



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

ASX RELEASE

11 December 2024

HOME CO DAILY NEEDS REIT RECORDS \$131 MILLION VALUATION GAINS

KEY HIGHLIGHTS

- December 2024 preliminary unaudited valuation gain of \$131m, representing a ~3% increase on the June 2024 portfolio value¹, comprised of:
 - \$79m net valuation gain (~2%) driven by strong net operating income growth and cap rate stabilisation to 5.64%
 - \$53m of capital expenditure in the period
- Strong balance sheet maintained with gearing at the midpoint of the 30-40% target range¹
- Distribution of 2.125 cents per unit for the quarter ended 31 December 2024 declared
- FY25 DPU guidance of 8.5 cents reaffirmed
- FY25 FFO guidance of 8.8 cents per unit reaffirmed

HomeCo Daily Needs REIT (**ASX: HDN**) Fund Manager Paul Doherty said, *“This is the second consecutive period HDN has recorded positive net revaluation gains. HDN’s portfolio is now benefitting from both positive net operating income growth and cap rate stabilisation, reflecting the attractive investment characteristics of the daily needs asset class. HDN’s point of difference remains our value accretive and tenant-demand led development pipeline, underpinning future growth over the long-term.”*

HMC Capital Managing Director, Real Estate & HDN CEO, Sid Sharma said, *“We are optimistic on the outlook for our portfolio underpinned by increasing investor demand for daily needs retail assets”.*

¹ Pro-forma for unaudited net valuation impact at 31 December 2024 and contracted net acquisitions in 1H FY25.

DECEMBER 2024 PRELIMINARY UNAUDITED PORTFOLIO VALUATION

In accordance with the stated valuation policy of HDN, preliminary unaudited valuations for all 49² owned properties in the portfolio have been completed. This comprised 30 independent valuations representing ~66% of the properties by value with the remaining 19 properties completed by internal valuation.

The preliminary unaudited portfolio valuation, which remains subject to half-year audit, has increased by \$131 million (2.7%) to \$4,939 million (vs. pro forma 30 June 2024). Net of acquisitions and capital expenditure incurred during the period of \$53 million, this represents a net valuation increase of \$79 million (1.6%).

Preliminary unaudited portfolio valuation	Independent valuations	Internal valuation	Acquisitions / Held for Sale / Disposals	Total	Portfolio WACR (%)
# properties	30	18	1	49	
30 June 2024 valuation³	\$3,134m	\$1,550m	\$101m	\$4,785m	5.63%
Acquisitions ⁴	\$4m	-	\$119m	\$123m	
Disposals	-	-	(\$101m)	(\$101m)	
Pro forma 30 June 2024 valuation	\$3,138m	\$1,550m	\$119m	\$4,807m	5.65%
Capital expenditure	\$39m	\$14m	-	\$53m	
Net valuation increase / (decrease) ⁵	\$68m	\$11m	-	\$79m	
31 December 2024 valuation	\$3,245m	\$1,574m	\$119m	\$4,939m	5.64%
Gross increase / (decrease)	3.4%	1.6%	-	2.7%	
Net increase / (decrease)	2.2%	0.7%	-	1.6%	

DECEMBER 2024 QUARTER DISTRIBUTION DECLARATION

HMC Funds Management Limited as Responsible Entity of HDN has declared the quarterly distribution for the period 1 October 2024 to 31 December 2024 of 2.125 cents per unit. The Distribution Reinvestment Plan is activated for this quarter with no discount. The key dates and details for the December 2024 distribution are:

Event	Date
Distribution amount	2.125 cents per unit
Ex-distribution date	Monday, 30 December 2024
Record date	Tuesday, 31 December 2024
Last date to elect to participate in DRP	Thursday, 2 January 2025
VWAP Period	Friday, 3 January 2025 to Thursday, 9 January 2025
DRP Price Announcement	Friday, 10 January 2025
Discount	Nil
Payment date and despatch of statements	On or about Wednesday, 26 February 2025

² Includes Menai which is equity accounted at its ownership portion of 50.1%.

³ Excludes Caringbah ROU asset.

⁴ Represents the acquisition of additional land at Williams Landing & Lutwyche.

⁵ Net movements exclude straight lining, amortisation and capitalised transaction costs.

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

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About HomeCo Daily Needs REIT

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

HDN is Australia's leading daily needs REIT with total assets of approximately \$4.9bn spanning over 2.5 million square metres of land in Australia's leading metropolitan growth corridors of Sydney, Melbourne, Brisbane, Perth and Adelaide. HDN is also a strategic investor in the Last Mile Logistics (LML) unlisted fund, a complementary mandate which targets core plus transition assets with upside via repositioning into essential last mile real estate infrastructure.

Important Notice - Forward-Looking Statements

This announcement contains certain forward-looking statements, which may include indications of, and guidance on, future earnings and financial position and performance. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties, assumptions, contingencies and other factors, many of which are beyond the control of HomeCo Daily Needs REIT. Actual results, performance or achievements may differ materially from those expressed or implied in those statements and any projections and assumptions on which these statements are based.

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