



Home Co.
Daily Needs
REIT

FY23 Results Presentation

17 August 2023

Acknowledgement of Country

HomeCo Daily Needs REIT acknowledges the Traditional Custodians of country throughout Australia and celebrates their diverse culture and connections to land, sea and community.

We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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





Victoria Point (QLD)

Agenda.

1

Results Overview

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Portfolio Update

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Growth Opportunities

4

Financial Results

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Outlook & Guidance



Sid Sharma
HDN CEO



Will McMicking
HMC Capital
Group CFO



Paul Doherty
Fund Portfolio
Manager



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Braybrook (VIC)

Results Overview

FY23 Performance

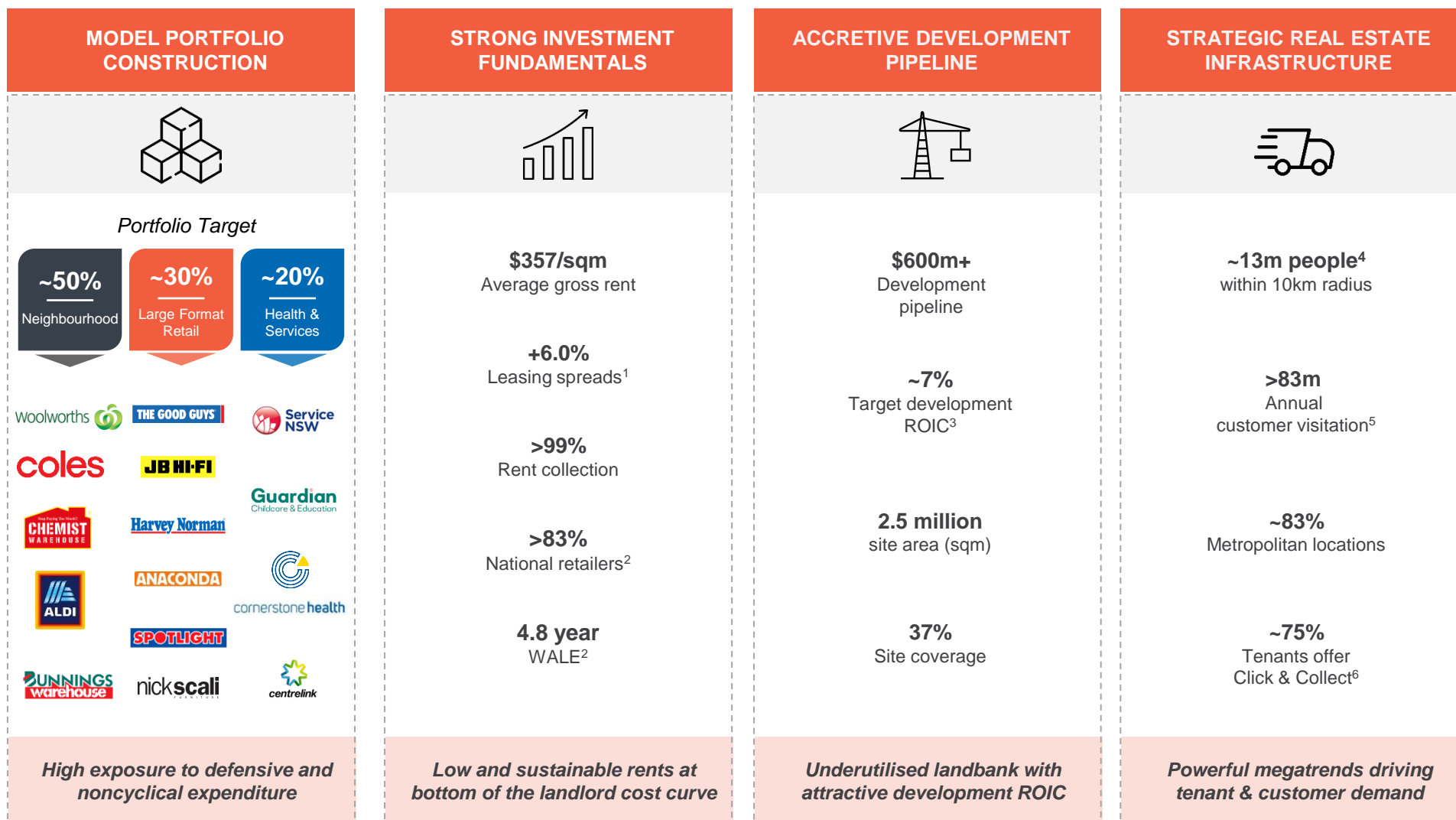
Successfully absorbed significant growth in debt costs with strong underlying rental growth

FINANCIAL	ASSET MANAGEMENT	INVESTMENT
<p>8.6 cpu FY23 FFO In line with guidance</p>	<p>>99% OCCUPANCY In line with Jun-22⁴</p>	<p>~\$443m ACCRETIVE CAPITAL RECYCLING⁵ \$285m assets sold at combined 3% premium to book</p>
<p>\$1.48 NTA/Unit Strong rental growth partially offsetting cap rate movement¹</p>	<p>>99% RENT COLLECTION FY23 contracted rent</p>	<p>>\$80m ACTIVE DEVELOPMENTS ~7% target ROIC⁶</p>
<p>32.8% PROFORMA GEARING² Lower end of 30-40% target range \$272m total available liquidity</p>	<p>+3.8% COMP PROPERTY NOI GROWTH Consistent with FY23 guidance</p>	<p>>\$120m FY24 DEVELOPMENT COMMENCEMENTS ~7% target ROIC⁶</p>
<p>91.5% INTEREST RATE HEDGING Jun-23³</p>	<p>+6.0% LEASING SPREADS Versus 5.7% at Jun-22 174 new leases and renewals with low incentives</p>	<p>\$600m+ FUTURE PIPELINE Upscaled from \$500m >20 projects identified</p>

Notes: All FY23 metrics as at 30-Jun-23 include McGraths Hill and Menai Marketplace on an 100% basis and the disposal of Midland. 1. NTA includes the fair value of derivatives. 2. Gearing is defined as Borrowings (excluding unamortised debt establishment costs) less cash divided by Total Assets less Right of use assets and Cash and cash equivalents. Pro-forma adjusted for the disposal of Midland which is expected to settle in Sep-23. 3. Based on drawn debt as at Jun-23 and pre Midland sale. 4. By GLA and includes rental guarantees. 5. Represents acquisition of Southlands Boulevard, the additional land parcel acquisition at Armstrong Creek and the \$50m LML Fund commitment by HDN and disposals of Epping, Sunshine Coast and Midland (which is expected to settle in Sep-23). 6. Return on invested capital (ROIC) represents cash yield on cost once development is fully stabilised. Estimated ROIC is based on assumptions relating to future income, valuation, capex and calculated on a fully stabilised basis.

Investment Strategy

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



Notes: All FY23 metrics as at 30-Jun-23 include McGraths Hill and Menai Marketplace on an 100% basis and the disposal of Midland. 1. For new leases and renewals, includes Epping. 2. By gross income for signed leases and signed MoUs. 3. Return on Invested Capital (ROIC) represents estimated fully stabilized cash yield on cost. 4. Australian Bureau of Statistics. 5. Includes customer visitation for Epping. 6. Weighted by gross income. Excludes fuel and services tenants.



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Ellenbrook (WA)

2. Portfolio Update

Property portfolio summary

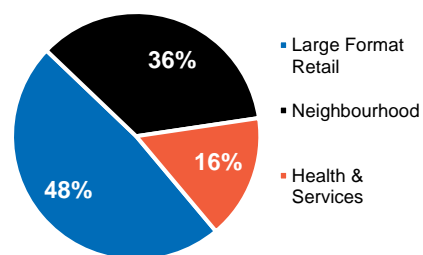
\$4.7bn portfolio diversified by subsector, tenant and geography

Platform Overview

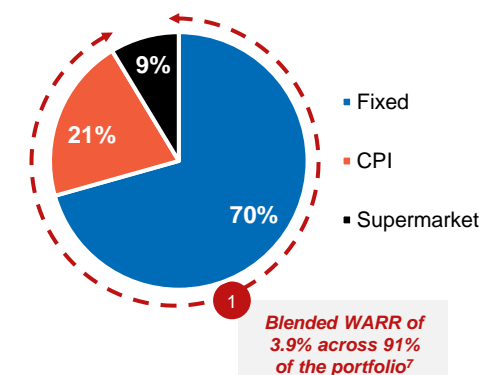
Key portfolio metrics

Portfolio value	\$4,677m	
Landbank (sqm)	2.5m sqm	
Site coverage	37%	
WACR ¹	5.46%	
WALE ²	4.8 years	
Occupancy ⁴	>99%	
WARR Fixed ^{2,5}	3.6%	3.9%
WARR CPI ^{2,6}	4.9%	
Tenants	~1,200	
Average gross rent	\$357/sqm	
Outgoings recovery rate	>60%	

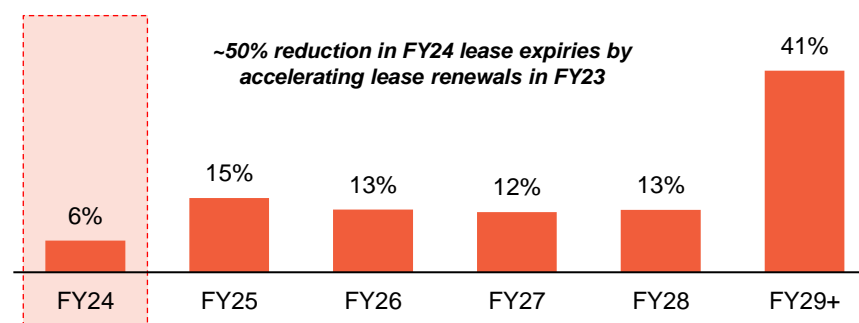
Tenant mix²



Rent composition²



Lease expiry profile^{2,3}







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

Notes: All FY23 metrics (except for fair value) as at 30-Jun-23, include McGraths Hill and Menai Marketplace on an 100% basis (\$57.0m and \$175.0m with 25.3% and 50.1% owned by HDN respectively) and excluding ROU assets at Parafield and Caringbah (\$11.0m), pro forma adjusted for the disposal of Midland. 1. Weighted Average Capitalisation Rate by gross income. 2. Weighted Average Lease Expiry by gross income for signed leases and MoUs. 3. Excludes McGraths Hill and Menai Marketplace. 4. By Gross Lettable Area (GLA) and includes rental guarantees. Excludes land parcels. 5. Weighted Average Rent Reviews on 70% Group tenants that are contracted under fixed escalation rental agreements. 6. Weighted Average Rent Reviews based on CPI-linked escalations set over FY23. 7. Includes both fixed and CPI escalations. Excludes Supermarket Turnover rent.

Robust operational performance

Resilient portfolio performance despite more subdued consumer confidence and expenditure

<p>1</p> <p>STRONG RENT COLLECTION AND GROWTH</p>		<p>Occupancy</p> <p>>99%</p> <p>for FY23¹</p>	<p>Cash collection</p> <p>>99%</p> <p>for FY23</p>	<p>Comp Property NOI</p> <p>+3.8%</p> <p>vs 30-Jun-22²</p>
<p>2</p> <p>ROBUST TENANT DEMAND</p>		<p>Leasing spreads³</p> <p>+6.0%</p> <p>174 new leases & renewals</p>	<p>Incentives⁴</p> <p>5.3%</p> <p>Low incentives</p>	<p>Leasing</p> <p>104,000m²</p> <p>31,960m² development leasing</p>
<p>3</p> <p>RESILIENT TENANT PERFORMANCE</p>		<p>Foot Traffic Growth YoY</p> <p>>9%</p> <p>Comp growth vs FY22</p>	<p>Foot Traffic v Pre-Covid</p> <p>>20%</p> <p>Comp growth vs FY20</p>	<p>Tenant MAT growth</p> <p>+4.9%</p> <p>vs 30-Jun-22⁵</p>
<p>4</p> <p>FORTIFYING RENTAL BASE</p>		<ul style="list-style-type: none"> ▪ Continued focus on remixing tenant base to increase exposure to more defensive daily needs focused retailers and maintaining high exposure to national operators <ul style="list-style-type: none"> – ~3% of tenants⁶ were recycled into non-discretionary and stronger covenant retailers in FY23 ▪ Accelerated FY24 leasing to address upcoming expiries ahead of expected slowdown in consumer spending <ul style="list-style-type: none"> – Approximately 50% of FY24 expiring income has been leased 		

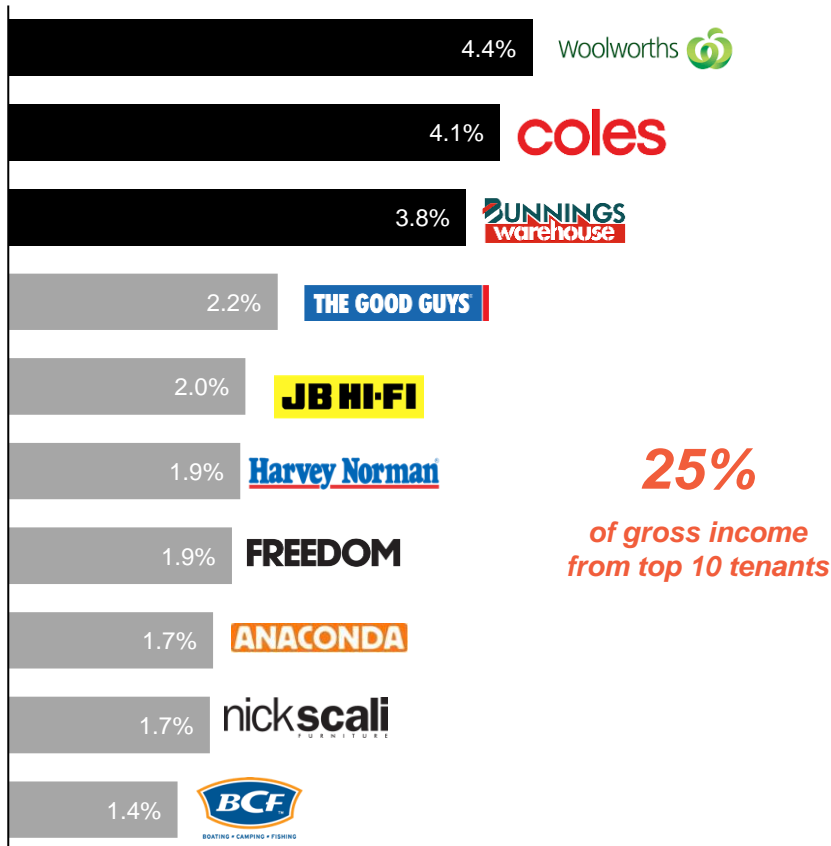
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Highly defensive and diversified income streams

High quality and diversified portfolio delivering secure and growing cash flow



Top 10 tenants – by gross income¹



Portfolio subsectors – gross income split and key tenants¹



Notes: All FY23 metrics (except for fair value) as at 30-Jun-23, include McGraths Hill and Menai Marketplace on an 100% basis (\$57.0m and \$175.0m with 25.3% and 50.1% owned by HDN respectively) and excluding ROU assets at Parafield and Caringbah (\$11.0m), pro forma adjusted for the disposal of Midland. 1. By gross income for signed leases and MOUs. 2. Weighted Average Rent Reviews for tenants contracted under fixed escalation rental agreements is 3.6%. Weighted Average Rent Reviews based on CPI-linked escalations set over FY23 is 4.9% 3. Excludes Supermarkets that have fixed or CPI reviews.

Sustainability FY23 Achievements

Implementing HMC Capital's Sustainability Commitments across the HDN portfolio

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

"Creating Healthy Communities"



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



Environmental

- ✓ On track with Net Zero Energy Roadmap
- ✓ Achieved 15% group wide reduction in scope 1 and 2 carbon emissions¹
- ✓ Solar PV now active in 10 sites, with an additional 5 sites under installation
- ✓ Installed EMS at 27 sites, resulting in a 23%² reduction in energy consumption
- ✓ South Nowra & Mackay developments targeting 4 Star Green Star rating
- ✓ Portfolio average of 3.8 Star NABERS Energy rating and 5.1 Star NABERS Water rating
- ✓ Green Star performance ratings

Social

- ✓ 50% gender diversity achieved organisation-wide
- ✓ Progressed Reconciliation Action Plan to "Reflect" stage
- ✓ Nil employee Lost-Time Injuries achieved in FY23
- ✓ Sustainability Committee Formed with quarterly meetings scheduled
- ✓ Aligned Community partnership program committed
- ✓ Supported Lismore community post-flood during the rebuild and relaunch of our town centre. Celebrated opening with Family Community Day.

Governance

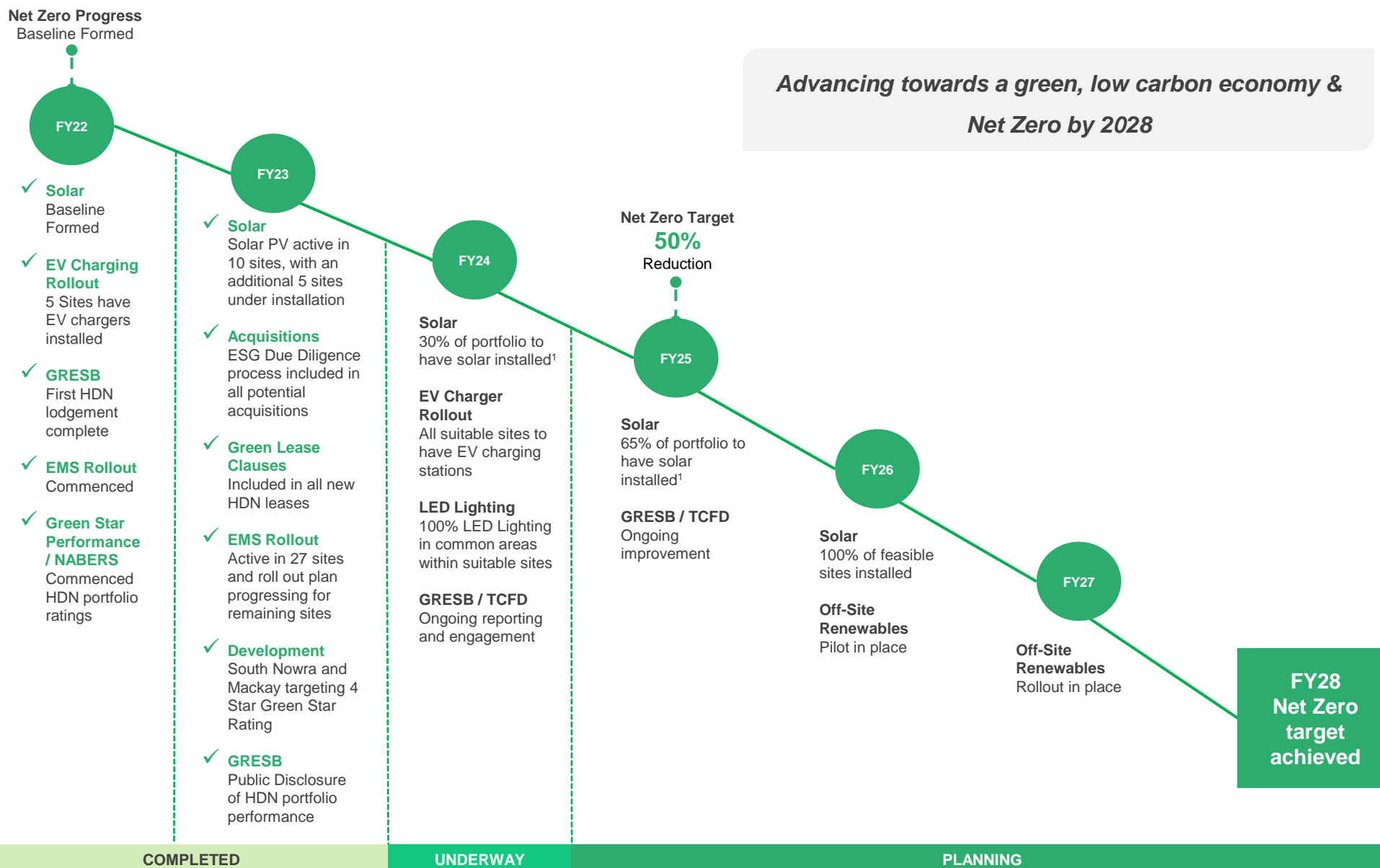
- ✓ Awarded 2023 ESG Regional Top-Rated company with Morningstar Sustainalytics
- ✓ Member of ANREV and GBCA
- ✓ Responsible investment standards adopted for all acquisitions
- ✓ ESG KPIs established for leadership team
- ✓ Inaugural Modern Slavery Statement lodged
- ✓ Second GRESB rating submission filed
- ✓ GRI Reporting Framework standards adopted



Notes: 1. HMC Capital managed assets where the tenant is responsible for electricity consumption are excluded from the dataset and based on FY21 baseline.
2. Based on sites installed for more than 3 months.

Sustainability progress

Energy roadmap



Notes 1. % of feasible solar sites



South Nowra (NSW)

3. Growth Opportunities

Development track record

Significant value unlocked since IPO

>\$160m

Capex committed since IPO in Nov-20

>9%
Average ROIC¹

16 projects

Completed since IPO in Nov-20

Daily Needs



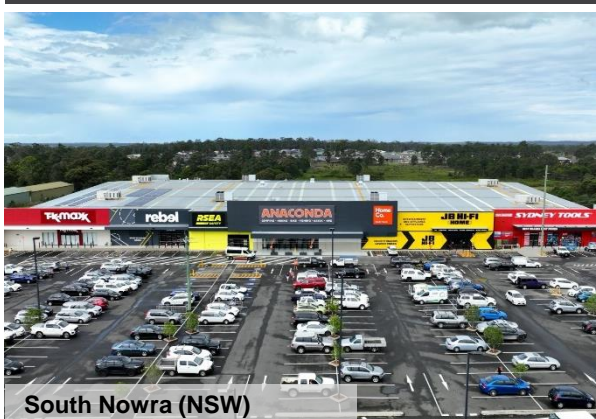
Gregory Hills (NSW)

3 projects completed

27,895sqm of GLA repurposed / added



Large Format Retail



South Nowra (NSW)

10 projects completed

28,118sqm of GLA repurposed / added



Health & services



Aurrum Kids Penrith (NSW)

3 projects completed

4,747sqm of GLA repurposed / added



HMC Capital has successfully delivered over 50 projects spanning >500k sqm of GLA since acquiring the ex-Masters portfolio in 2017

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

HDN development pipeline overview

\$600m value accretive development pipeline capitalising on low portfolio site coverage of 37%



Pipeline continues to offer compelling risk adjusted returns

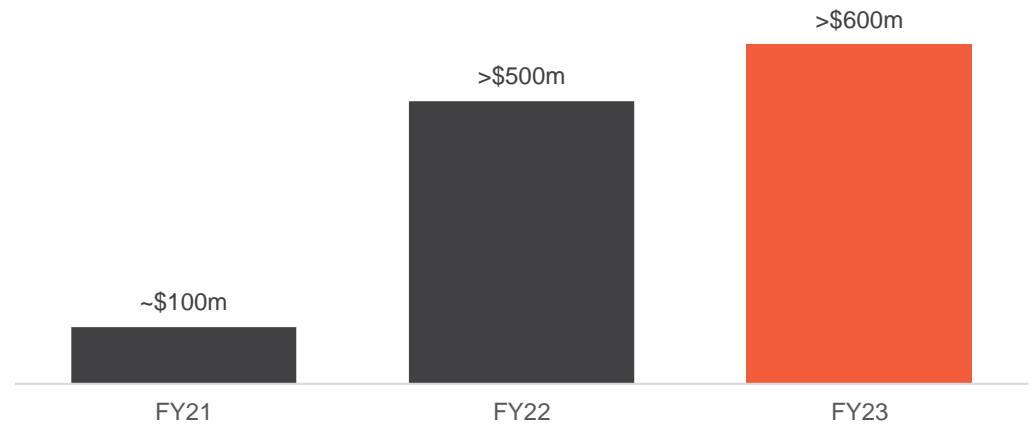


Accelerating remixing towards more defensive daily needs tenants



Tenant demand led development projects

HDN Development pipeline evolution



\$600m+
INVESTMENT OPPORTUNITIES

\$82m
WORK IN PROGRESS ACROSS 5 PROJECTS

- ✓ Glenmore Park (NSW)
- ✓ Mackay (QLD)
- ✓ Cranbourne (VIC)
- ✓ Gregory Hills Home (NSW)
- ✓ Marsden Park (NSW)

~\$520m+
ACTIVE PLANNING ACROSS 22 PROJECTS

\$125m+
MINOR PROJECTS



\$395m+
MAJOR PROJECTS



FY23 development commencements

>\$80m of accretive developments on track to open in FY24 and deliver ~7% ROIC¹

Major Projects	Leasing pre-committments ²	Under Construction	Completion	Indicative capex	Cost to complete
1. South Nowra (NSW) <ul style="list-style-type: none"> >11,000sqm repurposing of ex-Masters site and introduction of leading national leisure & lifestyle retailers Opened in May-23 on time and on budget 	100%	Complete	May-23		
2. Glenmore Park (NSW) <ul style="list-style-type: none"> Centre expansion through addition of new health and services precinct 	100%	✓	2H FY24		
3. Mackay (QLD) <ul style="list-style-type: none"> First stage of multi-stage lifestyle expansion opportunity on excess land 	100%	✓	2H FY24		
4. Cranbourne (VIC) <ul style="list-style-type: none"> Centre expansion through construction of additional daily needs GLA 	100%	✓	1H FY24		
5. Gregory Hills Home (VIC) <ul style="list-style-type: none"> Construction of new pad site 	100%	✓	2H FY24		
Total	100%			>\$80m	~\$59m

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

Successful completion of HomeCo South Nowra

Tenant demand led strategy resulting in leading Leisure & Lifestyle precinct

High quality
Tenant covenant

>8%
ROIC¹

100%
Pre-committed²

4 star
Green Star building rating³



Notes: 1. Return on invested capital (ROIC) represents cash yield on cost once development is fully stabilised. Estimated ROIC is based on assumptions relating to future income, valuation, capex and calculated on a fully stabilised basis. 2. Leasing pre-committments (% GLA) is the sum of signed Leases, signed MoUs and issued MoUs. 3. Targeted green star building rating.

Glenmore Park & Mackay development progress

100% pre-committed tenant demand-led development strategies

Glenmore Park, NSW

4 level Health & Services precinct anchored by Service NSW



\$22m
capex

2,400sqm
additional GLA

100%
pre-committed

Mackay, QLD

Construction of additional leisure & lifestyle precinct



\$34m
capex

~8,000sqm
additional GLA

100%
pre-committed

FY24 development opportunities

~\$120m of development projects planned for commencement in FY24 at ~7% target ROIC¹

Development Opportunities

	Project	Description	GLA (sqm)
DA APPROVED	Cranbourne (VIC)	Leisure & lifestyle repurpose opportunity	} ~35,000sqm
	Marsden Park (NSW)	Centre expansion opportunity	
	Toowoomba (QLD)	Childcare Centre development opportunity	
	Tuggerah (NSW)	Leisure & lifestyle precinct expansion on excess land	
	Vincentia (NSW)	Multi-stage expansion opportunity	

	Project	Description	GLA (sqm)
IN PLANNING	Armstrong Creek (VIC)	Town Centre development	} ~34,000sqm
	Belrose (NSW)	Centre expansion opportunity	
	Caringbah (NSW)	Remix to include medical & childcare	
	Castle Hill (NSW)	Centre expansion opportunity	
	Marsden Park (QLD)	Centre expansion opportunity	
	Victoria Point (QLD)	Daily Needs expansion opportunity	

HDN has multiple projects which could commence in FY24 to achieve ~\$120m of planned commencements



Vincentia (NSW)

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4. Financial Results

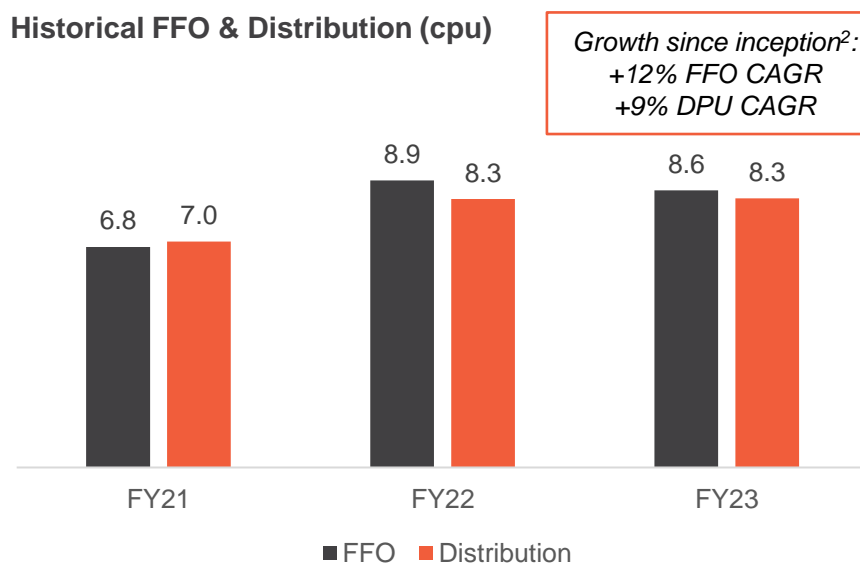
Earnings summary

FY23 FFO of 8.6 cents per unit (in line with guidance) representing 12% CAGR since inception

\$ million	FY22	FY23
Property NOI	141.6	261.3
Distribution from equity-accounted investees	0.3	1.1
Investment management fees ¹	(13.7)	(27.9)
Other corporate expenses	(2.6)	(3.4)
EBITDA	125.6	231.1
Net interest expense	(20.0)	(54.0)
FFO	105.6	177.1
Units on issue (wtd avg) (m)	1,193.8	2,070.7
FFO per unit (cents)	8.9	8.6
Distributions per unit (cents)	8.3	8.3

- Property NOI grew to \$261m in FY23, which was driven by the full year impact of the Aventus merger which completed in Mar-22
- Strong underlying property revenue growth in FY23 offset higher property and interest expenses
- HDN recorded FY23 FFO of \$177.1m or 8.6 cents per unit, with the latter representing 12% CAGR since inception

Historical FFO & Distribution (cpu)



Notes: Numbers may not total due to rounding. 1. Investment management and property management fees are disclosed on a gross basis. 2. FY21 FFO of 4.1cpu and distribution of 4.2cpu annualised for full year given IPO date of 23-Nov-20.

Balance sheet

Resilient portfolio valuation provides platform for continued asset recycling and organic growth

\$ million	Jun-22	Jun-23
Cash and cash equivalents	23.2	16.2
Assets held for sale	14.1	15.8
Investment property ¹	4,739.9	4,659.0
Investment in associates	7.6	57.8
Other	71.4	76.6
Total assets	4,856.2	4,825.4
Borrowings	(1,590.0)	(1,632.2)
Lease liability	(11.5)	(11.3)
Other	(117.0)	(105.8)
Total liabilities	(1,718.5)	(1,749.3)
Net assets	3,137.7	3,076.1
Gearing ²	32.7%	33.8%
Units on issue (m)	2,067.7	2,074.4
NTA per unit (\$)³	1.52	1.48

- HDN has a robust balance sheet at Jun-23 with net assets of \$3.1bn and gearing of 33.8%
- Jun-23 NTA was \$1.48 per unit, recording a modest 3% reduction vs Jun-22 due to an increase in portfolio cap. rate from 5.3% to 5.5%
- Resilient property portfolio has enabled active asset recycling with the divestment of non-core properties Sunshine and Epping in FY23 at a premium to book value and the acquisition of Southlands and HDN's investment in the Last Mile Logistics fund (investment in associates)
- HDN will continue to leverage its balance sheet to undertake asset recycling and fund organic growth through its development pipeline (evidenced by the post Jun-23 contracted sale of Midland LFR centre, WA)

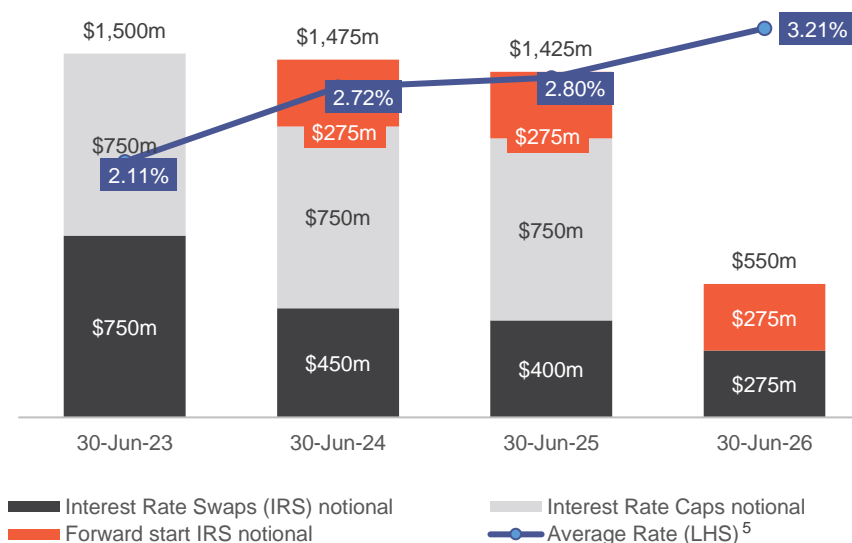
Capital management

Strong liquidity of \$197m and 92% hedged debt

\$ million	Jun-22	Jun-23
Debt summary		
Facility limit (bank debt)	1,820.0	1,820.0
Drawn debt	1,600.5	1,639.1 ¹
Weighted avg. tenor (years) ²	3.0	2.2
Liquidity		
Senior facility undrawn	219.5	180.9
Cash at bank	23.2	16.2
Total liquidity	242.7	197.1
Key debt metrics		
Gearing ³	32.7%	33.8%
Interest coverage ratio (covenant: ICR not less than 2.0x)	6.6x	4.2x
% of debt hedged	67.2%	91.5%
Hedged debt tenor (years)	2.8	2.4
Weighted avg. debt cost (% p.a.) ⁴	2.5%	3.9%

- Jun-23 gearing of 33.8% is at the lower end of the target gearing range of 30-40% and adjusted for the post Jun-23 contracted sale of Midland, WA reduces by 1.0% to 32.8%
- Hedged debt increased to 92% following a restructure in 4Q FY23 (no net cash cost) which provides strong interest rate protection in FY24 and FY25

Interest hedge book



Notes: Numbers may not total due to rounding. 1. Based on Jun-23 drawn debt. 2. Based on drawn debt only. 3. Gearing is defined as Borrowings (excluding unamortised debt establishment costs) less Cash and cash equivalents divided by Total Assets less Right of use assets and Cash and cash equivalents. 4. Includes undrawn line fees. 5. Represents the weighted-average rate of the interest hedge book.



Victoria Point (QLD)

5. Outlook & Guidance

FY24 Outlook and guidance

Strong top-line revenue growth continues to offset rising expenses

FY24 OUTLOOK

UNDERLYING GROWTH OFFSETTING COST INFLATION

- Strong top-line revenue growth offsetting headwinds from rising interest rates, property expenses & statutory charges
- Target comparable NOI growth of 4.0% in FY24¹

ROBUST BALANCE SHEET

- HDN will continue to actively recycle capital to fund organic growth and portfolio re-weighting, including the announced divestment of Midland LFR centre, WA
- Interest rate risk mitigated in FY24 with 92% of Jun-23 drawn debt hedged

VALUE ADD DEVELOPMENT PIPELINE

- HDN's 2.5 million sqm land bank provides compelling long-term upside
- Target >\$120m FY24 commencements at ~7% target ROIC²
- Target >\$80m developments on track to complete in FY24

FY24 GUIDANCE

8.6 cents

FY24 FFO/unit³
(8.6 cpu FY23A)

8.3 cents

FY24 DPU
(8.3 cpu FY23A)

Committed to maintaining a strong balance sheet through active capital recycling



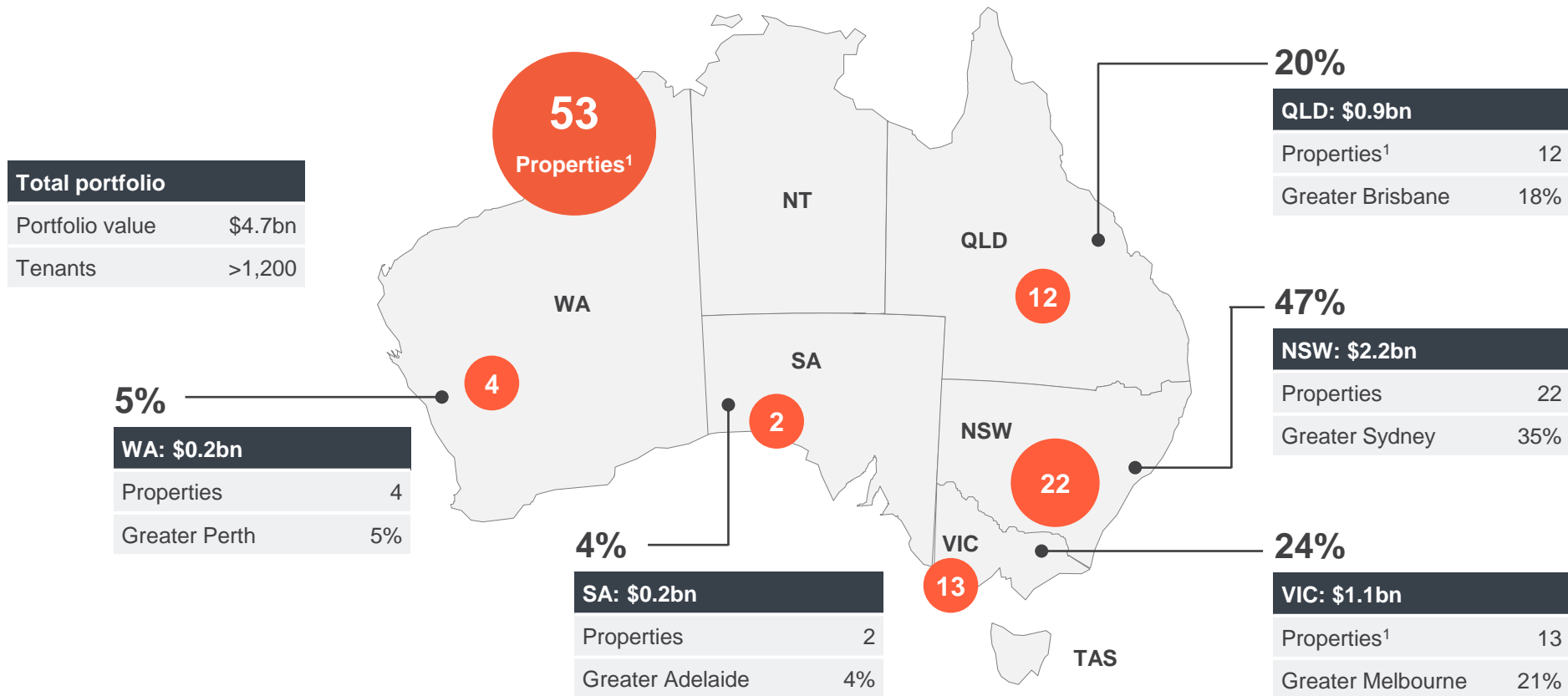
Prestons (NSW)

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6. Supplementary Information

National portfolio

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



HDN has a leading strategic network of sites located across metropolitan growth corridors

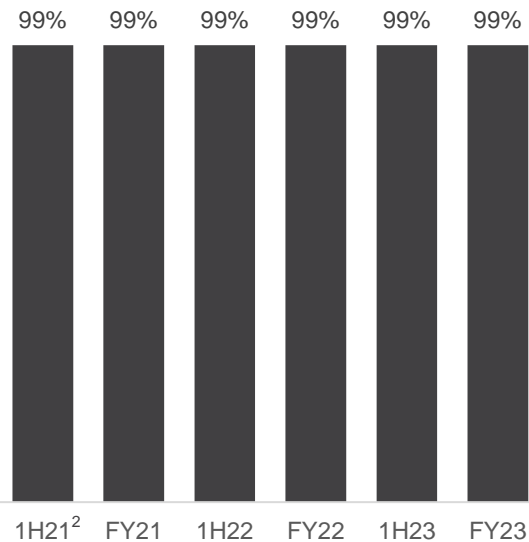
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Track record

Portfolio delivering resilient and growing income streams which are noncyclical

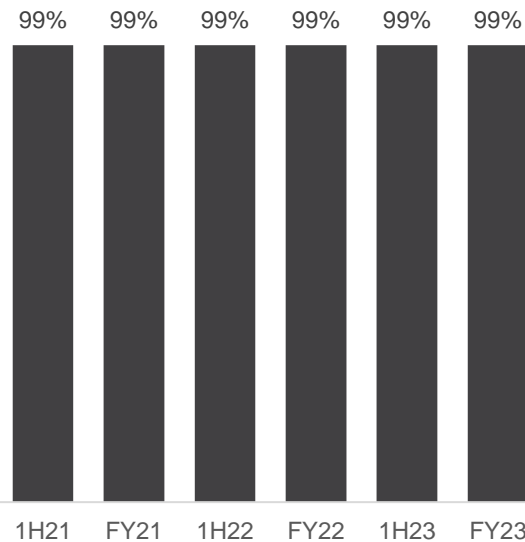
OCCUPANCY¹

Underpinned by exposure to predominantly national tenant base, metropolitan locations and focus on essential retail and services



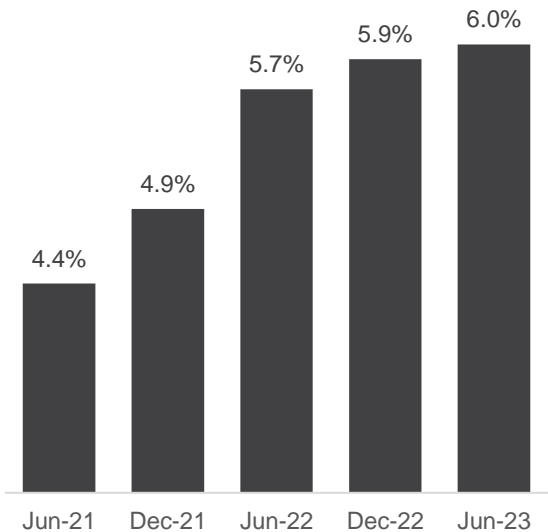
CASH RENT COLLECTION

Consistently collecting 99% of rental income



RE-LEASING SPREADS

Strong rental reversion as tenants recognise the value of HDN's strategic last mile real estate



Resilient property valuations supported by sustainable and growing rental income

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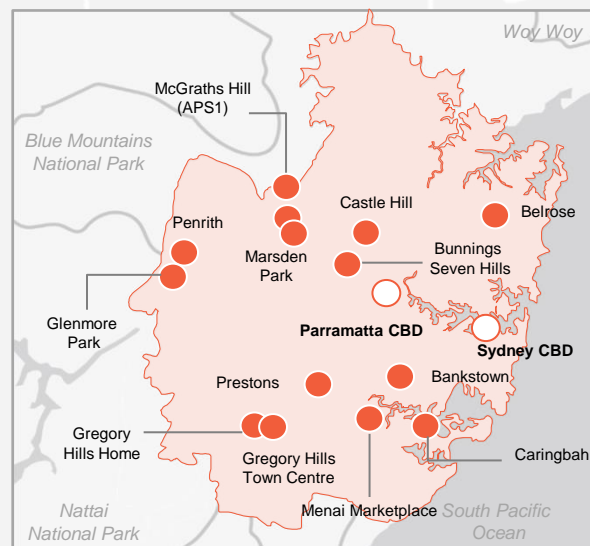
HDN Owns Strategic Last Mile Infrastructure

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

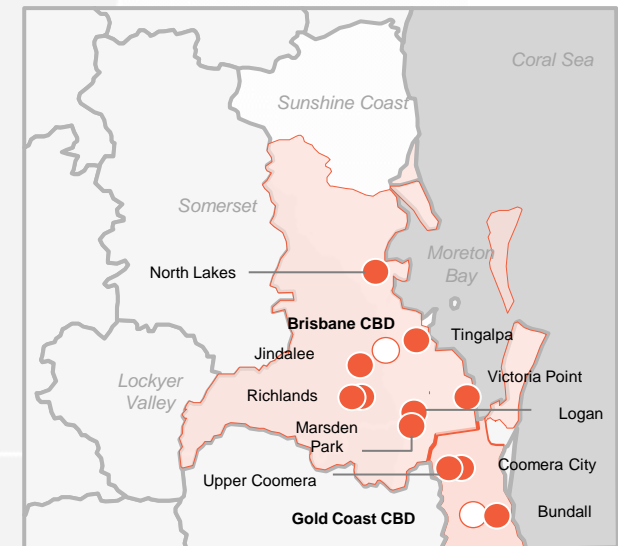
Greater Melbourne



Greater Sydney



Greater Brisbane & Gold Coast



\$1.0bn

Total value

21%

of total portfolio

\$1.7bn

Total value

35%

of total portfolio

\$0.8bn

Total value

18%

of total portfolio

Significant portfolio weighting 83% to national metropolitan markets and critical last mile infrastructure real estate

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Capital recycling

\$443m proactive asset recycling in FY23 into accretive daily needs acquisitions with repositioning and development upside

DISPOSALS



- Settled in Sep-22
- Sale price of \$140.0m



- Final settlement expected in Sep-23
- Sale price of \$70.3m representing a passing yield of 4.68%



- Settlement expected in Sep-23
- Sale price of \$74.8m

\$285m of lower yielding LFR assets disposed of at combined ~3% premium to book value

ACQUISITIONS



- Triple supermarket anchored centre with development upside
- Acquisition price of \$92.5m, representing a fully-let yield of ~8%
- Immediately FFO accretive
- Settled in Feb-23



- \$50m¹ strategic investment in complementary unlisted fund
- Menai Marketplace acquisition price of \$150m subsequently revalued to \$175m (Settled in Feb-23)
- Significant future acquisition pipeline for HDN via ROFO

~\$158m re-invested into higher yielding neighbourhood assets²

✓ Re-weighting to target Model Portfolio

✓ FFO accretive

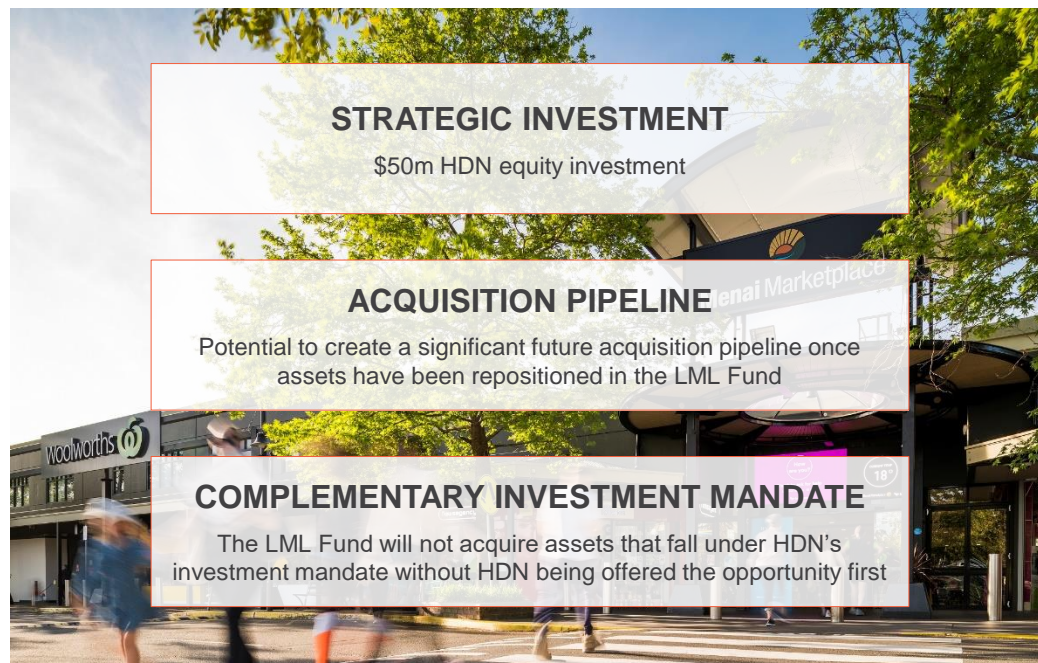
✓ Reduced gearing

Notes: 1. Represents the \$50m LML Fund commitment by HDN. 2. Includes additional land parcel acquisition at Armstrong Creek.

Investment in HMC Capital's Last Mile Logistics (LML) Fund

Strategic investment in complementary strategy that provides future growth optionality

Overview



STRATEGIC INVESTMENT

\$50m HDN equity investment

ACQUISITION PIPELINE

Potential to create a significant future acquisition pipeline once assets have been repositioned in the LML Fund

COMPLEMENTARY INVESTMENT MANDATE

The LML Fund will not acquire assets that fall under HDN's investment mandate without HDN being offered the opportunity first

HMCapital

Last Mile Logistics Fund I

Core plus unlisted fund

Targeting core plus transition assets with upside via repositioning into essential last mile real estate infrastructure

\$400m

Total equity raised

10% +

Targeted levered returns

ROFO

HDN will have a ROFO¹ to acquire assets in the future from the LML Fund

Complementary mandates

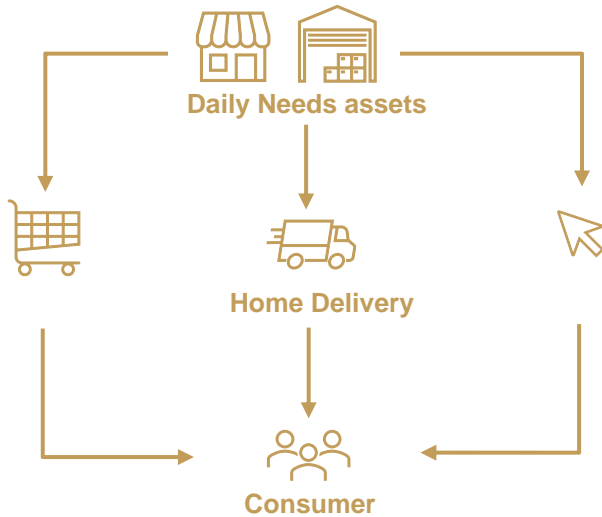
- ✓ Two distinct investment mandates & risk profiles
- ✓ HDN predominately targets stabilised, not transition, assets
- ✓ HDN has no sub-regional, DDS or DS exposure

	HomeCo Daily Needs REIT	Last Mile Logistics Fund
Subsectors		
Subregional	✗	✓
Neighbourhood	✓ <i>Stabilised</i>	✓ <i>Transition</i>
Large Format Retail	✓ <i>Stabilised</i>	✓ <i>Transition</i>
Mixed Use	✗	✓
Vacant Land	~	✓
Exposure		
Supermarkets	✓	✓
Health & wellness	✓	✓
Services	✓	✓
Bulky Goods	✓	✓
Homewares	✓	✓
Food Retail	✓	✓
Food Catering	✓	✓
Leisure	✓	✓
Department Stores	✗	✓
Discount Department Stores	✗	✓
Cinemas	~	✓
Apparel	~	✓
Jewellery	~	✓

Last Mile Fulfilment

Our strategically located infrastructure is supporting a high proportion of our tenants with their store-based fulfilment strategies for both online and in-store sales

The Omni-channel Model



Value of the Omni-channel Model

- 1 ✓ *Physical store networks complement retailers' online presence*
- 2 ✓ *Seamless customer experience and convenience*
- 3 ✓ *Faster customer delivery times and lower shipping costs*
- 4 ✓ *Drives higher customer engagement, retention and loyalty*

Key Omni-channel Retailers



Attractive HDN portfolio attributes for omni-channel

~83%
metro located

~75%
of tenants have
click & collect¹

92%
located on
Eastern
Seaboard

~13m
people within
10km radius²

1.9%
population growth³
(vs. 1.5% national avg.)

>83m
Annual customer
visitation

Enhanced value proposition of omni-channel retailing has led to a growing number of partners requiring the supporting infrastructure

Additional financial information

Statutory profit to FFO reconciliation

\$ million	FY22	FY23
Total revenue	198.3	347.3
Share of profit of equity-accounted investees	0.4	9.1
Other income	-	3.7
Property expenses ¹	(46.1)	(79.8)
Investment management fees ¹	(16.3)	(27.9)
Other corporate expenses	(2.6)	(3.4)
Operating EBITDA	133.7	249.0
Fair value movement (net)	225.3	(86.9)
Transaction costs	(0.5)	(1.8)
EBITDA	358.5	160.3
Net interest expense	(23.4)	(58.1)
Statutory Profit/(Loss)	335.1	102.2
Add:		
Straight lining and amortisation	6.1	(1.8)
Fair Value movement	(225.3)	86.9
Transaction costs	0.5	1.8
Rent Guarantee Income	2.0	0.1
Share of profits of equity accounted investees	(0.4)	(9.1)
Distributions from equity accounted investees	0.3	1.1
Other items	0.3	(0.4)
Other income	(13.0) ²	(3.7)
FFO	105.6	177.1
Units on issue (wtd avg) (m)	1,193.8	2070.7
FFO per unit (cents)	8.9	8.6

Portfolio value to balance sheet reconciliation

\$ million	Jun-23
Portfolio valuation	4,677
Midland book value	73
Right of use asset	11
Equity-accounted investments	(102)
Balance sheet valuation	4,659

Portfolio summary metrics

Asset	State	GLA (sqm)	Site area (sqm)	Site Coverage (%) ¹	Occupancy (by area) ²	WALE (by income) ³	Fair Value (\$m)	Cap rate (%)
Operating								
Armstrong Creek	VIC	12,539	59,709	21%	97%	7.9	112	4.88%
Ballarat	VIC	20,099	52,084	39%	100%	4.1	57	6.00%
Bankstown	NSW	17,534	40,240	44%	99%	4.0	94	5.25%
Belrose	NSW	36,576	44,265	83%	97%	3.5	233	5.25%
Box Hill	VIC	13,903	40,475	34%	100%	6.9	69	5.25%
Braybrook	VIC	15,354	41,412	37%	100%	8.7	89	5.00%
Bundall	QLD	10,458	16,450	64%	100%	4.3	43	5.75%
Bunnings Seven Hills	NSW	13,440	22,300	60%	100%	8.0	63	4.50%
Butler	WA	17,452	42,173	41%	100%	7.2	46	6.00%
Caringbah	NSW	20,857	22,818	91%	98%	2.7	177	5.25%
Castle Hill	NSW	50,721	59,920	85%	100%	3.1	398	5.50%
Coffs Harbour	NSW	9,812	24,270	40%	100%	6.4	30	5.75%
Coomera City Centre	QLD	7,380	29,060	25%	99%	6.1	62	5.25%
Cranbourne	VIC	59,638	192,818	31%	100%	4.7	221	5.75%
Ellenbrook	WA	12,138	30,002	40%	98%	7.6	27	6.00%
Glenmore Park Town Centre	NSW	17,050	45,859	37%	100%	5.3	158	5.25%
Gregory Hills Home Centre	NSW	9,633	26,690	36%	100%	5.7	38	5.25%
Gregory Hills Town Centre	NSW	11,715	46,260	25%	100%	7.2	99	5.00%
Hawthorn East	VIC	11,492	28,300	41%	100%	6.3	86	5.00%
Highlands	NSW	11,482	31,890	36%	100%	3.7	47	5.75%
Jindalee	QLD	26,444	72,030	37%	100%	3.1	206	5.25%
Joondalup	WA	17,275	44,260	39%	100%	6.6	59	6.00%
Keysborough	VIC	11,831	35,610	33%	100%	7.6	45	5.75%
Kotara South	NSW	29,112	53,390	55%	100%	3.9	172	5.25%
Lismore	NSW	8,784	34,750	25%	100%	3.2	20	6.50%
Logan	QLD	27,117	26,800	100%	100%	3.4	126	5.75%
Mackay	QLD	11,992	108,700	11%	100%	5.1	40	6.00%
Marsden Park	NSW	11,499	34,920	33%	100%	4.0	62	5.25%
Marsden Park - AVN	NSW	19,781	39,900	50%	100%	4.0	130	5.25%
Marsden Park QLD	QLD	8,221	58,010	14%	94%	7.5	65	5.50%
McGraths Hill	NSW	16,478	37,840	44%	100%	2.5	14	5.75%
Menai Marketplace	NSW	16,917	52,450	32%	97%	3.9	88	5.50%
Mile End	SA	33,906	71,320	48%	100%	3.7	151	5.75%
Mornington	VIC	11,425	35,030	33%	100%	7.9	60	5.25%
North Lakes	QLD	11,468	39,910	29%	99%	5.1	44	5.50%
Pakenham	VIC	28,949	76,220	38%	100%	4.4	110	5.50%
Parafield	SA	15,571	37,122	42%	100%	3.7	28	6.25%
Peninsula	VIC	33,418	84,670	39%	100%	3.2	145	5.50%
Penrith	NSW	12,491	30,150	41%	100%	3.8	65	5.25%
Prestons	NSW	5,192	15,790	33%	100%	6.1	42	5.25%
Richlands	QLD	12,779	83,840	15%	89%	8.9	65	6.25%
Rosenthal	VIC	4,809	17,733	27%	100%	7.1	35	5.00%
Southlands Boulevard	WA	22,864	60,899	38%	97%	5.3	93	6.75%
South Morang	VIC	11,172	35,700	31%	100%	3.9	42	5.75%
South Nowra	NSW	11,179	28,000	40%	100%	7.8	36	5.75%
Tingalpa	QLD	10,365	27,720	37%	100%	3.2	42	5.50%
Toowoomba South	QLD	11,360	32,248	35%	97%	4.2	37	6.25%
Tuggerah	NSW	38,421	127,410	30%	99%	3.8	128	6.00%
Upper Coomera	QLD	11,641	39,040	30%	99%	4.6	51	5.25%
Victoria Point	QLD	20,888	76,080	27%	96%	7.1	149	5.00%
Vincentia	NSW	9,578	21,600	44%	97%	4.9	65	5.50%
Warners Bay	NSW	12,336	35,140	35%	100%	4.2	58	6.00%
Woodlea	VIC	8,540	26,705	32%	98%	8.3	58	5.00%
HDN Portfolio		923,075	2,497,982	37%	99%	4.8	4,677	5.46%

Notes: All FY23 metrics (except for fair value) as at 30-Jun-23, include McGraths Hill and Menai Marketplace on a 100% basis (\$57.0m and \$175.0m with 25.3% and 50.1% owned by HDN respectively) and excluding ROU assets at Parafield and Caringbah (\$11.0m). 1. Ratio of GLA to site area, where GLA does not include carparks. 2. By GLA and includes rental guarantees, signed leases and MoUs. 3. By gross income for signed leases and signed MoUs.

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