



CQR

Charter Hall 



Acknowledgement of Country

Charter Hall acknowledges the Traditional Custodians of the lands on which we work and gather. We pay our respects to Elders past and present and recognise their continued care and contribution to Country.



Ben Ellis
Retail CEO and Executive
Director

Joanne Donovan
Head of Retail Finance

Agenda

1. Highlights and Strategy
2. Financial Performance
3. Operational Performance
4. Outlook and Guidance
5. Annexures

1

Highlights and Strategy

Campbellfield Plaza, Campbellfield Vic



Portfolio Highlights

<p>Operating earnings per unit</p> <p>28.71 cents</p> <p>↑ 1.1% from FY22</p>	<p>Distributions per unit</p> <p>25.80 cents</p> <p>↑ 5.3% from FY22</p>
<p>Specialty leasing spreads</p> <p>2.5%</p> <p>↑ from 2.3% at June 2022</p>	<p>Portfolio occupancy¹</p> <p>98.6%</p> <p>↑ 0.1% from 98.5% at June 2022</p>
<p>Same property NPI growth</p> <p>3.3%</p> <p>→ 3.3% for FY22</p>	<p>Total MAT growth²</p> <p>5.9%</p> <p>↑ from 0.4% at June 2022</p>

1. Convenience shopping centre retail portfolio only (convenience long WALE retail portfolio is 100% occupied)
 2. Like for like sales

Key metrics	FY22	FY23	Movement
Operating earnings	\$164.4m	\$166.9m	+1.5%
Operating earnings per unit	28.40 cents	28.71 cents	+1.1%
Distributions per unit	24.50 cents	25.80 cents	+5.3%
Property portfolio	\$4,299m	\$4,284m	(0.3%)



Secret Harbour Square, WA

CQR Convenience Strategy

Providing a resilient and growing income stream for our investors from convenience shopping centres and long WALE retail

The **leading** owner of convenience retail property

KEY DRIVERS



Enhance portfolio quality

- Increasing exposure to Long WALE and NNN retail
- Active portfolio curation has enhanced income growth from anchor tenants
- Extending WALE with quality major tenants
- Focus on resilience and income growth



Active asset management

- Maintain strong tenant relationships
- Optimise the tenancy mix to service our communities
- Unlock additional land opportunities






Prudent capital management

- Strong and flexible balance sheet
- Sustainable gearing
- Extending capital partnerships
- Increasing exposure to capex efficient assets

Delivering on Convenience Strategy

Active portfolio curation driving major tenant income growth

		FY18 4% of major tenant rent reviews CPI based and 0% NNN leases		FY23 38% of major tenant rent reviews CPI based and 35% NNN lease		Long Term Stable Forecast
		% of income	Growth	% of income	Growth	Growth ¹
Shopping Centre Majors		48%	1.2%	39%	2.5%	1.5-2.0%
Long WALE Majors		-	-	18%	6.2%	2.0-3.0%
Total Majors		48%	1.2%	57%	3.7%	1.7-2.3%
Mini Majors & Specialty		52%	2.3%	43%	3.9%	3.5-4.0%
Total Rental Income			1.8%		3.8%	2.5-3.0%

1. Long term stable forecast including RBA targeted inflation

Delivering on Strategy

Off-market acquisitions of quality convenience long WALE retail portfolios

- **Off-market acquisitions**, leveraging the relationships of the Charter Hall platform
- Established and extended partnerships with major tenant customers Ampol (Z Energy) and Endeavour Group
- **Long-term stable and growing income stream**
 - demand for asset class has delivered resilient returns
 - **capex efficient NNN leases**
 - accretion to the portfolio WALE
 - **security of rental growth with CPI linked** annual rent reviews
- Geographic diversification with majority metropolitan sites

Gull (New Zealand)



Auckland, NZ

Acquired	Aug 2022
Ownership interest	100%
Properties	18
Acquisition	\$58m
Initial yield	6.40%
WALE	15 years
Annual rent review	CPI (2%-5%)
Metro and Commuter Metro locations	60%

Z Energy (New Zealand)



Wellington, NZ

Acquired	Oct 2022
Ownership interest	49%
Properties	51
Acquisition	\$120m
Initial yield	5.50%
WALE	15 years
Annual rent review	CPI (2%-5%)
Metro and Commuter Metro locations	78%

LWIP2 (Australia)



Village Tavern, SA

Acquired	Apr 2023
Ownership interest	26%
Properties	11
Acquisition ¹	\$75m
Initial yield	4.80%
WALE	11 years
Annual rent review	CPI ²
Metro and Commuter Metro locations	75%

1. Reflects initial property valuation. During FY23, CQR acquired a 26% interest in LWIP2 through \$61m of equity injections to fund acquisitions in LWIP2
 2. Two SA properties capped CPI (3%-5%)

CQR ESG Leadership

Achievements in FY23

Focus areas in FY24+

Environment



Net Zero Carbon by 2025

Commitment to net zero Scope 1 and Scope 2 emissions by 2025. CQR is on track to provide 100% renewable electricity to the common area for all our shopping centres by 2025.



Investing in clean energy

20.2MW¹ of installed solar across 38 locations and 9.0MWh of installed battery storage at five locations



4.9 Star NABERS Energy for Retail portfolio rating, an uplift of 0.4 stars from FY22

4.2 Star NABERS Water for Retail portfolio rating, an uplift of 0.1 stars from FY22



Partnering with tenant customers to increase diversion from landfill in our shopping centres and drive down our Scope 3 emissions through clean technology investment across our assets (Electric Vehicles and batteries)

Social



Draw us together campaign

Our shopping centres continue to partner with local schools to celebrate indigenous culture. Collectively, the students produced over 1,400 pieces of artwork



Support for Hardship and driving inclusion

Delivered back to school campaign providing over 3,000 lunchboxes for children within our local communities, participated in WorldPride through the Rainbow Runway campaign in addition to Charter Hall Group donating over \$1.4m in community investment in FY23



Lifelong change for vulnerable youth

Facilitated 200 employment outcomes, a 5% increase since FY22, in partnership with social enterprises. Targeting 1,200 employment outcomes in 2030



Reconciliation Action Plan

Continue engaging closely with Reconciliation Australia on the development of Charter Hall Group's new RAP

Pledge 1% community investment

Creating shared social value in the community and our supply chain

Governance



ESG performance

CQR achieved a ranking of 2nd in Australia and New Zealand for listed Retail entities, scoring 90 points in the 2022 GRESB assessment, an improvement of 11 points compared to previous score



Australia's largest footprint of independently rated green space

CQR achieved a 3 Star Green Star Performance Rating covering 100% of its eligible retail shopping with a total footprint of over 500,000m²



Responsible business

Developed a Modern Slavery Framework to guide our modern slavery approach for the next 3 years



Benchmarking our performance

Continued alignment with best practice independent frameworks to verify our ESG progress and non-financial disclosure (GRI, TCFD, PRI and UNGC)

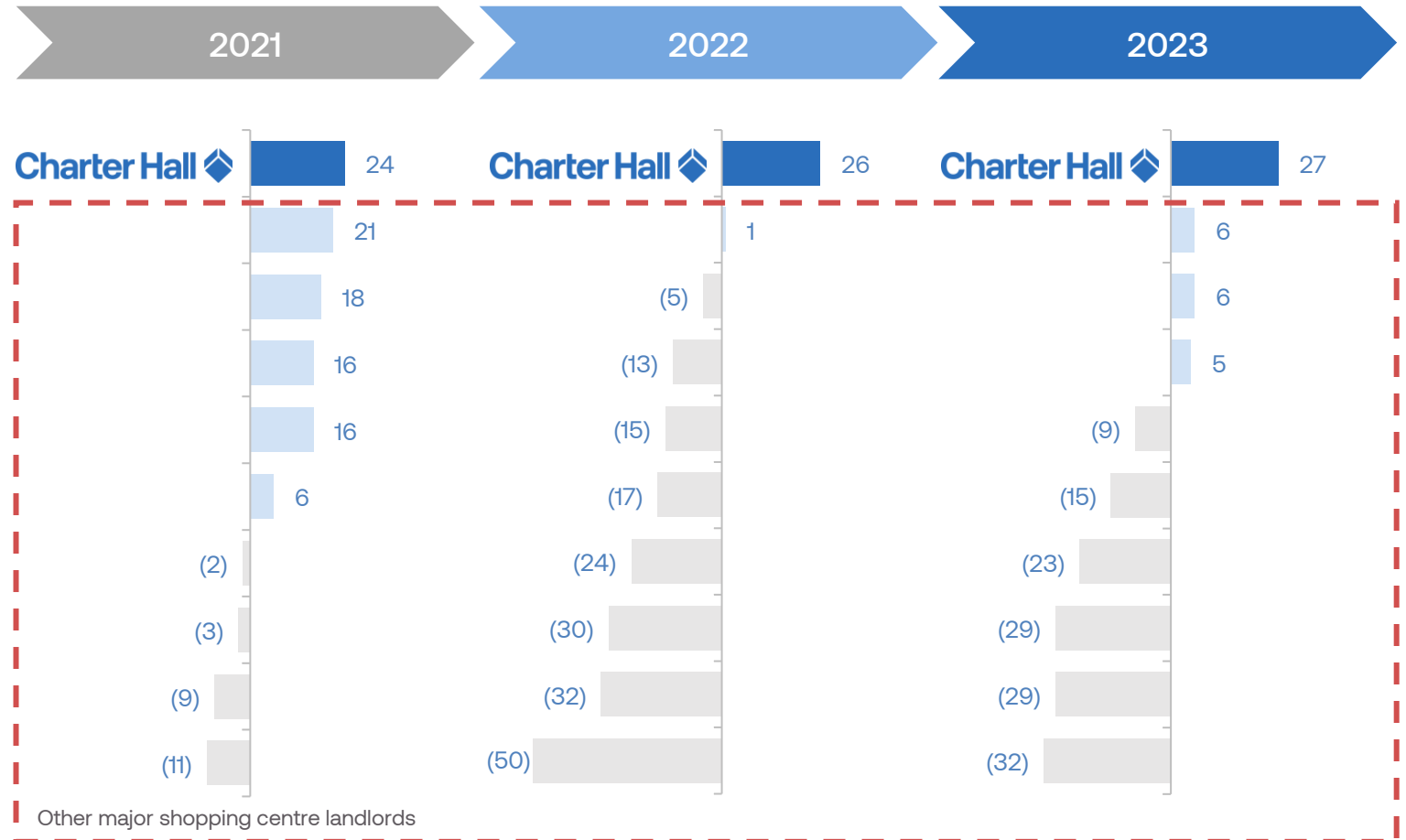
¹ Solar installations have reduced from 1H FY23 due to asset divestments (1.0MW of solar was installed at divested asset Allenstown Square, Qld and Brickworks Marketplace, SA)
Note: Further information about CQR's ESG progress will be published in the FY23 Charter Hall Sustainability Report

Tenant Customer Relationships

- Delivered **annual CentreSAT** survey in March 2023 through Monash Business School's ACRS Research unit
- Participation from 1,173 Retail tenant customers achieving a **97% participation rate**
- Our tenant customers **ranked us 1st in "likely to recommend" (NPS)** for the third consecutive year
- Tenant customers continued to be 'highly satisfied' with Charter Hall achieving a 'high positive overall' CentreSAT score
- Maintained high satisfaction on all key metrics (business outcomes, dimensions and attributes)
- **Our people** and the way we communicate continued to be **our greatest strength**
- **Ease of doing business**, renewal intention and being perceived as an industry leader remained as top performing

Source: Monash Business School's ACRS CentreSAT 2023, Retailer Satisfaction Report

Top ranked landlord by our tenants (NPS)





ALDI

To help maintain social distancing, we've limited the number of customers allowed in store to
150

2 Financial Performance

Earnings and Distributions

- **Total net property income growth of 7.2%**
- Same property portfolio NPI growth of **3.3%**
 - Same property convenience shopping centre retail NPI growth of **3.1%**
 - Same property convenience long WALE retail NPI growth of **4.7%**
- Finance costs and other expenses driven by increased interest rates, timing of transactions, capital spend and valuation changes
- **Distribution growth of 5.3% to 25.80cpu** reflects the end of COVID-19 tenant support and proportion of income from capex efficient NNN assets
- Statutory profit of \$37.8m with operating earnings offset by valuation movements

Look through basis \$m	FY22	FY23	% change
Net property income from convenience shopping centre retail	183.8	190.6	3.7%
Net property income from convenience long WALE retail	37.8	47.0	24.3%
Total net property income	221.6	237.6	7.2%
Finance costs	(36.2)	(48.3)	(33.4%)
Other expenses	(21.0)	(22.4)	(6.7%)
Operating earnings	164.4	166.9	1.5%
Operating earnings per unit (cents)	28.40	28.71	1.1%
Distribution per unit (cents)	24.50	25.80	5.3%
Payout ratio ¹	86%	90%	4%
Statutory profit²	663.6	37.8	(94.3%)

1. Distribution (cpu) divided by operating earnings (cpu)

2. See Annexure 2 for reconciliation of statutory profit to operating earnings

Balance Sheet

- Total property portfolio value changed by \$15m over FY23 due to:
 - off-market acquisitions including:
 - Z Energy portfolio, NZ for \$118m;
 - Gull portfolio, NZ for \$58m;
 - LWIP2 portfolio for \$76m (equity investment of \$61m); and
 - offset by divestments including:
 - Coles Distribution Centre, SA for \$153m (net proceeds of \$95m);
 - Allenstown, Qld for \$59m;
 - Brickworks, SA (RP1) for \$43m; and
 - valuation decrease of \$16m¹, including capital investment of \$79m
- Capital investment has increased net borrowings
- NTA per unit decreased by \$0.18 or 3.7% to \$4.73 as a result of property portfolio valuation changes and derivative movements

Look through basis \$m	Jun 22	Jun 23
Convenience shopping centre retail investment properties	3,339	3,217
Convenience long WALE retail investment properties	960	1,067
Total investment properties	4,299	4,284
Cash ²	29	68
Other assets ³	132	132
Total assets	4,460	4,484
Borrowings	(1,426)	(1,549)
Distribution payable	(74)	(74)
Other liabilities ⁴	(105)	(112)
Total liabilities	(1,605)	(1,735)
Net Tangible Assets (NTA)	2,855	2,749
Units on issue (million)	581.2	581.2
NTA per unit (\$)	4.91	4.73

1. Includes the impact of a \$6m foreign exchange gain for the period relating to bp NZ, Gull and Z Energy portfolios
2. Jun 23 includes Brickworks divestment proceeds received 30 June 2023
3. Other assets includes derivative movements
4. Other liabilities includes derivative movements

Property Valuations

- **Income growth driving portfolio valuation resilience** with a movement of -0.4% or -\$16m
- Convenience shopping centre retail valuation movement of -0.7%¹ or -\$22m including capital investment of \$79m for FY23
- Convenience long WALE retail valuation growth of 0.6%² or \$6m for FY23
- Valuation movement of -0.4% for the year was split between +4.8% income growth and -5.2% capital movement
- **97% of the portfolio was externally revalued at 30 June 2023**

\$m	Convenience shopping centre retail	Convenience long WALE retail	Total portfolio
June 2022 portfolio value	3,339	960	4,299
Net transactions	(100)	101	1
Valuation movement	(22)	6	(16)
June 2023 portfolio value	3,217	1,067	4,284
June 2022 weighted average cap rate	5.45%	4.33%	5.20%
June 2023 weighted average cap rate	5.81%	4.83%	5.57%
FY23 weighted average cap rate movement	0.36%	0.50%	0.37%

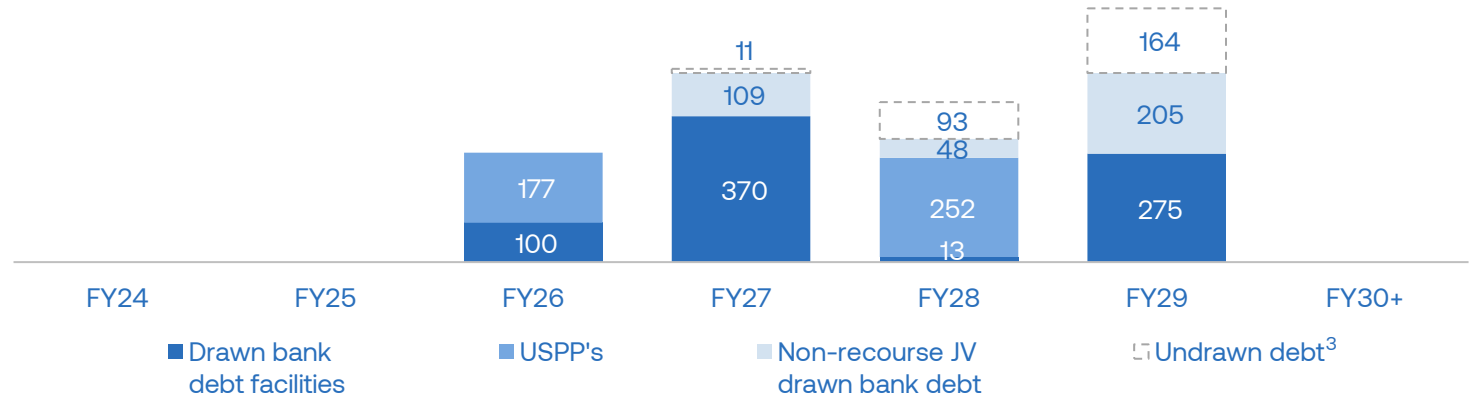
1. Like for like

2. Like for like was a decrease of 2.1%. Includes the impact of a \$6m foreign exchange gain relating to bp NZ, Gull and Z Energy portfolios

Capital Management

- **Available investment capacity of \$239m¹**
- Diversified funding sources with no debt maturing until March 2026
- Additional \$375m of hedging taken out in FY23
- Recent financing activity added \$150m and extended \$180m of debt capacity into FY29
- Moody's affirmed the Baa1 issuer rating and senior unsecured rating with a stable outlook
- Average FY24 and FY25 drawn debt hedged of 70% and 50%²

Diversified and well balanced, long-term debt maturity profile¹



Key metrics

Debt summary		Hedging summary	
Weighted average cost of debt ^{4,5}	4.3%	Total look through debt hedged	\$1.1 billion
Weighted average debt maturity	4.0 years	Average FY24 debt hedged ²	70%
Balance sheet gearing	29.0%	Weighted average hedge maturity	1.9 years
Look through gearing	34.0%	Average hedged rate for FY24	1.8%

1. Includes \$150m of additional debt capacity executed in July 2023
 2. Refer to Annexure 4. Calculated based on drawn debt
 3. Includes joint venture undrawn debt which is not reflected in available investment capacity
 4. Calculated as at 30 June 2023 based upon BBSY of 4.4%, look through hedging of \$1.1 billion and drawn debt of \$1.5 billion
 5. Includes line fee and usage fee and excludes amortisation of upfront debt costs (including upfront debt costs increases WACD by 0.2%)



3

Operational Performance

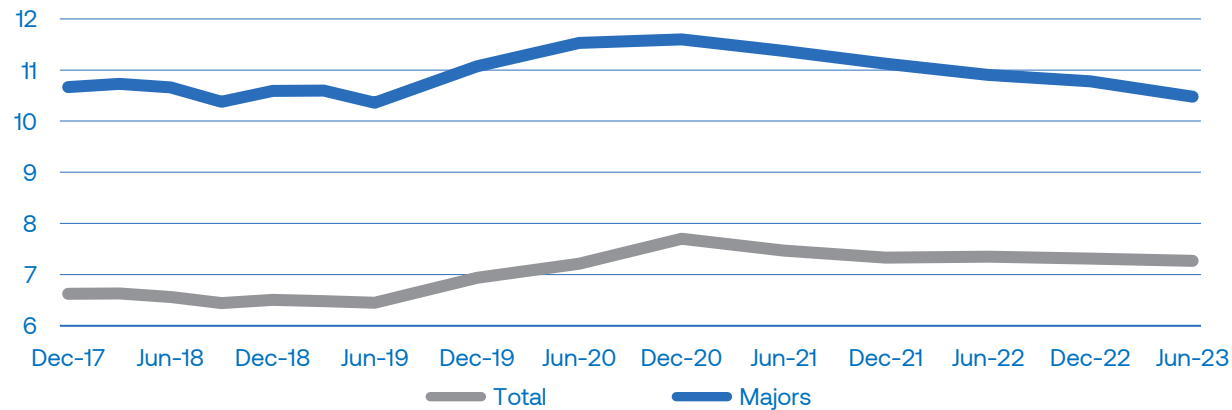
Gateway Plaza, Leopold Vic

Portfolio Summary

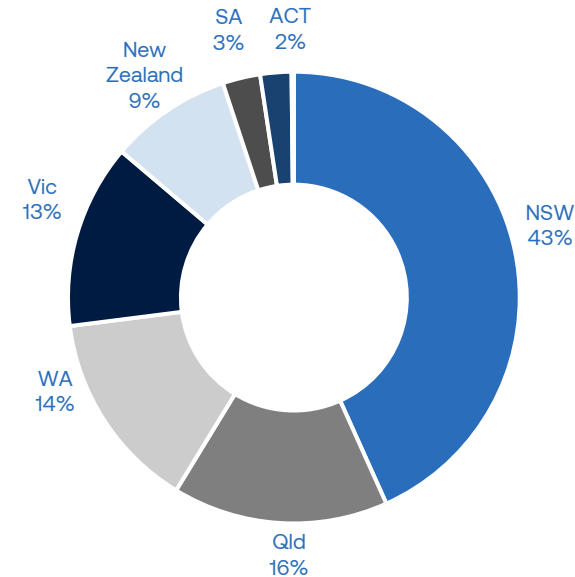
- Convenience shopping centre retail occupancy improved from 98.5% to 98.6%
- 5.9% total MAT growth^{1,2}
- Portfolio WALE is stable at 7.4 years following the acquisition of the Z Energy, Gull and LWIP2 portfolios and renewal activity
- 59% of total portfolio income directly (24%) linked to CPI or indirectly linked (35%) to inflation through turnover rent mechanisms

Portfolio snapshot	Jun 22	Jun 23
Number of convenience shopping centre retail assets	51	49
Number of convenience long WALE retail assets	521	597
Value (\$m)	4,299	4,284
Weighted average cap rate	5.20%	5.57%
GLA ('000sqm) ¹	638	600
Occupancy ¹	98.5%	98.6%
Total MAT growth ^{1,2}	0.4%	5.9%
WALE – total	7.4 years	7.4 years
WALE – majors	10.9 years	10.5 years

Portfolio and majors WALE



Portfolio value by region

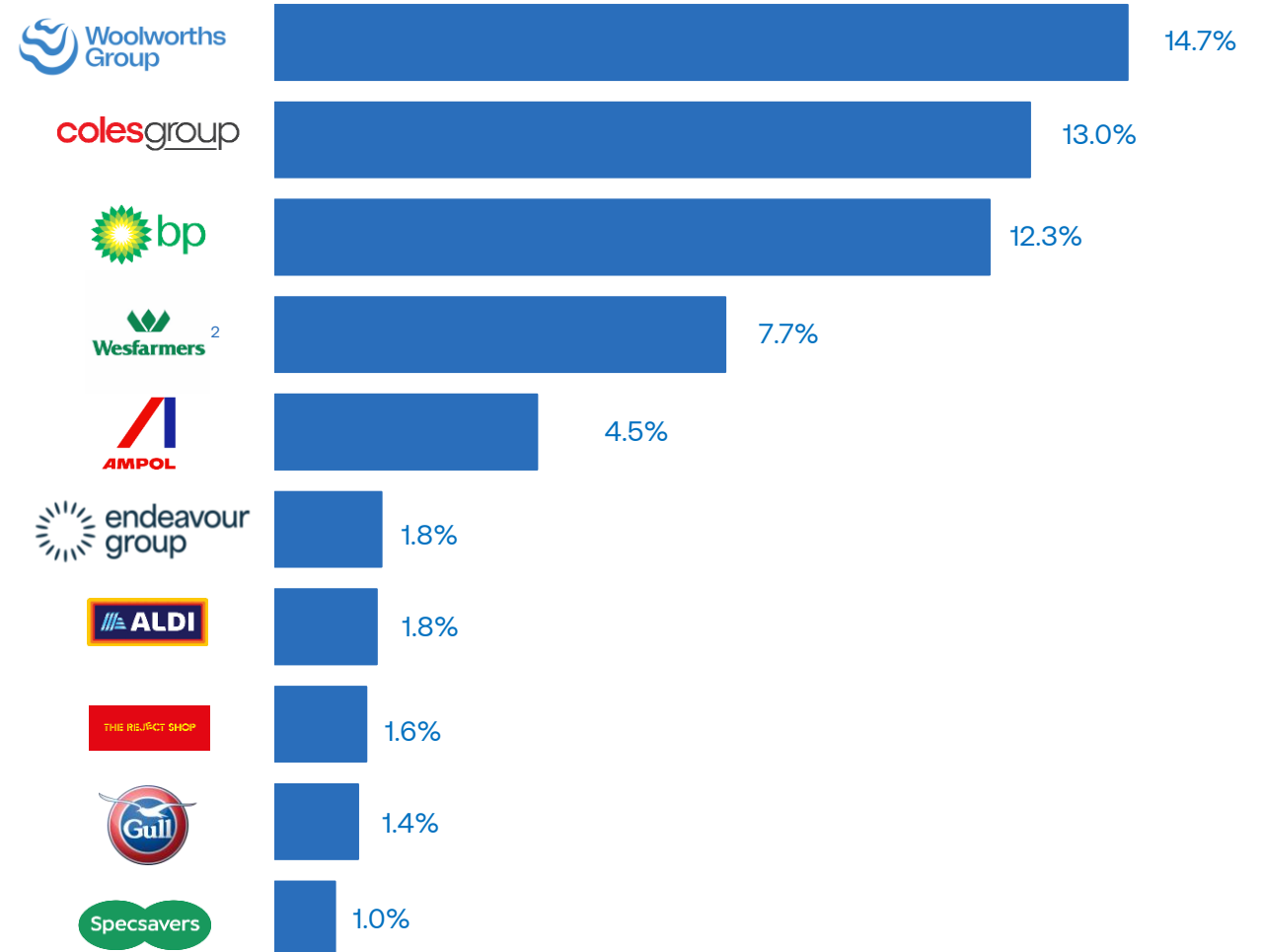


1. Convenience shopping centre retail portfolio
 2. Like for like sales

Portfolio Tenant Customer Composition

- Major tenants Woolworths, Coles, bp, Wesfarmers², Ampol, Endeavour, Aldi and Gull represent 57% of portfolio income
- Following the off-market acquisitions, Ampol, Endeavour and Gull are now the 5th, 6th and 9th largest tenant customers respectively

Top 10 tenant customer groups¹



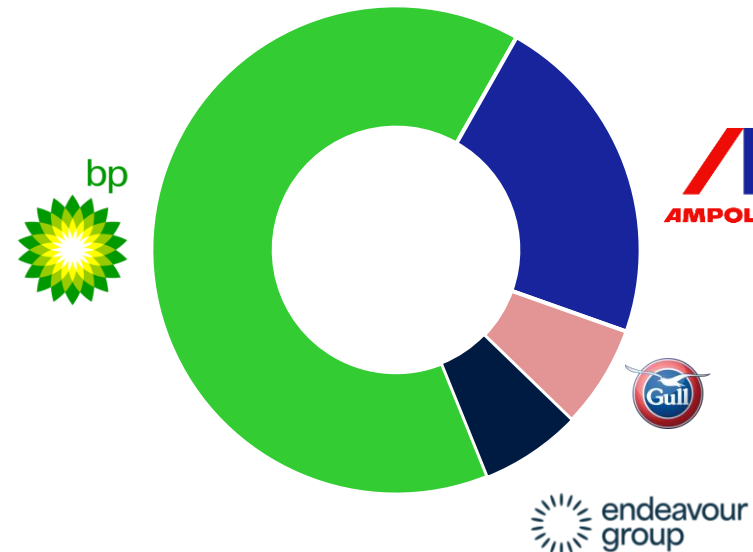
1. Calculated by rental income as at 30 June 2023
2. Kmart, Target, Bunnings, Officeworks and API

Convenience Long WALE Retail Portfolio

- Convenience long WALE retail **represents 25% of total portfolio by value** and 19.5% of total portfolio income
- 15.9 year WALE
- NNN leases with CPI reviews
- 6.2% FY23 rental growth¹

Portfolios	Value \$'m	Cap rate	WALE yrs	Rent review
bp Australia	517	4.7%	16.5	CPI
bp New Zealand	169	4.8%	17.5	CPI (0.5%-4%)
Ampol ²	237	4.9%	15.5	CPI (2%-5%)
Gull	73	5.2%	14.1	CPI (2%-5%)
Endeavour (LWIP2)	71	5.1%	14.1	CPI ³
Total	1,067	4.8%	15.9	6.2%¹

\$1.1bn of convenience long WALE retail assets across four tenant customers

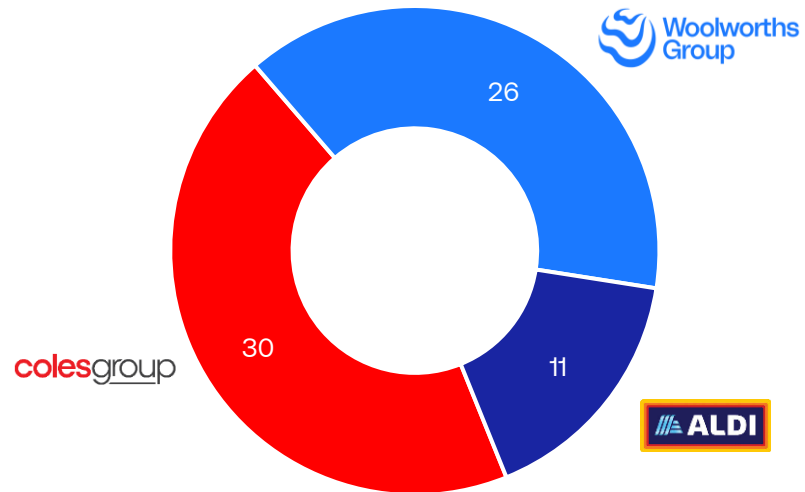


1. Like for like FY23 rental growth
 2. Includes Ampol Australia and Z Energy New Zealand
 3. Two SA properties capped CPI (3%-5%)

Supermarket Anchors

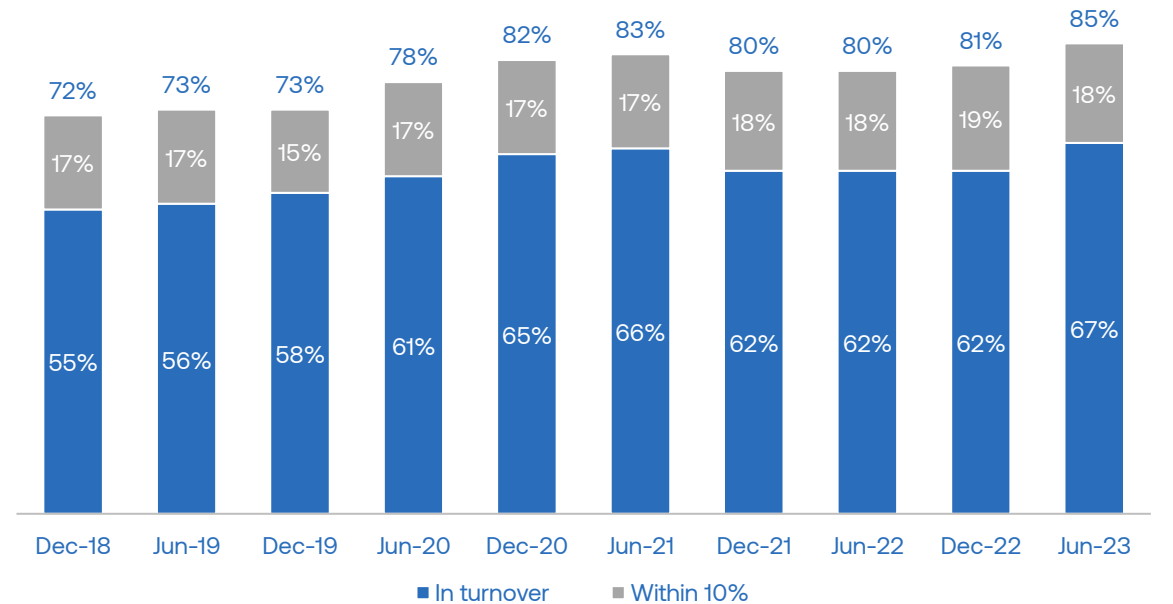
- Supermarkets continued to demonstrate resilience with 4.3% MAT growth¹
- Supermarkets in turnover have experienced stronger 4.9% MAT growth¹
- Agreed terms at 11 supermarket locations for licenced areas, unlocking additional major tenant investment to enhance home delivery and direct to boot facilities

67 supermarket stores in portfolio



Supermarket performance	Jun 22	Jun 23
MAT growth ¹	3.2%	4.3%
Supermarkets in turnover ²	62%	67%
Supermarkets within 10% of turnover	18%	18%

Supermarkets in turnover



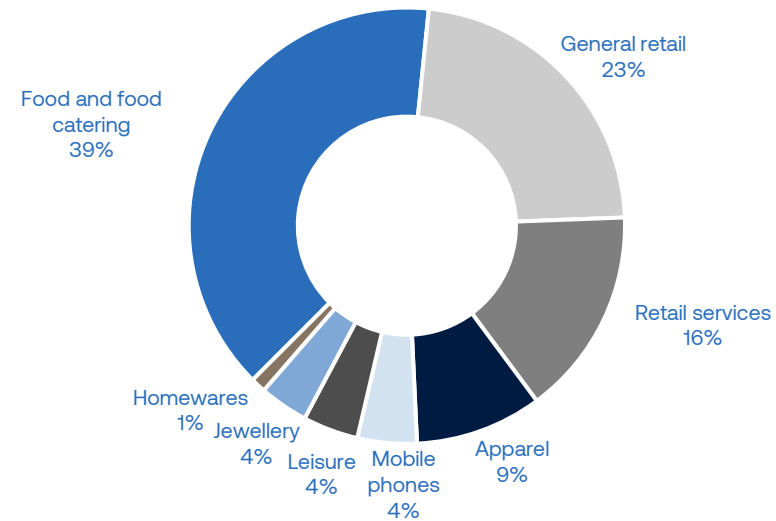
1. Like for like sales
2. Includes supermarkets with fixed rent reviews

Specialty Tenants

- 420 specialty leases completed in the period
- Leasing spreads over the period were +2.5%
 - 161 new leases (+1.7% leasing spread)
 - 259 renewals (+2.7% leasing spread)
- Retention rate remains high at 83%
- Specialty productivity across the portfolio is at a historical high level of \$10,489 per sqm
- Occupancy cost is stable at 11.4%

Specialty performance	Jun 22	Jun 23
MAT growth ¹	(3.7%)	9.0%
Sales productivity (per sqm)	\$9,894	\$10,489
Average gross rent (per sqm)	\$1,140	\$1,191
Specialty occupancy cost	11.5%	11.4%
Average rental increase p.a.	4.1%	4.0%
Retention rate	89%	83%

Specialty sales MAT by category



Asset Enhancement Projects

Active portfolio curation

Investing alongside our major tenants to deliver improved shopper amenity and WALE extension

- Stage 1 of the \$30m Rosebud Plaza redevelopment delivered including new Woolworths and specialty tenants in conjunction with centre ambience upgrade
- Stage 2 including a new Dan Murphy's and BCF is well underway and will commence trading in October 2023
- Significant ambience upgrade completed at Rockdale Plaza to complement recent major tenant refurbishments and specialty remix
- Actively partnered with our major tenants to enhance their existing omni-channel offerings at 13 locations. Includes store expansions and additional works to facilitate enhanced home delivery and direct to boot facilities to respond to shopper demand for online shopping

Investing to unlock land value through adjacent use pad site development

- Completed three pad site developments; GYG at Gateway Plaza, NIDO Early Learning centre at Lake Macquarie Square and KFC at Lansell Square with initial yield on cost returns ranging from 8% to 18%
- Commenced construction of Dan Murphy's pad site at Carnes Hill and Aquatic Achievers swim school at Arana Hills
- Terms agreed on a further three fast food pad sites and two childcare sites
- Active discussions (subject to approval) with fast food operators, childcare, allied health, community services and other complementary uses across the portfolio

Investing to secure sustainable operations by reducing our environment impact

- All pad site developments being delivered in accordance with strategy of net zero carbon emissions
- Partnering with our major tenants to reduce onsite carbon emissions



Rosebud Plaza, Vic



Lake Macquarie, NSW - NIDO Early Learning Centre



4

Outlook and Guidance

AMPOL, Dee Why NSW

Outlook and Guidance

- Strategy remains consistent and focused on non-discretionary convenience retailers, providing income growth and resilience
- Portfolio curation and active asset management with an increased focus on convenience long WALE retail will continue to improve portfolio quality
- Positive leasing spreads, high occupancy levels and MAT growth are expected to continue
- Portfolio income expected to benefit from direct and indirect inflation linked rental growth underpinning asset values

Based upon information currently available and barring unforeseen events, CQR expects **FY24 operating earnings to be approximately 27.4 cents per unit.**

Distribution payout ratio range is expected to be 90 - 95% of operating earnings



Village Tavern, Golden Grove SA



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Annexures

Albany Plaza, Albany WA

Annexures

1

FY24 guidance (cpu)

2

Reconciliation of statutory profit to operating earnings

3

Investment in property joint ventures

4

Debt maturities and covenants

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Convenience focused shopping centre portfolio

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Lease expiry profile

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Property valuations

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Portfolio MAT by state and category

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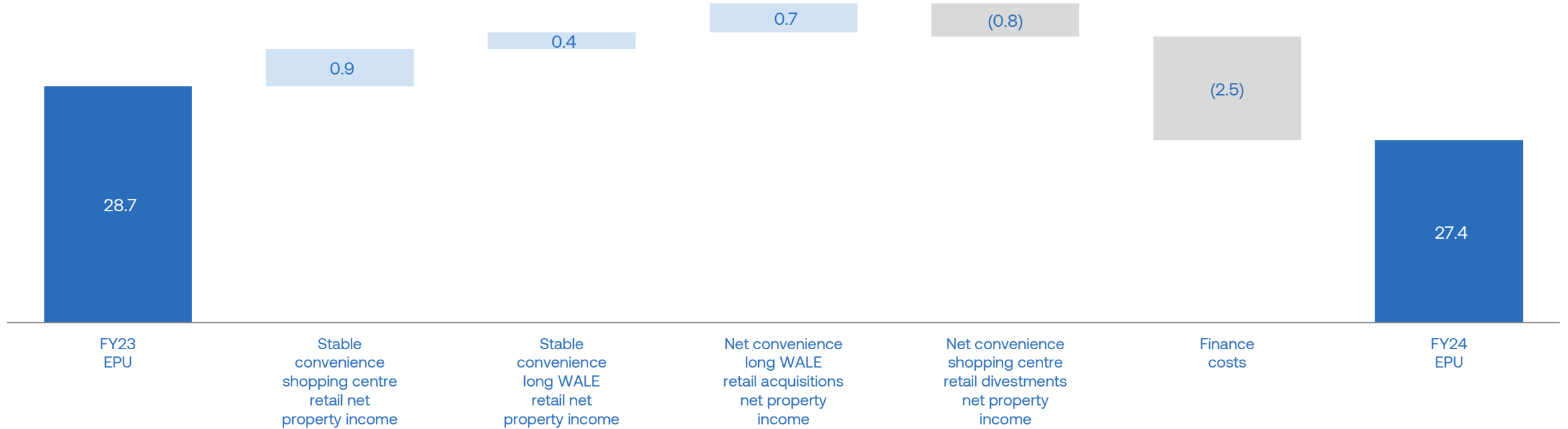
Convenience shopping centre retail portfolio historical performance

10

Glossary

Annexure 1

FY24 guidance (cpu)



- Strong underlying convenience portfolio performance, including positive leasing spreads, high occupancy levels and MAT growth
- Full year impact of Long WALE acquisitions (Z Energy, Gull and LWIP2 portfolios)
- Finance costs impacted rising interest rates

Annexure 2

Reconciliation of statutory profit to operating earnings

\$m	FY23
Statutory profit	37.8
Investment property revaluation ¹	83.6
Net gain on foreign exchange	(1.0)
Net loss on derivative financial instruments	19.9
Other (including straight-lining of rental income and amortisation of incentives)	26.6
Operating earnings	166.9

1. Includes revaluation of straight-lining and incentives amortisation

Annexure 3

Investment in property joint ventures – operating earnings and balance sheet breakdown FY23

\$m	CQR	RP1	RP2	RP6	Other	Convenience shopping centre retail	bp portfolios	Ampol portfolios ¹	Gull portfolio ²	LWIP2 portfolio ³	CDC ⁴	Convenience long WALE retail	Total
Ownership interest	100%	50%	49.9%	20%	50.3%		23.6%	40.4%	100%	26%	52%		
Properties	40 wholly owned	Carnes Hill Highlands Rutherford Wanneroo	Bateau Bay	Bass Hill Pacific Square	Gateway Plaza / Salamander Bay		292 in Australia and New Zealand	276 in Australia and New Zealand	18 wholly owned in New Zealand	11 in Australia	Coles Adelaide Distribution Centre, SA		
FY23 operating earnings													
Net property income	154.0	14.6	7.2	4.2	10.6	190.6	31.5	9.1	3.3	0.9	2.2	47.0	237.6
Finance costs	(35.8)	(3.8)	(1.2)	(0.8)	–	(41.6)	(5.9)	–	–	(0.2)	(0.6)	(6.7)	(48.3)
Other expenses	(20.0)	(1.2)	(0.6)	(0.3)	(0.0)	(22.1)	(0.1)	(0.2)	–	(0.0)	(0.0)	(0.3)	(22.4)
Share of operating earnings	98.2	9.6	5.4	3.1	10.6	126.9	25.5	8.9	3.3	0.7	1.6	40.0	166.9
% of operating earnings	59%	6%	3%	2%	6%	76%	15%	5%	2%	1%	1%	24%	100%
June 2023 balance sheet													
Investment properties	2,607	220	131	78	181	3,217	686	237	73	71	–	1,067	4,284
Borrowings	(1,187)	(89)	(33)	(21)	–	(1,330)	(205)	–	–	(14)	–	(219)	(1,549)
Net other	(40)	39	(1)	(0)	(1)	(3)	17	0	–	0	–	17	14
CQR net investment	1,380	170	97	57	180	1,884	498	237	73	57	–	865	2,749

1. Z Energy portfolio acquired in October 2022

2. Gull portfolio acquired in August 2022

3. LWIP2 portfolio acquired in April 2023

4. CDC divested in October 2022

Annexure 3 continued

Investment in property joint ventures – operating earnings and balance sheet breakdown FY22

\$m	CQR	RP1	RP2	RP6	Other	Convenience shopping centre retail	bp portfolios	Ampol portfolios ¹	Gull portfolio	LWIP2 portfolio	CDC	Convenience long WALE retail	Total
Ownership interest	100%	50%	49.9%	20%	50.3%		23.6%	5.5%			52%		
Properties	41 wholly owned	Brickworks Carnes Hill Highlands Rutherford Wanneroo	Bateau Bay	Bass Hill Pacific Square	Gateway Plaza / Salamander Bay		295 in Australia and New Zealand	225 in Australia			Coles Adelaide Distribution Centre, SA		
FY22 operating earnings													
Net property income	148.5	14.3	7.1	3.8	10.1	183.8	29.8	0.8	–	–	7.2	37.8	221.6
Finance costs	(24.9)	(2.8)	(1.1)	(0.6)	–	(29.4)	(5.7)	–	–	–	(1.1)	(6.8)	(36.2)
Other expenses	(18.7)	(1.1)	(0.6)	(0.3)	(0.1)	(20.8)	(0.2)	(0.0)	–	–	(0.0)	(0.2)	(21.0)
Share of operating earnings	104.9	10.4	5.4	2.9	10.0	133.6	23.9	0.8	n/a	n/a	6.1	30.8	164.4
% of operating earnings	64%	6%	3%	2%	6%	81%	15%	0%			4%	19%	100%
June 2022 balance sheet													
Investment properties	2,692	260	130	77	180	3,339	704	106	–	–	150	960	4,299
Borrowings	(1,031)	(85)	(32)	(20)	–	(1,168)	(203)	–	–	–	(55)	(257)	(1,425)
Net other	(34)	(1)	(0)	(1)	(0)	(35)	17	0	–	–	(1)	16	(19)
CQR net investment	1,627	174	98	56	180	2,136	518	106	n/a	n/a	95	719	2,855

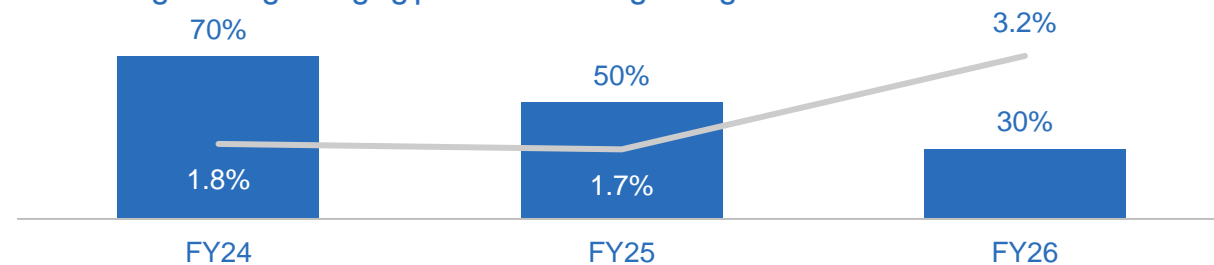
1. Ampol portfolios acquired in March 2022 and June 2022

Annexure 4

Debt maturities and covenants as at 30 June 2023

Debt facility (ownership interest)	Limit (\$m)	Drawn (\$m)	Maturity	ICR covenant	ICR covenant actual	LVR covenant	LVR covenant actual
<i>CQR bank debt facilities</i>	100		Mar-26				
	200		Jul-26				
	75		Nov-26				
	95		Nov-26				
	75		Jul-27				
	50		Jul-28				
	150		Jul-28				
	100		Jul-28				
	130		Jul-28				
Total CQR bank debt facilities	975	758					
USPP – May 2016	177	177	May-26				
USPP – July 2015	252	252	Jul-27				
Total CQR balance sheet debt and look through covenants¹	1,404	1,187		2.0x	4.2x	50.0%	37.3%
JV debt – CHRP1	95	89	Jul-26	1.75x	3.6x	60.0%	40.4%
JV debt – CHRP2	40	33	Jan-28	1.75x	6.0x	60.0%	25.5%
JV debt – CHRP6	25	21	Apr-27	1.75x	5.3x	60.0%	26.4%
JV debt – bp Australia portfolio	214	205	Aug-28	1.75x	4.1x	60.0%	39.6%
JV debt – LWIP2	39	14	Feb-28	1.50x	5.1x	60.0%	20.4%
CQR look through debt	1,817	1,549					

Look through average hedging profile and average hedged rate²



1. CQR covenants are on a look-through basis. Calculated as total look through liabilities (net of cash and MTM of derivatives) divided by total look through tangible assets (net of cash and MTM of derivatives) as at 30 June 2023

2. Calculated based on drawn debt

Annexure 5

Convenience focused shopping centre portfolio

26 Convenience assets

- Single supermarket and complementary convenience specialty
- Specialty productivity across the convenience portfolio outperforms the Urbis neighbourhood benchmark¹
- Supermarkets across the convenience portfolio outperform the Urbis neighbourhood benchmark in terms of both sales volumes and productivity¹

23 Convenience Plus assets

- Multiple supermarkets and/or supermarket and a discount department store with complementary convenience specialty and retail services
- Significantly smaller than the 29,500sqm Urbis sub-regional benchmark¹
- Greater supermarket space allocation than the Urbis sub-regional benchmark¹
- Half the discretionary specialty retail compared to the Urbis sub-regional benchmark¹

	Convenience compared to neighbourhood ¹	Convenience Plus compared to sub-regional ¹
Supermarket productivity	+13%	+9%
Specialty productivity	+34%	+3%
Size variance	(17%)	(39%)
Supermarket floorspace representation	+10%	+26%
Discretionary specialty floorspace	(49%)	(53%)

1. Source: Urbis Shopping Centre Benchmarks 2022; Urbis

Annexure 6

Lease expiry profile as at 30 June 2023

10.5 years

Major tenant WALE

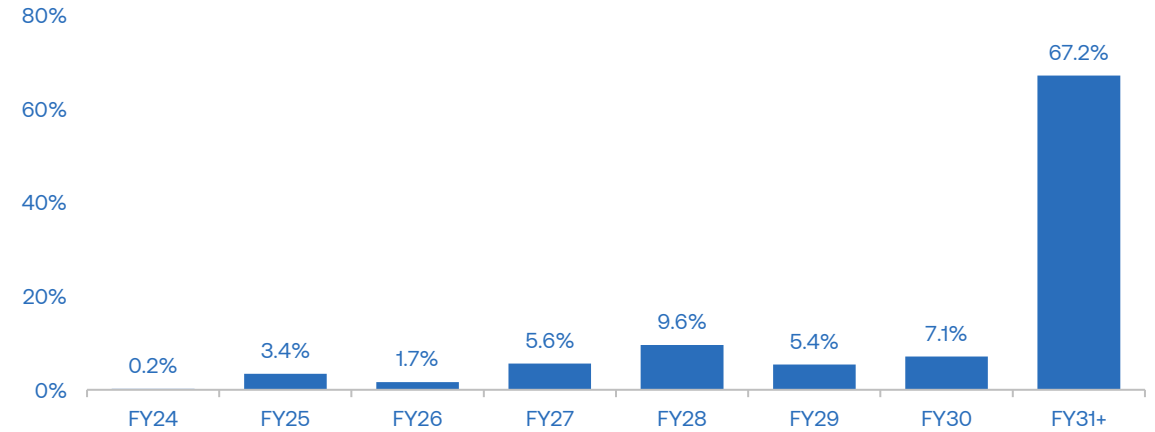
7.4 years

Portfolio WALE

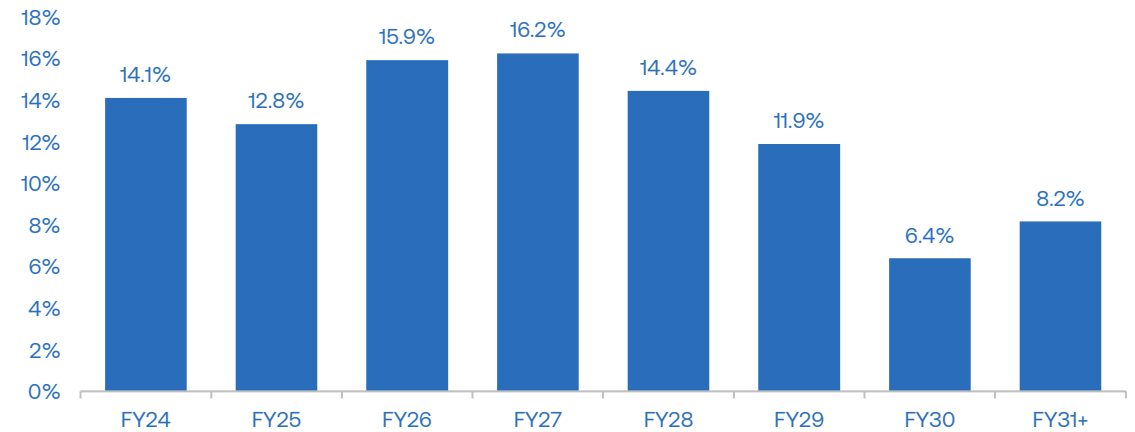
3.6 years

Specialty and mini-major tenant WALE

Major tenant expiry profile (by income)



Specialty and mini-major tenant expiry profile (by income)



Annexure 7

Property valuations as at 30 June 2023

State	Property	Location	Ownership interest (%)	Book Value (\$m)	Cap Rate
ACT	Dickson Woolworths	Dickson	100.0%	24.6	4.88%
	Manuka Terrace	Manuka	100.0%	60.3	6.13%
ACT Total				84.9	
NSW	Bass Hill Plaza	Bass Hill	20.0%	28.4	5.25%
	Bateau Bay Square	Bateau Bay	49.9%	131.0	5.50%
	Carnes Hill Marketplace	Horningsea Park	50.0%	82.5	5.38%
	Cootamundra Woolworths	Cootamundra	100.0%	20.5	4.88%
	Dubbo Square	Dubbo	100.0%	72.2	5.75%
	Gordon Village Centre	Gordon	100.0%	143.5	5.00%
	Goulburn Square	Goulburn	100.0%	95.8	5.88%
	Highlands Marketplace	Mittagong	50.0%	50.8	5.50%
	Jerrabomberra Village	Jerrabomberra	100.0%	37.5	5.38%
	Kings Langley Shopping Centre	Kings Langley	100.0%	58.0	5.38%
	Lake Macquarie Square	Mount Hutton	100.0%	131.0	6.38%
	Morisset Square Shopping Centre	Morisset	100.0%	52.5	6.00%
	Mudgee Metroplaza	Mudgee	100.0%	36.6	5.50%
	Orange Central Square	Orange	100.0%	63.3	5.75%
	Pacific Square	Maroubra	20.0%	49.8	5.00%
	Parkes Metroplaza	Parkes	100.0%	28.2	5.50%
	Rockdale Plaza	Rockdale	100.0%	158.5	5.75%
	Rutherford Marketplace	Rutherford	50.0%	25.1	5.50%
	Salamander Bay Square	Salamander Bay	50.5%	96.5	6.00%

Annexure 7 continued

Property valuations as at 30 June 2023

State	Property	Location	Ownership interest (%)	Book Value (\$m)	Cap Rate
NSW continued	Singleton Square	Singleton	100.0%	115.0	6.38%
	Sunnyside Mall	Murwillumbah	100.0%	62.0	6.00%
	Tamworth Square	Tamworth	100.0%	71.3	5.75%
	Tumut Coles	Tumut	100.0%	14.6	4.88%
NSW Total				1,624.6	
Qld	Arana Hills Plaza	Arana Hills	100.0%	88.0	5.50%
	Atherton Square	Atherton	100.0%	45.5	5.75%
	Bay Plaza	Hervey Bay	100.0%	36.3	5.75%
	Bribie Island Shopping Centre	Bribie Island	100.0%	90.8	5.52%
	Currimundi Markets	Currimundi	100.0%	60.2	5.25%
	Gatton Square	Gatton	100.0%	29.8	5.75%
	Highfields Village	Highfields	100.0%	50.1	5.75%
	Mareeba Square	Mareeba	100.0%	27.6	5.75%
	Sydney Street Markets	Mackay	100.0%	44.9	6.25%
Qld Total				473.2	
SA	Southgate Square	Morphett Vale	100.0%	91.0	5.75%
SA Total				91.0	
Vic	Campbellfield Plaza	Campbellfield	100.0%	103.0	5.25%
	Gateway Plaza	Leopold	50.0%	84.3	5.75%
	Lansell Square	Kangaroo Flat	100.0%	106.5	6.50%
	Rosebud Plaza	Rosebud	100.0%	134.5	6.00%
Vic Total				428.3	

Annexure 7 continued

Property valuations as at 30 June 2023

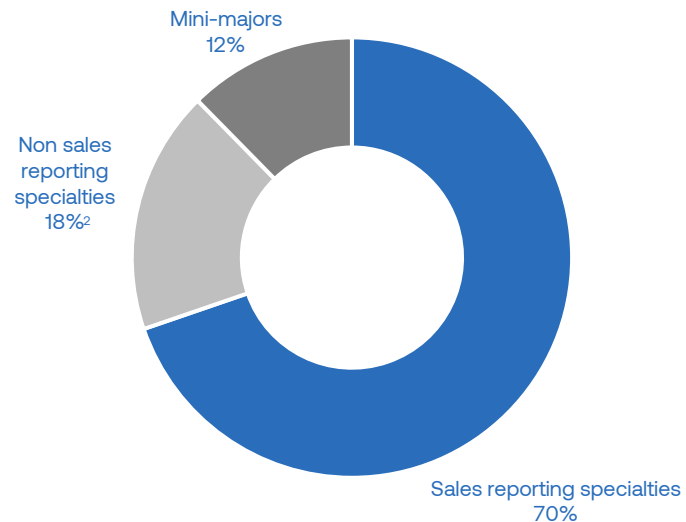
State	Property	Location	Ownership interest (%)	Book Value (\$m)	Cap Rate
WA	Albany Plaza	Albany	100.0%	71.6	6.38%
	Butler Central	Butler	100.0%	51.5	5.75%
	Esperance Boulevard	Esperance	100.0%	40.4	6.38%
	Kalgoorlie Central	Kalgoorlie	100.0%	44.5	6.75%
	Maylands Coles	Maylands	100.0%	19.5	4.88%
	Narrogin Coles	Narrogin	100.0%	19.3	5.00%
	Secret Harbour Square	Secret Harbour	100.0%	109.8	6.25%
	South Hedland Square	South Hedland	100.0%	74.0	7.25%
	Swan View Shopping Centre	Swan View	100.0%	23.4	5.68%
	Wanneroo Central	Wanneroo	50.0%	61.1	6.25%
WA Total				515.1	
Convenience shopping centre retail portfolio				3,217.1	5.81%
	bp Australia portfolio	Australia	23.3%	516.6	4.72%
	bp New Zealand portfolio	New Zealand	24.5%	169.4	4.80%
	Ampol I portfolio	Australia	2.5%	43.5	4.70%
	Ampol II portfolio	Australia	49.0%	62.1	4.63%
	Z Energy portfolio	New Zealand	49.0%	131.3	5.08%
	Gull portfolio	New Zealand	100.0%	72.8	5.22%
	LWIP2 portfolio	Australia	26.0%	70.8	5.10%
Convenience long WALE retail portfolio				1,066.5	4.83%
Total portfolio				4,283.6	5.57%

Annexure 8

Portfolio MAT by state and category as at 30 June 2023

Specialty sales by state	Proportion of specialty sales	MAT growth ¹
New South Wales & ACT	58%	10.9%
Western Australia	14%	2.6%
Victoria	11%	12.6%
South Australia	2%	5.3%
Queensland	15%	5.7%
Total	100%	9.0%

Rental income by specialty and mini-major tenant type²



1. Like for like sales

2. Specialty tenants under SCCA guidelines (tenants who do not report sales include banks, medical etc.)

Sales by category	MAT growth ¹
Supermarket	4.3%
DDS	14.4%
Majors	5.8%
Food and food catering	10.5%
General retail	5.5%
Retail services	10.0%
Clothing and apparel	8.6%
Leisure	5.0%
Mobile phones	15.7%
Jewellery	6.7%
Homewares	11.6%
Specialty	9.0%
Mini-majors	(2.7%)
Total portfolio	5.9%

Annexure 9

Convenience shopping centre retail portfolio historical performance

	Dec 17	Jun 18	Dec 18	Jun 19	Dec 19	Jun 20	Dec 20	Jun 21	Dec 21	Jun 22	Dec 22	Jun 23	+/- 5yr average ⁶
Number of properties	66	58	58	58	55	51	50	50	51	51	51	49	-5
Occupancy	97.8%	98.1%	98.1%	98.1%	98.1%	97.3%	97.8%	98.3%	98.4%	98.5%	98.6%	98.6%	+0.5%
Same property NPI growth ^{1, 2}	1.3%	1.8%	2.1%	2.1%	2.2%	2.0% ⁵	1.8% ⁵	1.9% ⁵	3.2% ⁵	3.5% ⁵	2.8%	3.1%	+1.1%
Major tenant MAT growth ¹	2.8%	2.7%	1.8%	3.4% ³	4.0% ⁴	5.4%	8.5%	4.3%	0.5%	3.2%	4.6%	4.7%	+0.8%
Specialty leasing spread ²	0.8%	1.3%	1.9%	0.8%	4.1%	0.9%	2.5%	1.6%	1.8%	2.3%	3.0%	2.5%	+1.1%
Renewals ²	0.2%	1.5%	2.4%	0.0%	3.8%	1.1%	0.6%	0.2%	1.9%	1.8%	3.7%	2.7%	+1.8%
New leases ²	2.1%	0.9%	0.9%	2.4%	4.6%	0.5%	5.9%	3.8%	1.4%	3.7%	0.0%	1.7%	(0.6%)
Number of leasing transactions	192	208	172	194	222	123	224	233	219	261	194	226	+22
Average specialty gross rent psm	\$994	\$1,006	\$1,030	\$1,054	\$1,104	\$1,131	\$1,138	\$1,145	\$1,133	\$1,140	\$1,184	\$1,191	+\$185
Average specialty sales psm	\$9,439	\$9,536	\$9,583	\$9,672	\$9,817	\$9,557	\$9,936	\$10,213	\$9,822	\$9,894	\$10,259	\$10,489	+\$953
Average specialty occupancy cost	10.5%	10.5%	10.7%	10.9%	11.2%	11.8%	11.5%	11.2%	11.5%	11.5%	11.5%	11.4%	+0.2%

1. Like for like
2. Financial year to date
3. Comparable sales, noting some major tenants reported a 53-week year for FY19 (estimated to be approximately 1.8% when adjusted to 52 weeks)
4. Comparable sales, noting some major tenants reported a 53-week year for FY19 (estimated to be approximately 2.3% when adjusted to 52 weeks)
5. NPI growth prior to provision of \$8.1 million in COVID-19 tenant support for the year to Jun 2022 (\$7.6m for the period to Dec 2021, \$6.7m for the year to Jun 2021, \$5.8m for the period to Dec 2020, \$10.7m for the year to Jun 2020)
6. Average specialty gross rent and sales psm calculated as change over a 5-year period

Annexure 10

Glossary

1H FY23

Six-months from 1 July 2022 to 31 December 2022

2H FY23

Six-months from 1 January 2023 to 30 June 2023

WALE

Weighted Average Lease Expiry calculated based on income

GLA

Gross lettable area (in square metres)

Gross rent

Base rent and outgoings

In turnover

Tenant is paying a percentage of sales in rent (turnover rent)

JV

Joint venture

MAT

Moving annual turnover calculated as a sum of rolling 12-month sales

NPI

Net property income

Occupancy cost

Calculated as the annualised gross rent divided by annual sales

Triple net lease (NNN)

Tenant responsible for all property outgoings, maintenance and capital expenditure

Further information



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