	Increase	Decrease
Discount rate	The rate of return used to discount cash flows, payable or receivable in the future, into present value. The rate is determined with regard to comparable acquisition fair value assessments. Includes additional risk premium to allow for volatility in property valuations and capitalisation rates over the remainder of each fund's expected term.	Decrease	Increase

Movement in business combination variable consideration fair value amounts

	6 months to Dec-22	6 months to Jun-22
	$m	*$m*
Opening balance	**-**	**-**
Business combination variable consideration – as part of FFM acquisition	4.4	-
Net gain from fair value adjustments	(0.1)	-
Closing balance	**4.3**	**-**

3.5 Contributed equity and reserves

Contributed Equity

Contributed equity can be analysed as follows:

	6 months to Dec-22	**6 months to Dec-22**	6 months to Dec-21	6 months to Dec-21
	No. (m)	*$m*	*No. (m)*	*$m*
Opening balance at 1 July	771.7	2,046.5	771.9	2,048.6
Securities issued through employee incentive plans	0.3	-	0.2	-
Securities bought back on market	(6.0)	(21.0)	-	-
Closing balance at 31 December	**766.0**	**2,025.5**	**772.1**	**2,048.6**

Distribution reinvestment plan

The Distribution Reinvestment Plan will remain suspended for the 31 December 2022 distribution of the Group.

3.6 Distributions to Securityholders

Period for distribution	Distributions	Total stapled securities	Distributions per stapled security
	$m	*(m)*	*(cents)*
Half year to 31 December 2022	82.0	766.0	10.7
Half year to 30 June 2022	80.3	771.7	10.4
Half year to 31 December 2021	80.3	772.1	10.4

The distribution for the half year to 31 December 2022 will comprise a 10.7 cents per security distribution from the Trust.

Section 4: Other notes

4.1 Related party transactions

Director transactions

Several Directors, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

One of these entities transacted with the Group in the reporting period. The terms and conditions of the transaction were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions with non-related parties on an arm's length basis.

The aggregate value of transactions paid for services rendered in the prior period relating to directors and entities over which they have significant control or significant influence were as follows:

Director	Transaction	**6 months to Dec-22**	6 months to Dec-21
		$	$
G. Jackson[1]	Investment property valuation	36,245	12,375

The aggregate value of outstanding balances payable at the reporting date relating to directors and entities over which they have significant control or significant influence were as follows:

Director	Transaction	**31-Dec-22**	30-Jun-22
		$	$
G. Jackson[1]	Investment property valuation	46,200	39,545

1. The Group used the valuation services of m3property, a company of which Mr Jackson is a director, to independently value five properties (1H22: two). Amounts were billed based on normal market rates for such services and were due and payable under normal payment terms and Mr Jackson was not directly involved in the Group's engagement of m3property or the valuation of the five properties.

Related entity transactions

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the half year and amounts payable at half-year end between the Group and its related entities:

	6 months to Dec-22	6 months to Dec-21
	$m	*$m*
Funds management revenue from related entities	2.8	-

	31-Dec-22	30-Jun-22
	$m	*$m*
Funds management revenue receivable from related entities	0.6	-

4.2 Contingent liabilities

As part of the Group's acquisition of Fortius Funds Management Pty Ltd (Fortius), the Group has agreed to pay the selling shareholders an earn-out component of up to $10 million payable based on agreed milestones relating to funds under management (FUM) and revenue growth targets being met over the period to 30 June 2024. The earn-out component has been classified as compensation for post-combination services and is not considered part of the business combination. At this stage, the possible future outflow is uncertain and is not reliably measurable. Accordingly, the earn-out has been classified as a contingent liability and no provision for any liability has been made.

4.3 Subsequent events

On 17 January 2023, settlement occurred on the sale of 333 Ann Street, Brisbane, Queensland. There have been no other subsequent events since balance date likely to significantly affect the operations of the business, the results of those operations or the state of affairs of the Group in future financial years.

Directors' declaration

In the opinion of the Directors:

(a) the attached Financial Statements and notes set out on pages 14 to 40 are in accordance with the *Corporations Act 2001* (Cth), including:

- (i) complying with Australian Accounting Standards and the Corporations Regulations 2001 (Cth); and
- (ii) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half year ended on that date;

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1; and

(c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Timothy Collyer
Managing Director

Growthpoint Properties Australia

16 February 2023

Independent Auditor’s report

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Building a better working world

Independent Auditor's Review Report to the Stapled Security Holders of Growthpoint Properties Australia

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Growthpoint Properties Australia Limited and Growthpoint Australia Trust (collectively Growthpoint Properties Australia or the ‘Group’), which comprises the condensed statement of financial position as at 31 December 2022, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors’ declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor’s responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors’ responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Independent Auditor's report (continued)

Building a better working world

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

David Shewring
Partner
Melbourne
16 February 2023

Glossary

Term	Definition
1H	First half of the financial year
ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory, Australia
A-REIT	Australian Real Estate Investment Trust
ASX	Australian Securities Exchange
b	Billion
bps	Basis points
Botanicca 3	Building 3, 570 Swan Street, Richmond, Victoria
capex	Capital expenditure
cap rate or capitalisation rate	The market income produced by an asset divided by its value or cost
CBD	Central business district
CBRE	An international commercial real estate services firm
CDP	A global environmental disclosure system
CPI	Consumer price index
cps	Cents per security
CY	Calendar year
DXI	Dexus Industria REIT
EBIT	Earnings before interest and taxes
ESG	Environment, social and governance
FFO	Funds from operations
FUM	Funds under management
FY	Financial year
Fortius	Fortius Funds Management
gearing	Interest bearing liabilities less cash divided by total assets less ground leasehold assets, intangible assets/goodwill, and cash
GOZ	Growthpoint or Growthpoint's ASX trading code or ticker
GreenPower	Electricity generated under the National GreenPower Accreditation Program
GRESB	Global Real Estate Sustainability Benchmark
Growthpoint or the Group	Growthpoint Properties Australia comprising the Company, the Trust and their controlled entities
GSO Dandenong	Government Service Office (GSO) Dandenong at 165-169 Thomas Street, Dandenong, Victoria
ICR	Interest coverage ratio
IRR	Internal rate of return
JLL	The Australian arm of Jones Lang LaSalle, an international professional services and investment management firm

Term	Definition
LVR	Loan to value ratio
m	Million
NABERS	National Australian Built Environment Rating System
net zero by 2025 target	Net zero emissions by 1 July 2025 for all scope 1 and scope 2 emissions from our 100% owned on balance sheet operationally controlled office assets and scope 1, scope 2 and some scope 3 emissions from our corporate activities.
NSW	New South Wales, Australia
NTA	Net tangible assets
Payout ratio	Distributions ($ million) divided by FFO ($ million)
PV	Photovoltaic
Q	Quarter
QLD	Queensland, Australia
REIT	Real Estate Investment Trust
SA	South Australia, Australia
sqm	Square metres
USPP	United States Private Placement
VIC	Victoria, Australia
WA	Western Australia, Australia
WACR	Weighted average capitalisation rate
WALE	Weighted average lease expiry
WARR	Weighted average rent review
Woolworths	Woolworths Group Limited
yr	Year

Corporate Directory.

Growthpoint Properties Australia Limited
ABN 33 124 093 901; AFSL No 316409
Growthpoint Properties Australia Trust
ARSN 120 121 002

Registered Office
Level 18, 101 Collins Street,
Melbourne VIC 3000
Phone: +61 (3) 8681 2900
growthpoint.com.au

Directors
Geoffrey Tomlinson, Timothy Collyer, Andrew Fay, Grant Jackson, Estienne de Klerk, Deborah Page AM, Norbert Sasse, Josephine Sukkar AM

Company Secretaries
Jacquee Jovanovski, Dion Andrews

Auditor
Ernst & Young
8 Exhibition Street
Melbourne VIC 3000

ASX
Growthpoint Properties Australia's securities are listed on the ASX under the ticker code 'GOZ'.

Contact us.

Retail Investors
Computershare
1300 665 792 (within Australia)
+61 (3) 9415 4366 (outside Australia)
webqueries@computershare.com.au

Institutional Investors
Kirsty Collins
Investor Relations Manager
+61 (3) 8681 2933
investor.relations@growthpoint.com.au

Growthpoint Properties Australia
Level 18, 101 Collins Street,
Melbourne VIC 3000
+61 (3) 8681 2900
info@growthpoint.com.au
growthpoint.com.au

2023 calendar.

27 April – 3Q23 update
17 August – FY23 results
16 November – Annual General Meeting

Dates are indicative and subject to change.

GROWTHPOINT
PROPERTIES AUSTRALIA