

Growthpoint Properties Australia

FY22 annual results.

16 August 2022

space to thrive.

GROWTH-POINT
PROPERTIES



Agenda.

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Timothy Collyer
Managing Director

Michael Green
Chief Investment Officer

Dion Andrews
Chief Financial Officer

599 Main North Road, Gepps Cross, SA



Performance overview & strategy.



Building 3, 570 Swan Street, Richmond, VIC (Botanicca 3)



FY22 overview.¹

- Delivered strong performance and FFO growth for Securityholders
- Invested in strategic, accretive acquisitions to support Group's growth ambitions, including high-quality office assets
- Achieved like-for-like portfolio valuation uplift of 7.9% or \$356 million over 12 months to 30 June 2022
- Maintained high portfolio occupancy of 97% and WALE of 6.3 years, predominantly leased to government, listed or large organisations



Profit after tax

\$459.2m

FY21: \$553.2m, -17.0%

Gearing

31.6%

Target 35-45%

FFO

27.7cps

FY21: 25.7cps, +7.8%

Hedging

60.9%

Debt fixed at 30 June 2022

Distribution

20.8cps

FY21: 20.0cps, +4.0%

WACD

3.4%

at 30 June 2022



WALE

6.3yrs

30 June 2021: 6.2yrs

Property portfolio value

\$5.1b

30 June 2021: \$4.5b, +13.3%

NTA per security

\$4.56

30 June 2021: \$4.17, +9.4%

1. FY22 data excludes GSO Dandenong, 165-169 Thomas Street, Dandenong, Victoria which settled in July 2022

Our strategy

Delivering on our strategy in FY22.

Our goal is to provide Securityholders with sustainable income returns and capital appreciation over the long term.



Invest in high-quality assets

Long track record of delivery
Over \$320m invested in high-quality assets:

- Acquired three high-quality office assets in NSW, ACT and VIC with blended WALE 7.2 years, yield 5.0%¹
- Invested \$60.3m in additional DXI² securities, maintaining circa 15% holding, increasing exposure to industrial assets



Maximise value

Achieved like-for-like valuation uplift of \$356m, or 7.9%, over FY22 (office: 4.3%, industrial: 15.1%)

Invested \$23m in asset expansions, creating value and supporting lease extensions – BMW South Melbourne and Symbion

Continued reinvestment in refurbishment, including enhancing building amenities



Maintain high-occupancy

Industrial portfolio 100% occupied, 97% across total portfolio. 86% tenant retention³

Leasing success with over 234,000 sqm of leasing completed, 17% of portfolio income over FY22

Opportunities for growth:



Property acquisition



Funds management



Securities buy-back



M&A



1. Excludes GSO Dandenong, 165-169 Thomas Street, Dandenong, Victoria which settled in July 2022

2. Dexus Industria REIT

3. Weighted by income, includes tenant renewals in future periods

Agreement to acquire Fortius Funds Management¹

Strategic growth opportunity.

Growthpoint has entered into an agreement under which it will acquire 100% of the shares in Fortius Funds Management Pty Ltd (Fortius) (the 'Transaction')

Fortius is one of Australia's leading family owned private real estate funds management businesses with an established track record of investing in Australian real estate markets and generating strong returns for its investors with an average IRR of 17% per annum over thirty years

Delivers on a strategic growth opportunity for the Group, adding \$1.9 billion third party FUM to Growthpoint and bringing total AUM to \$7.2 billion²

Transaction brings enhanced sector and product capabilities, including office, retail, mixed-use and debt investments across value-add and opportunistic strategies

Continuation of Fortius successful growth story, with founder and Executive Director Ray Sproats remaining as Senior Adviser for at least two years and CEO Sam Sproats joining the Group's Executive Management Team as Executive Director – Funds Management

Provides ability to scale up the platform significantly to drive incremental growth to earnings for Securityholders

Growthpoint intends to grow the funds management business, targeting 10-20% of Group EBIT, over the medium term

Growthpoint post transaction.²

Growthpoint Properties Australia
\$7.2b assets under management³

Balance sheet
\$5.3b property portfolio³

Funds management
\$1.9b FUM⁴

Office
\$3.6b

Office
\$324m

Retail
\$1,189m

Industrial
\$1.7b

Mixed use
\$273m

Debt
\$89m



FORTIUS

1. GOZ ASX announcement 3 August 2022
2. Expected to settle 1Q FY23, subject to satisfaction of conditions precedent
3. Includes valuations as at 30 June 2022 and GSO Dandenong, 165-169 Thomas Street, Dandenong, Victoria which settled in July 2022
4. FUM as at 30 June 2022

ESG strategy

Continued progress on sustainability.

- Moved forward on our target to achieve net zero by 2025¹
- Progressed on improving energy and resource efficiency across our portfolio
- Completed installation of three solar PV systems across office portfolio with combined capacity of 259 kW
- Ranked fifth for Energy ratings in the NABERS Sustainable Portfolios Index 2022 (SPI)

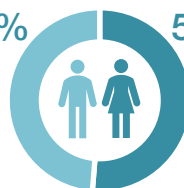
1. Net zero 2025 target across 100% owned on balance sheet operationally controlled office assets and corporate activities
2. Excludes casual and contract employees
3. includes EMT and senior managers (permanent employees that report to an EMT member, excluding assistants)
4. Overall Regional Sector Leader - Diversified – Office/Industrial



Gender diversity

(all employees)²

48.7% 51.3%



50% women in leadership positions³
FY21: 38%

77%

Employee engagement score placing Group in top decile of benchmark group

FY21: 77%, top quartile of benchmark group

61%

Employee alignment score placing Group in top quartile of benchmark group

FY21: 63%, top quartile of benchmark group



NABERS Energy rating

5.2 ☆

with 100% of office portfolio rated

NABERS Water rating

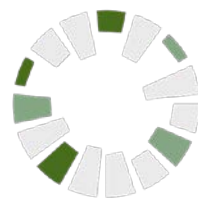
5.1 ☆

with 86% of office portfolio rated

NABERS IE rating

4.2 ☆

with 87% of office portfolio rated, up from 62% in FY21



G R E S B⁴
REAL ESTATE
sector leader 2021



GRESB rating increased by 8.1% from pcp (FY21 74/100)



B Rating maintained

Out-performance over the long term.

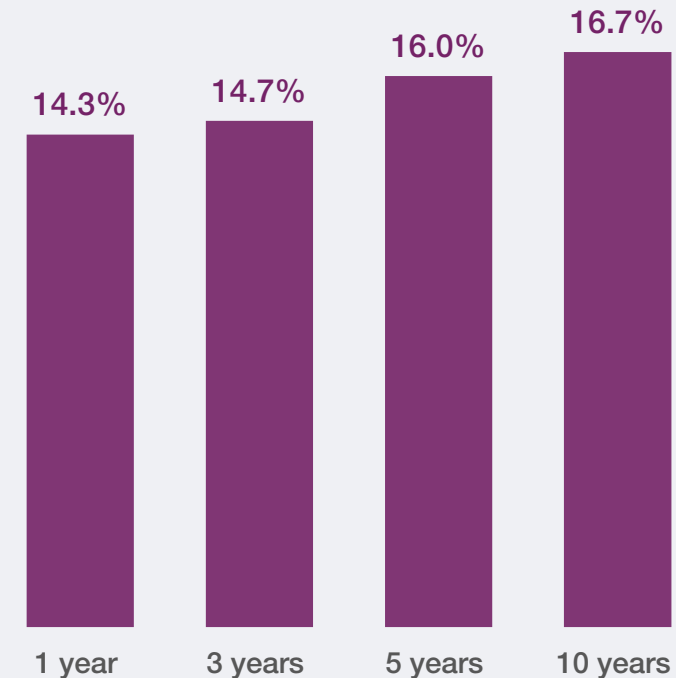
Growthpoint
trading at
18%
discount
to NTA²

Total securityholder return¹ to 30 June 2022

■ Growthpoint ■ S&P/ASX 200 A-REIT Accumulation Index



Return on equity to 30 June 2022 (per annum)

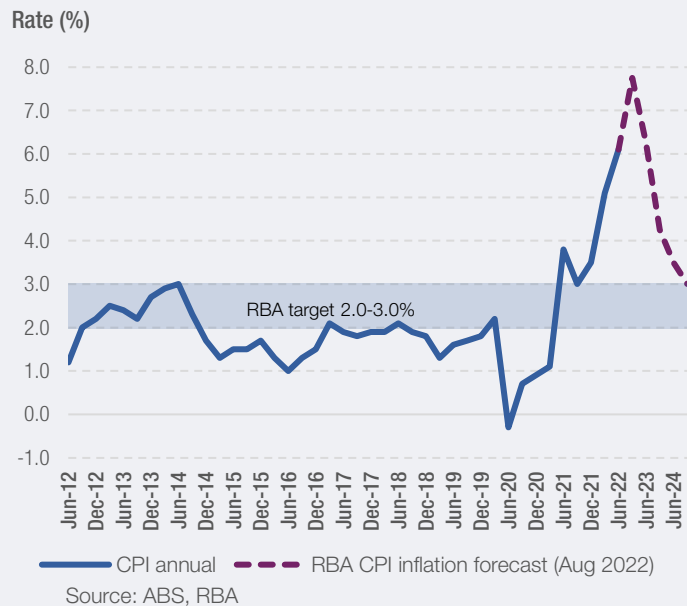


1. UBS Investment Research, annual compound returns to 30 June 2022
2. NTA of \$4.56 to closing ASX price as at 15 Aug 2022 of \$3.74



Changing macro environment.

Rising inflation



- Global pressures driving inflation
- Continued increase in construction costs
- RBA forecast return to the top of the 2%-3% target range by the end of the forecast period

Rising interest rates



- 'Normalisation' of emergency settings
- Higher near-term debt costs
- Market pricing anticipates lowering of cash rate going in to 2024

Unemployment

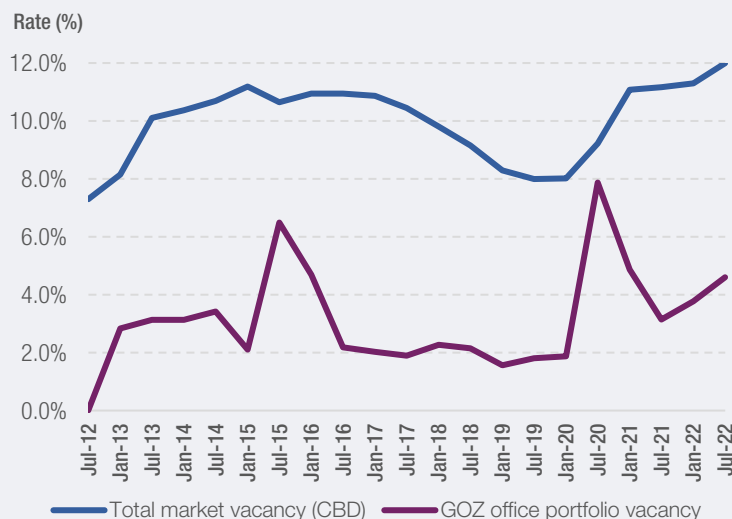


- At 48 year low, with unemployment to jobs ratio at almost 1:1
- Low net migration vs. pre-pandemic levels, borders now fully open

Changing environment, well positioned portfolio.

Office

National office vacancy



Source: Property Council Australia, Growthpoint

- National vacancy 12.0%, July 2022
- Close to ten year national average of 10.0%
- Resilience seen in metro markets, GOZ office portfolio 95% leased at 30 June 2022

Industrial

Industrial floorspace gross take-up across Australia (sqm)

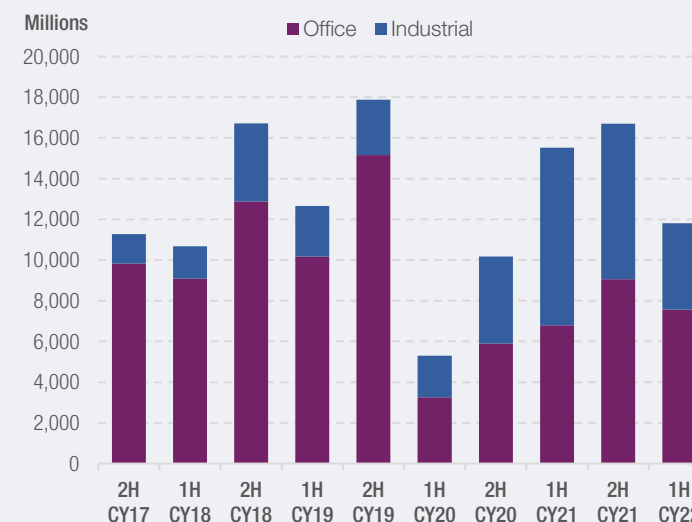


Source: JLL

- Record levels gross floor space take-up
- Historic low national vacancy rate, occupier demand driving rental growth
- GOZ industrial portfolio 100% leased

Investment market

Commercial real estate investment volume (AU\$)



Source: Cushman & Wakefield

- Transaction volumes remain strong, with off-shore investors ~33% volumes Q2 2022
- Short term slowing expected as investors consider market
- Significant capital awaiting clearer view of market

Portfolio update.



141 Camberwell Road, Hawthorn East, VIC



Strategic property acquisitions.

\$426.6 million in property acquisitions since 30 June 2021 with blended WALE of 8.1 years and yield of 5.1%²




\$52.0m¹
 Aug 2021

**11 Murray Rose Avenue,
 Sydney Olympic Park, NSW**

Lettable area: 5,684 sqm

Occupancy: 100%

WALE: 4.8 years

Initial yield: 5.5%

Major tenant: B2G Consortium

Metrics as at settlement Aug 2021




\$84.6m¹
 Dec 2021

**2-6 Bowes Street,
 Phillip, ACT**

Lettable area: 12,376 sqm

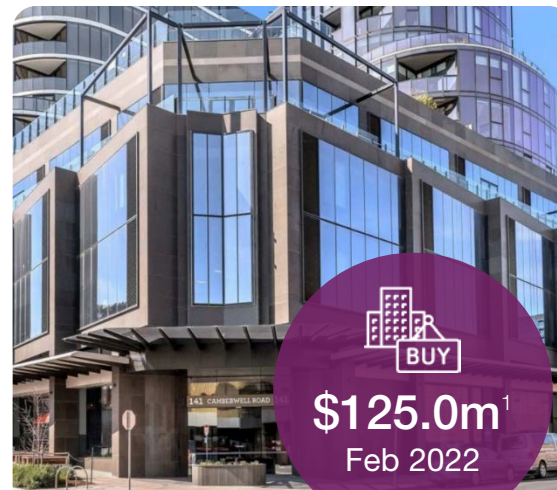
Occupancy: 96%

WALE: 9.3 years

Initial yield: 5.0%

Major tenant: ACT Government

Metrics as at settlement Dec 2021




\$125.0m¹
 Feb 2022

**141 Camberwell Road,
 Hawthorn East, VIC**

Lettable area: 10,233 sqm

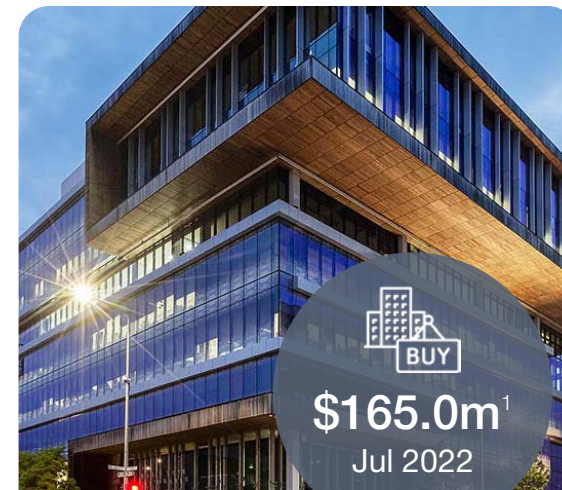
Occupancy: 99%

WALE: 6.7 years

Initial yield: 4.8%

Major tenant: Miele Australia

Metrics as at settlement Feb 2022




\$165.0m¹
 Jul 2022

**GSO Dandenong, 165-169
 Thomas St, Dandenong, VIC**

Lettable area: 15,071 sqm

Occupancy: 100%

WALE: 9.4 years

Initial yield: 5.3%

Major tenant: VIC Government

Metrics as at settlement July 2022

1. Net sale price, excluding acquisition costs

2. Includes GSO Dandenong, 165-169 Thomas Street, Dandenong, Victoria which settled in July 2022

Portfolio snapshot.¹

Total assets

58

30 June 2021: 55

Portfolio occupancy

97%

30 June 2021: 97%

Weighted average lease expiry

6.3yrs

30 June 2021: 6.2yrs

Weighted average cap rate

5.0%

30 June 2021: 5.2%

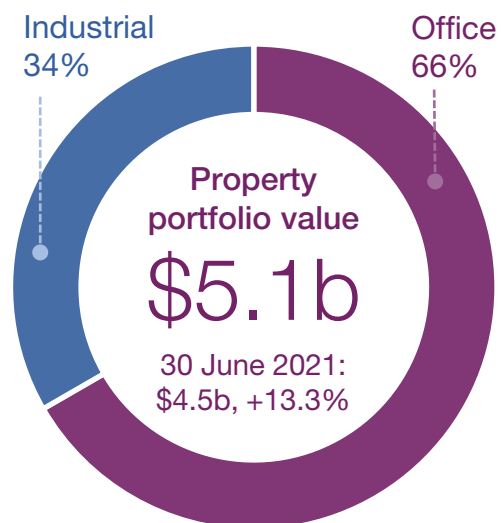
96%

of portfolio leased to government, listed or large organisations²

Industry leader on landlord satisfaction³

86%

Tenant retention⁴



Top tenants

Woolworths



COUNTRY ROAD GROUP



BUNNINGS

Australia Post



Australian Government



BOQ

SAMSUNG

1. Portfolio metrics exclude GSO Dandenong, 165-169 Thomas Street, Dandenong, Victoria which settled in July 2022

2. Growthpoint estimate of tenants with revenue above \$50 million per annum

3. Tenant engagement survey conducted by property research specialists Brickfields

4. Weighted by income, includes tenant renewals in future periods

Portfolio key metrics.



Office portfolio¹

Portfolio
occupancy

95%

30 June 2021: 97%

Office
portfolio value

\$3.4b

30 June 2021: \$3.0b

Weighted ave.
lease expiry

6.7yrs

30 June 2021: 7.0yrs

Weighted ave.
cap rate

5.1%

30 June 2021: 5.3%

Change in office property valuation, by value²

30 June 2021 to 30 June 2022

14%

Declined

7%

Stable

79%

Increased

On a like-for-like
basis, office
portfolio increased
by \$129.6m or
4.3%



Industrial portfolio

Portfolio
occupancy

100%

30 June 2021: 98%

Industrial
portfolio value

\$1.7b

30 June 2021: \$1.5b

Weighted ave.
lease expiry

5.3yrs

30 June 2021: 4.7yrs

Weighted ave.
cap rate

4.7%

30 June 2021: 5.2%

Change in industrial property valuation, by value²

30 June 2021 to 30 June 2022

99%

Increased

1%

Declined

On a like-for-like
basis, industrial
portfolio increased
by \$226.4m or
15.1%

1. Portfolio metrics exclude GSO Dandenong, 165-169 Thomas Street, Dandenong, Victoria which settled in July 2022

2. Declined: valuation reduced more than 1%, Stable: valuation change between -1% and 1%, Increased: valuation increased by more than 1%

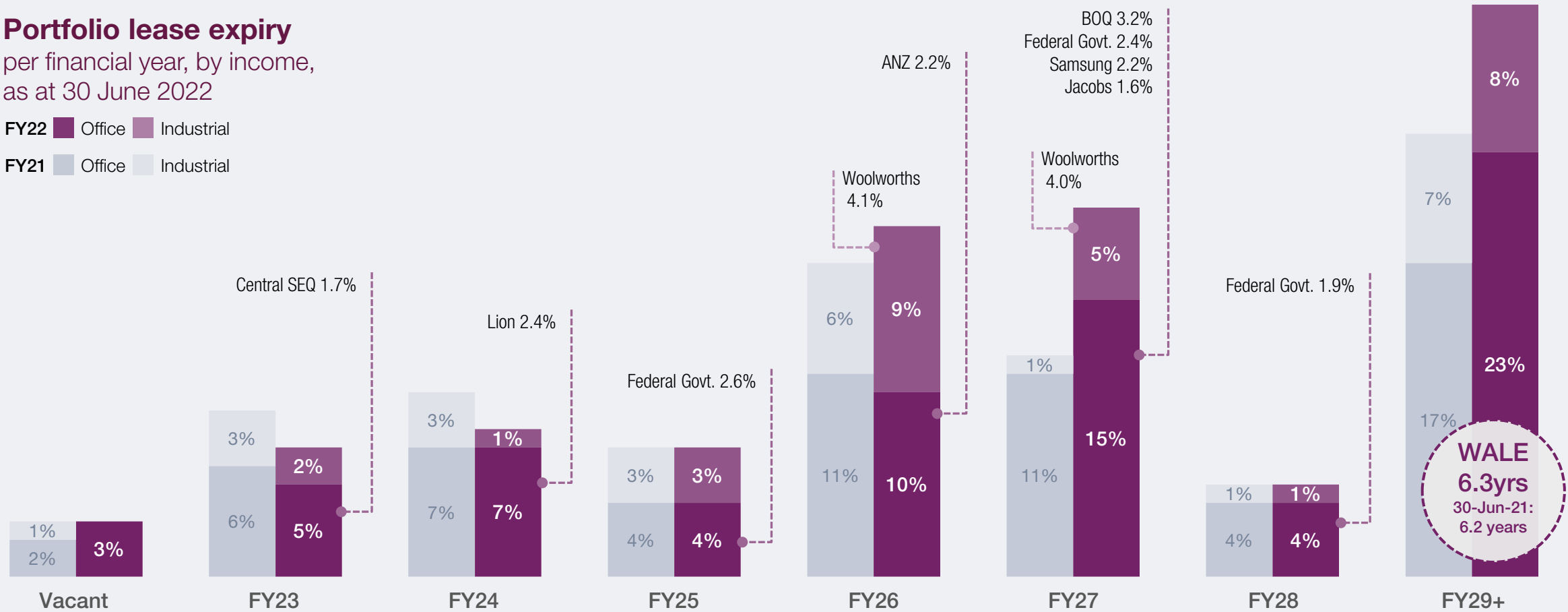
Portfolio leasing update

WALE maintained on leasing success and strategic acquisitions.

Portfolio lease expiry

per financial year, by income,
as at 30 June 2022

FY22 Office Industrial
FY21 Office Industrial



Figures may not sum to 100%



Portfolio leasing update

Significant portfolio leasing activity.

Total leasing completed
in FY22 ~234,000 sqm or
17% of portfolio income



Office leasing

Total leasing completed in FY22

~41,000 sqm

or 11% of portfolio income

72%

tenant
retention¹

6.0 yrs

average lease
term



Industrial leasing

Total leasing completed in FY22

~193,000 sqm

or 30% of portfolio income

98%

tenant
retention¹

4.5 yrs

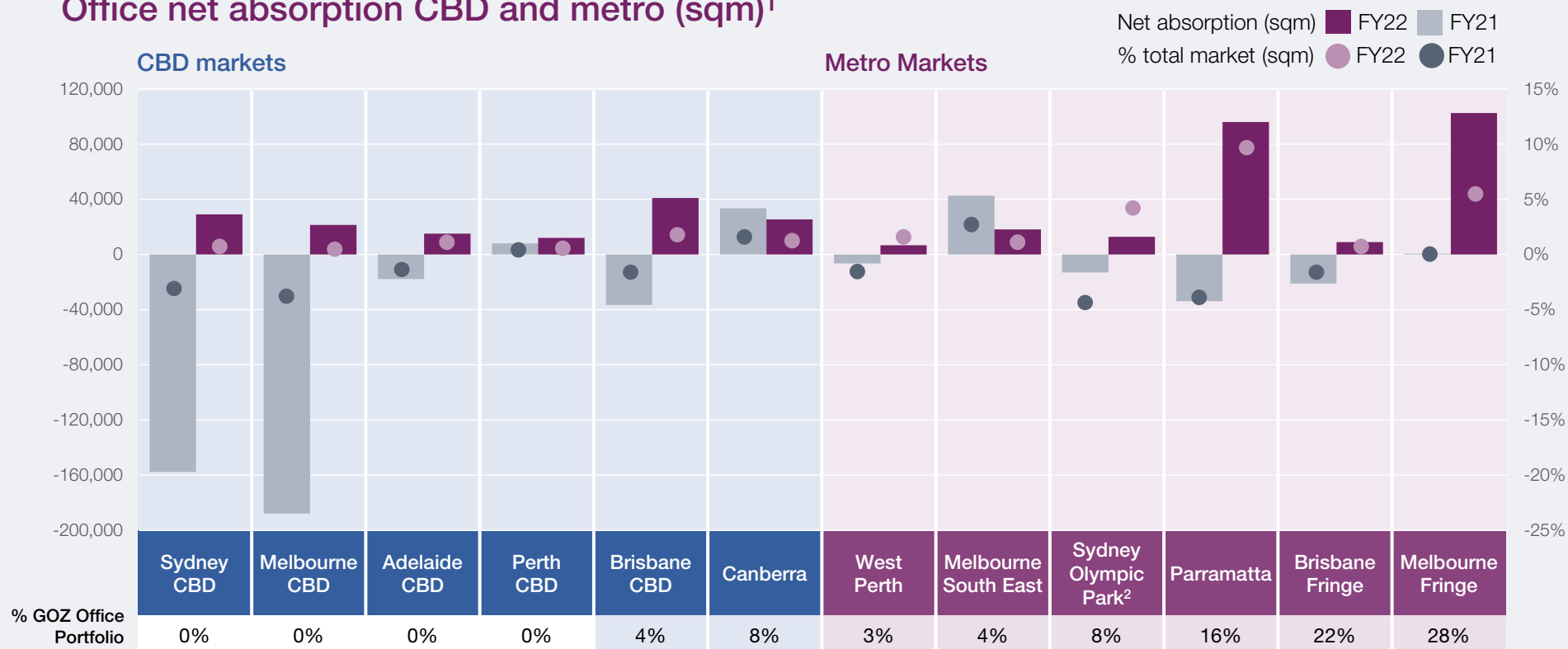
average lease
term

1. Weighted by income, includes tenant renewals in future periods

Office market update

Returning confidence and positive trends in metro markets.

Office net absorption CBD and metro (sqm)¹



**FY22 CBD
net absorption
143,550 sqm
0.8% of the
market¹**

**FY22 Metro
net absorption
246,077 sqm
2.4% of the
market¹**

Positive net absorption
in Group's markets
reflects strengthening
demand, improved tenant
confidence

1. Source: JLL 2. Sydney Olympic Park/Rhodes

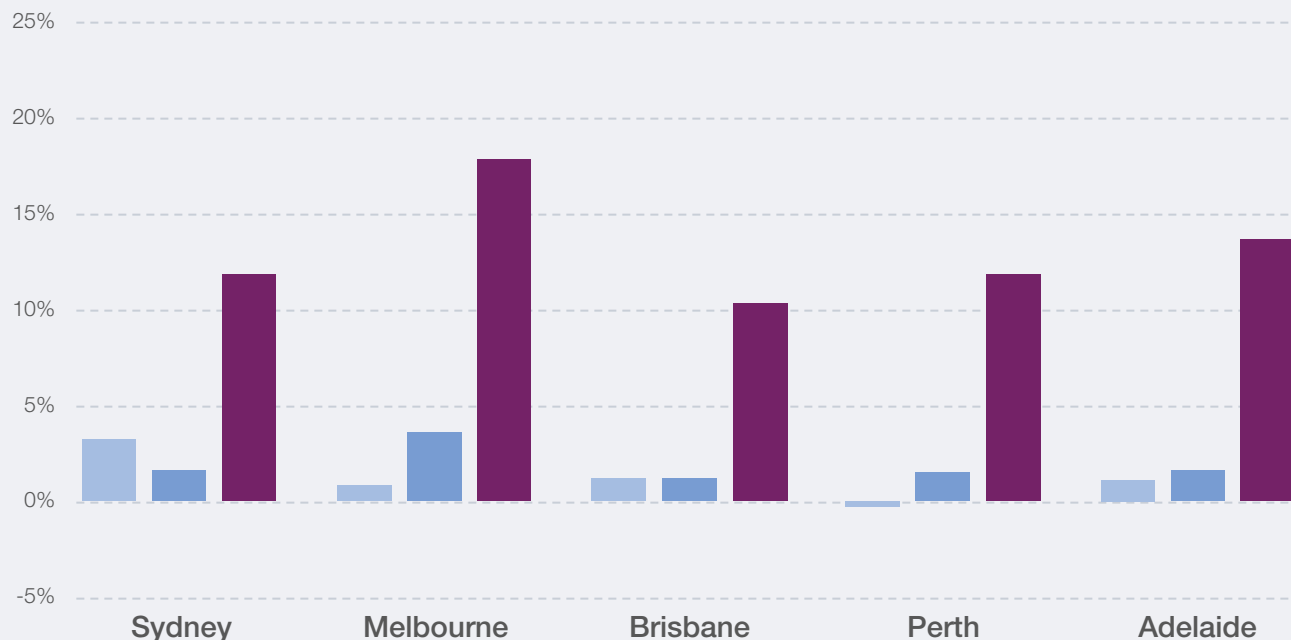
Industrial market update

Strong rental growth.

0.8% market vacancy rate
across five capital cities at June
2022, at historic national low
and lowest worldwide²

Net face rent growth¹ (%)

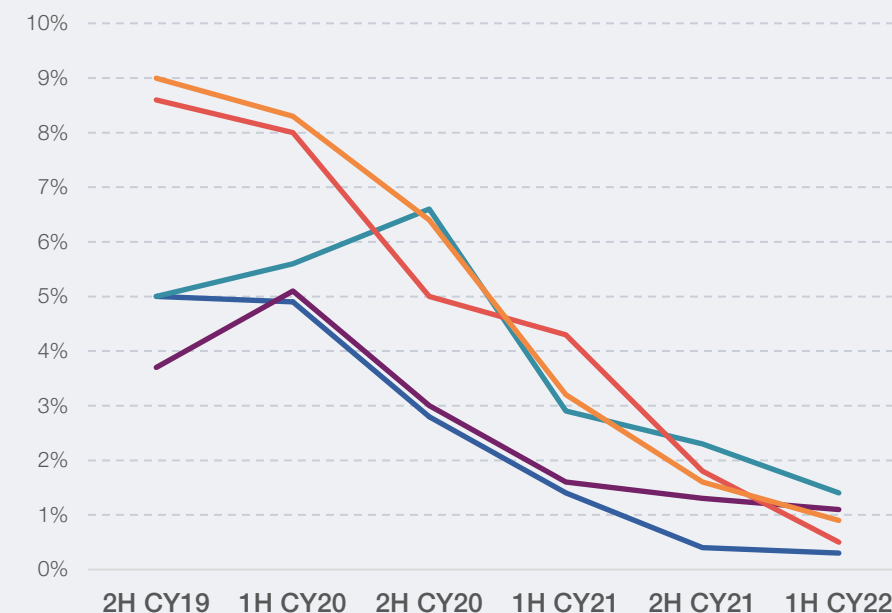
Prime net face rent growth FY20 FY21 FY22



1. Source: JLL

Industrial vacancy rates² (%)

Sydney Melbourne Brisbane Perth Adelaide



2. Source: CBRE

Financial results.



27-49 Lenore Drive, Erskine Park, NSW



Financial summary

FY22 financial results.

Components of FFO		FY22	FY21	% change
NPI	\$m	247.6	235.6	5.1
Add back amortisation of incentives	\$m	33.0	26.9	22.7
NPI excluding amortisation of incentives	\$m	280.6	262.5	6.9
Net finance costs	\$m	(46.1)	(48.2)	(4.4)
Operating and trust expenses (less depreciation)	\$m	(19.8)	(15.7)	26.1
Income tax expense (excluding deferred tax expense/benefit)	\$m	(0.7)	(0.3)	133.3
FFO¹	\$m	214.0	198.3	7.9
Weighted average securities	m	771.8	772.0	(0.0)
FFO per security	cents	27.7	25.7	7.8
Distribution per security	cents	20.8	20.0	4.0
Payout ratio ²	%	75.1	77.8	(2.7)

Increase primarily driven by new acquisitions and increased occupancy at Building 3, 570 Swan Street, Richmond, VIC (Botanicca 3), offset by the sale of 102 Bennelong Parkway and 6 Parkview Drive in Sydney Olympic Park, NSW (the Quads)

Increase driven by incentives provided to tenants at Botanicca 3 as well as Monash University at Building B, 211 Wellington Road, Mulgrave, VIC

Lower weighted average cost of debt through much of the year, although cost increased again over the last 2 months of the period. Lower debt costs were offset by more debt drawn to fund acquisitions

Reflects higher headcount in FY22, with an element of catch-up after hiring freeze and cost control during early phase of pandemic. MER at 0.4%, in line with expectations moving forward

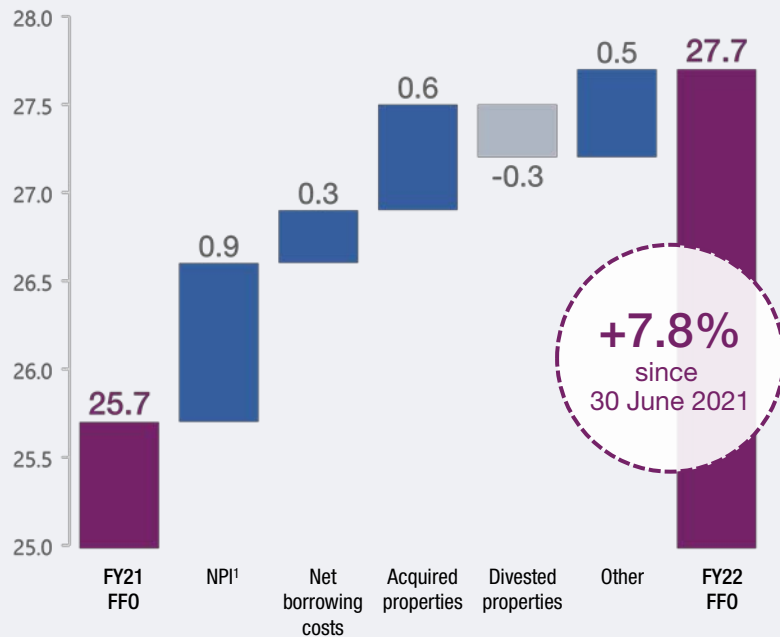
1. Reconciliation of FFO to profit after tax is provided on slide 30

2. Distributions (\$ million) divided by FFO (\$ million)

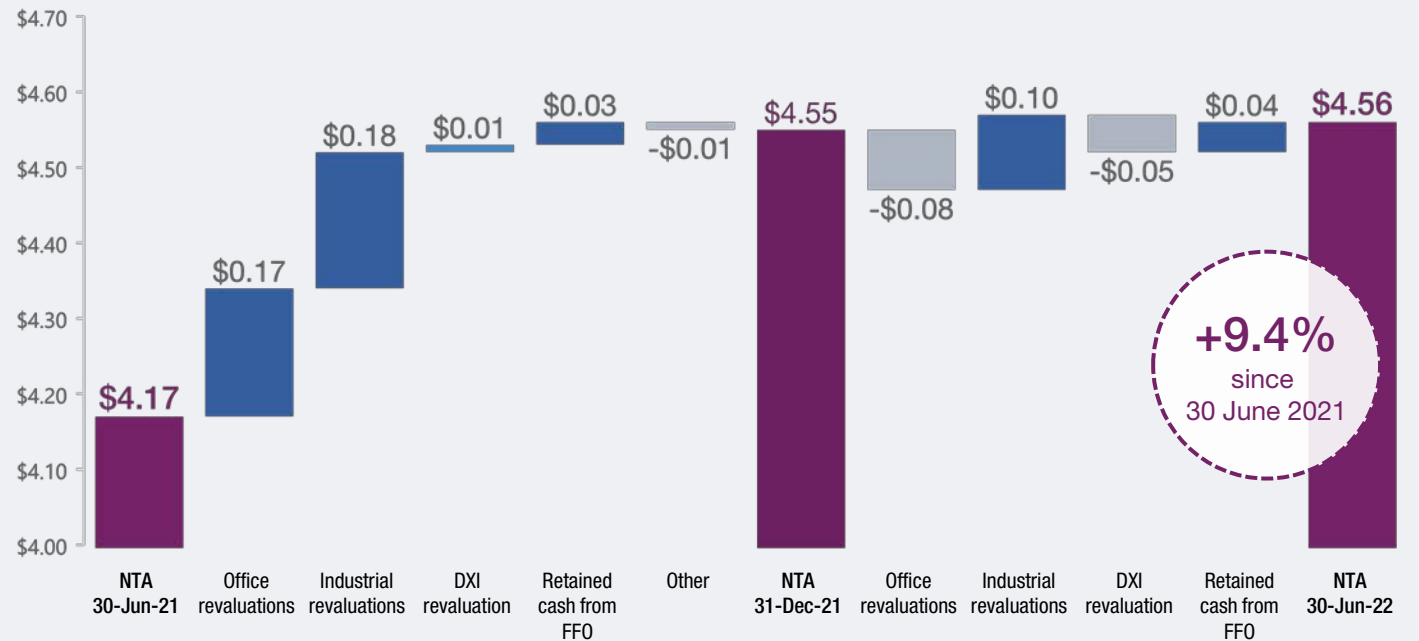
Financial summary

Strong financial performance.

FFO per security movement (cents per security)



NTA per security movement (cents per security)

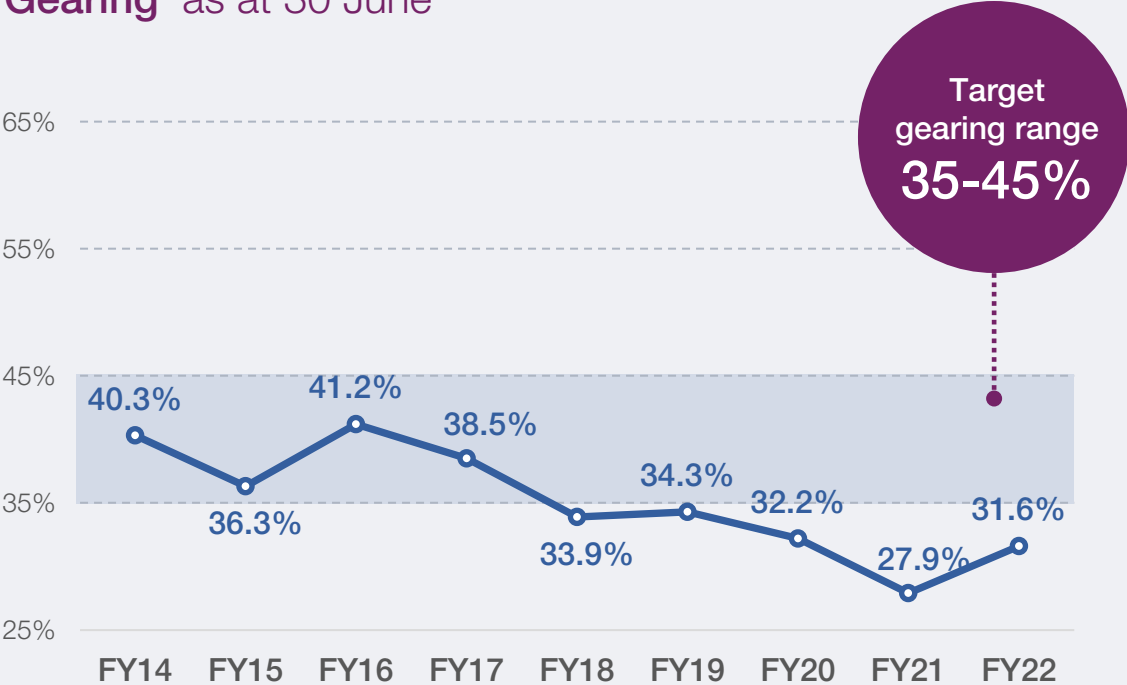


1. Excluding acquisitions and divestments

Gearing to remain below target range.

Proforma gearing at 34.3% post settlement of GSO Dandenong¹ and Fortius acquisition anticipated in 1Q FY23²

Gearing¹ as at 30 June



Distribution payout ratio % of FFO



1. Interest bearing liabilities less cash divided by total assets less ground leasehold assets and cash

1. GSO Dandenong, 165-169 Thomas Street, Dandenong, Victoria which settled in July 2022
2. Expected to settle 1Q FY23, subject to satisfaction of conditions precedent



Capital management

Position going into FY23.

61%

fixed debt at
30 June 2022

Metrics

at 30 June 2022

WACD

3.4%

with WADM
of 4.2 years

WACD - fixed

3.0%

with WADM - fixed
of 3.8 years

Undrawn facilities

\$353.5m

Reducing to \$136.9m post
settlement of GSO Dandenong
and Fortius acquisition
anticipated in 1Q FY23²

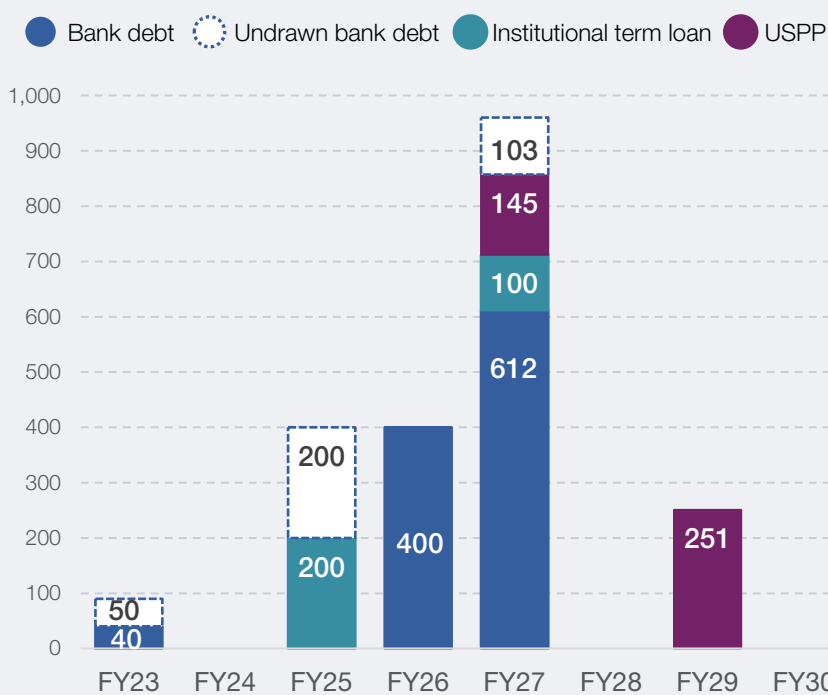
Hedge maturity profile

at 30 June 2022



Group debt maturity profile

at 30 June 2022 (\$ million)



1. GSO Dandenong, 165-169 Thomas Street, Dandenong, Victoria which settled in July 2022

2. Expected to settle 1Q FY23, subject to satisfaction of conditions precedent



Outlook.



2-6 Bowes Street, Phillip, ACT



Outlook

FY23 guidance

FY23 FFO guidance

25.0 - 26.0 cps

A key assumption to guidance is in respect of rising interest rates, with the Group assuming an average FY23 floating cash rate of 2.8%

FY23 distribution guidance

21.4 cps

**Forecast
distribution
yield¹**

5.7%

1. Distribution yield is the FY23 DPS guidance of \$0.214 per security divided by the closing ASX price as at 15 August 2022 of \$3.74

Thank you for joining us.

Questions.



141 Camberwell Road, Hawthorn East, VIC



Supplementary information.

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572-576 Swan Street, Richmond, VIC

Financial information.



Financial information

Summary financials.

		FY22	FY21	Change	% Change
NPI ¹	\$m	247.6	235.6	12.0	5.1
Like-for-like NPI	\$m	238.6	233.3	5.3	2.3
Statutory accounting profit	\$m	459.2	553.2	(94.0)	(17.0)
Statutory accounting profit per security	¢	59.5	71.7	(12.2)	(17.0)
FFO	\$m	214.0	198.3	15.7	7.9
Distributions	\$m	160.6	154.4	6.2	4.0
Payout ratio	%	75.0	77.9		(2.9)
FFO per security	¢	27.7	25.7	2.0	7.8
Distributions per security	¢	20.8	20.0	0.8	4.0
ICR	times	5.2	4.8		
MER	%	0.40	0.35		

		As at 30 Jun 2022	As at 30 Jun 2021	Change	% Change
NTA per stapled security	\$	4.56	4.17	0.39	9.4
Gearing	%	31.6	27.9		3.7

1. Net property income plus distributions from equity related investments

Financial information

Reconciliation from statutory profit to FFO.

	FY22	FY21	Change	Change
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>%</i>
Profit after tax	459.2	553.2	(94.0)	(17.0)
Less FFO items:				
- Straight line adjustment to property revenue	(12.1)	(8.5)	(3.6)	
- Net (gain) in fair value of investment properties	(285.1)	(356.5)	71.4	
- Net loss / (gain) in fair value of investment in securities	32.7	(29.3)	62.0	
- Net (gain) / loss in fair value of derivatives	(57.2)	43.8	(101.0)	
- Net loss / (gain) on exchange rate translation of interest-bearing liabilities	31.5	(33.0)	64.5	
- Amortisation of incentives and leasing costs	33.0	26.9	6.1	
- Deferred tax expense / (benefit)	7.2	(3.3)	10.5	
- Other	4.8	5.0	(0.2)	
FFO	214.0	198.3	15.7	7.9

Financial information

Financial position.

	30 June 2022	30 June 2021
	\$m	\$m
Assets		
Cash and cash equivalents	49.2	33.5
Investment properties	5,233.1	4,619.6
Investment in securities	132.4	104.8
Other assets	85.1	19.9
Total assets	5,499.8	4,777.8
Liabilities		
Borrowings	1,740.0	1,327.1
Distributions payable	80.3	77.2
Lease liabilities	104.6	106.8
Other liabilities	55.0	45.3
Total liabilities	1,979.9	1,556.4
Net assets	3,519.9	3,221.4
Securities on issue	<i>m</i> 771.7	771.9
NTA per security	<i>\$</i> 4.56	4.17
Balance sheet gearing	<i>%</i> 31.6	27.9

Additional financial information.

Reconciliation of operating cashflow to FFO

	FY22
	\$m
Operating cashflow	183.4
Lease incentives and leasing costs	35.2
Net (prepaid)/accrued operating activities	(7.3)
COVID deferrals (net)	1.1
Provision for income tax	0.7
Lease liability repayments classified as financing cashflows	(1.1)
Unamortised upfront costs	2.6
Accrued interest expenses	(0.6)
FFO	214.0
FY22 distributions provided for	160.6

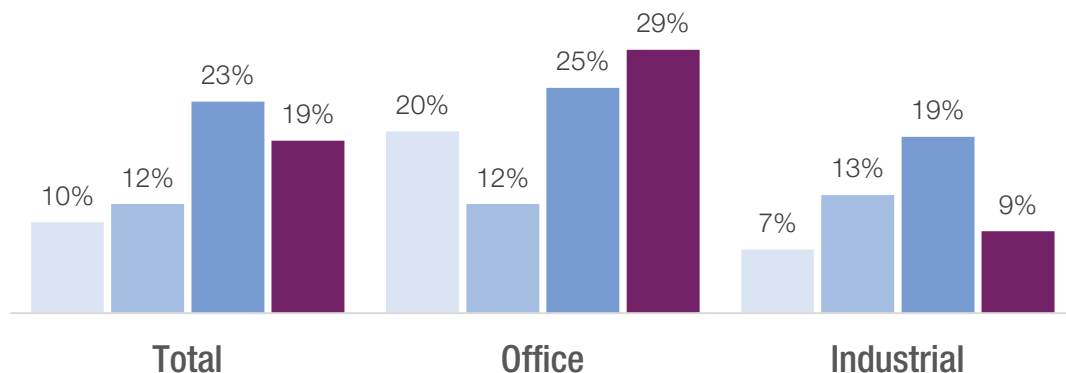
Financial information

Lease incentives.

Lease incentives includes fit out, rent free, rental abatement and cash payments. The tables on this page show the financial impact of incentives on Growthpoint's financial statements¹

Average lease incentives

● FY19 ● FY20 ● FY21 ● FY22



1. The financial impact includes all relevant historical impacts but not necessarily all future ones. For example, a cash payment would be captured here regardless of when a lease commences but rent free for a future period would not be captured until the relevant period.
2. Includes cash incentives and fit out incentives only. Other non-cash tenant incentives provided in FY22 were rent abatement of \$6.4 million and rent-free incentives of \$15.4 million. These two amounts form part of the unamortised lease incentives balance in the Consolidated Statement of Financial Position. Leasing costs of \$2.0 million were also paid in FY22.
3. Includes establishment costs such as legal costs and agent fees.

Consolidated Statement of Profit and Loss

	FY22	FY21
	\$m	\$m
Property revenue (excluding incentives)	336.7	315.6
Amortisation of tenant incentives	(33.0)	(26.9)
Property revenue	303.7	288.7
Net changes in value of investment properties (excluding incentives)	282.7	331.1
Net value of tenant incentive changes during the period	2.4	25.4
Net changes in value of investment properties	285.1	356.5

Consolidated Cash Flow Statement

	FY22	FY21
	\$m	\$m
Cash generated from operating activities (excluding incentives)	194.9	180.7
Incentives paid ²	(11.5)	(29.0)
Cash generated from operating activities	183.4	151.7

Consolidated Statement of Financial Position

	FY22	FY21
	\$m	\$m
Unamortised lease incentives, recognised within investment property as a reconciling item	81.5	79.6
Unamortised leasing costs recognised within investment property as a reconciling item ³	5.2	4.6

Financial information

Operating and capital expenses.

Operating expenses

		FY22	FY21
Total operating expenses	\$m	19.8	15.7
Average gross assets value	\$m	4,911.3	4,425.3
Operating expenses to average gross assets	%	0.40	0.35

Average
0.37%
FY17 – FY22

Capital expenditure

		FY22	FY21
Portfolio maintenance capex	\$m	20.7	21.2
Average property asset value	\$m	4,956.2	4,384.8
Capital expenditure to average property portfolio value	%	0.42	0.48

Expected to
average
0.3%-0.5%
over medium-term
based on current
portfolio

Financial information

Capital management

Maturity date	Time to maturity	Fixed rate	Principal Amount
Interest rate swaps			
Dec-2023	1.5yrs	0.22%	\$20m
Dec-2023	1.5yrs	0.21%	\$15m
Feb-2024	1.6yrs	0.22%	\$25m
Sep-2024	2.2yrs	0.50%	\$75m
Sep-2024	2.2yrs	0.44%	\$25m
Jun-2025	3.0yrs	0.60%	\$100m
Jun-2025	3.0yrs	1.29%	\$100m
Dec-2025	3.5yrs	1.48%	\$35m
Jun-2026	4.0yrs	4.08%	\$25m
Jun-2026	4.0yrs	3.73%	\$20m
Jun-2026	4.0yrs	3.72%	\$15m
Mar-2027	4.7yrs	2.08%	\$50m
Feb-2029	6.7yrs	2.29%	\$35m
Weighted average interest rate swaps	3.2yrs	1.33%	\$540m
Fixed rate debt facilities			
Mar-2025	2.8yrs	4.67%	\$200m
Dec-2026	4.5yrs	3.27%	\$100m
Jun-2027	5.0yrs	5.28%	\$145m
Jun-2029	7.0yrs	5.45%	\$58m
Jun-2029	7.0yrs	5.35%	\$26m
Weighted average fixed rate debt facilities	4.4yrs	4.69%	\$529m
Weighted average fixed debt	3.8yrs	2.99%	\$1069m
Debt fixed at 30 June 2022	61%		



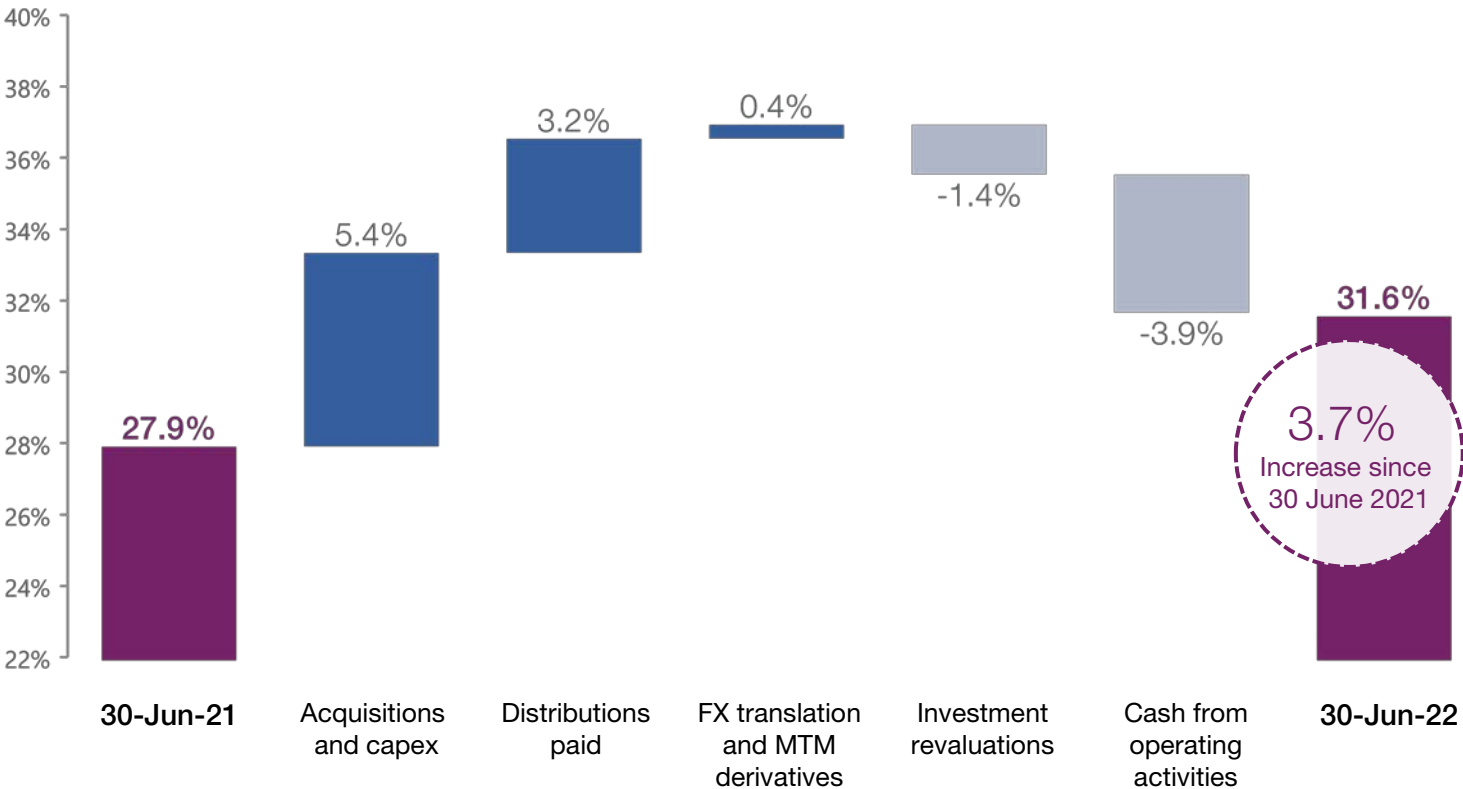
Financial information

Key debt metrics and changes during FY22.

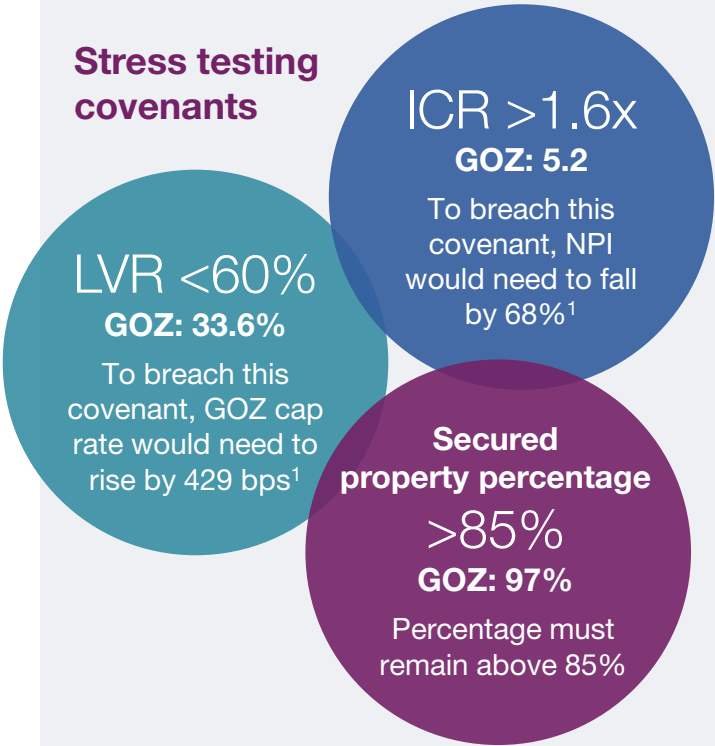
		30 June 2022	30 June 2021	Change
Gross assets	\$m	5,499.8	4,777.8	722.0
Interest bearing liabilities	\$m	1,740.0	1,327.1	412.9
Total debt facilities	\$m	2,101.5	1,720.0	381.5
Undrawn debt	\$m	353.5	387.5	(34.0)
Gearing	%	31.6	27.9	3.7
Weighted average cost of debt (based on drawn debt)	%	3.4	3.3	0.1
Weighted average debt maturity	years	4.2	4.1	0.1
Annual ICR / covenant ICR	times	5.2 / 1.6	4.8 / 1.6	0.4 / -
Actual LVR / covenant LVR	%	33.6 / 60	29.6 / 60	4.0 / -
Weighted average fixed debt maturity	years	3.8	4.3	(0.5)
% of debt fixed	%	60.9	65.0	(4.1)
Debt providers	no.	21	20	1

Capital management.

Gearing movement
for the 12 months ended 30 June 2022



Stress testing covenants



1. As at 30 June 2022. For illustrative purposes only. Assumes no change to other inputs that could impact the calculation of this metric

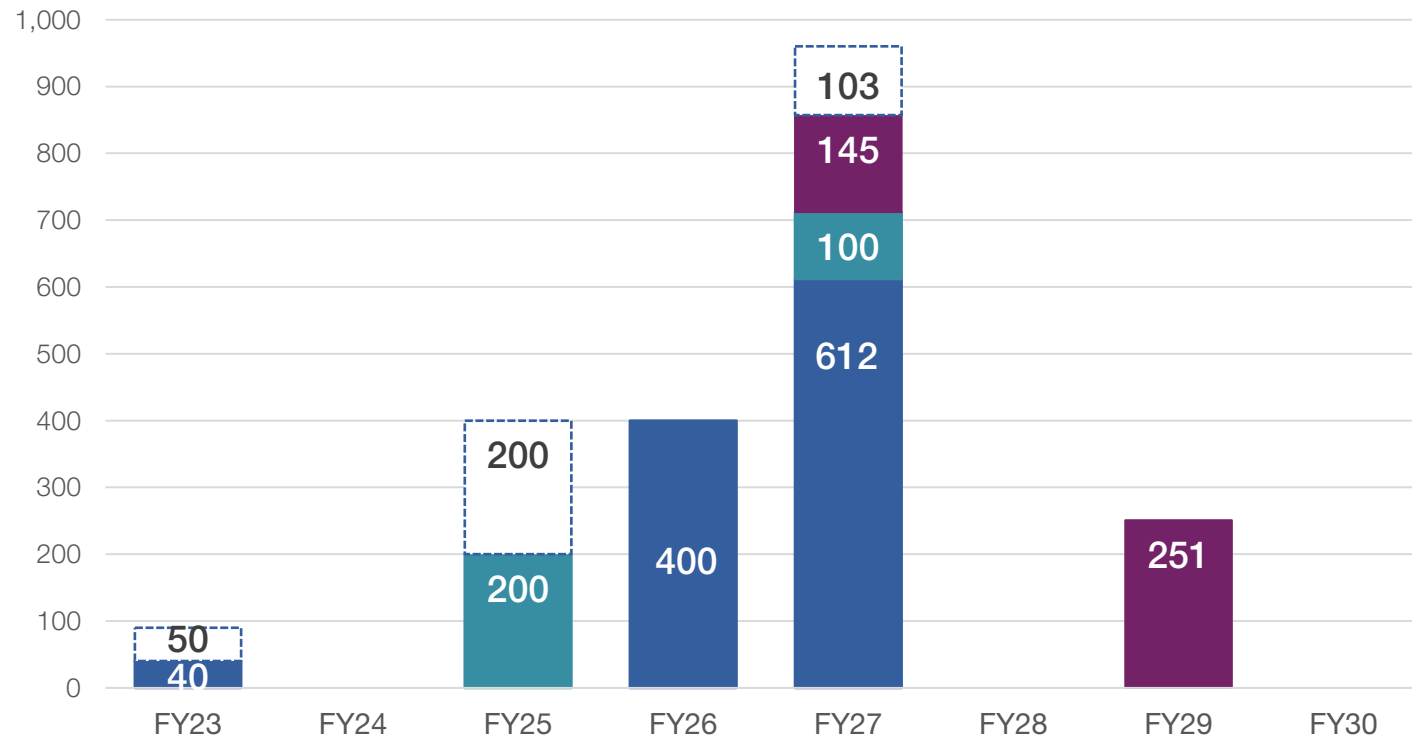


Financial information

Group debt maturity profile.

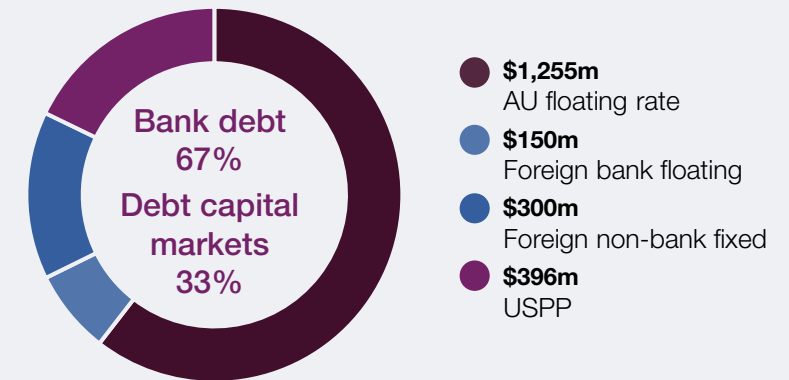
As at 30 June 2022 (\$ million)

Bank debt Undrawn bank debt Institutional term loan USPP¹



1. US Private Placement

Sources of debt at 30 June 2022 (\$ million)



Refinancing FY22:

- \$715 million of existing debt facilities refinanced, reducing average cost of debt by 23 bps and extending the weighted average debt maturity (WADM) by 2.6 years for these facilities
- Entered into five new facilities totalling \$350 million to fund property acquisitions
- Overall weighted average cost of debt (WACD) increased from 3.3% at June 2021 to 3.4% at June 2022
- Overall WADM increased from 4.1 years at June 2021 to 4.2 years at June 2022

333 Ann Street, Brisbane, QLD

ann street 333

R.S.EXTON&CO

A.1907.D

R.S.EXTON&CO

Property
portfolio.



Property portfolio

Geographic diversity – by property value

As at 30 June 2022

- Office metropolitan properties (24 assets)
- Office CBD properties (3 assets)
- Industrial properties (31 assets)

8%

Western Australia
\$399.4 million

Office	\$104.0m
Industrial	\$295.4m

8%

South Australia
\$392.6 million

Office	\$78.5m
Industrial	\$314.1m

31%

Victoria
\$1,615.3 million

Office	\$1,099.6m
Industrial	\$515.7m

\$5.1b
Property
portfolio value

84% of properties
located on
Eastern seaboard

23%

Queensland
\$1,191.7 million

Office	\$900.7m
Industrial	\$291.0m

25%

New South Wales
\$1,282.2 million

Office	\$976.7m
Industrial	\$305.5m

5%

**Australian Capital
Territory**
\$257.1 million

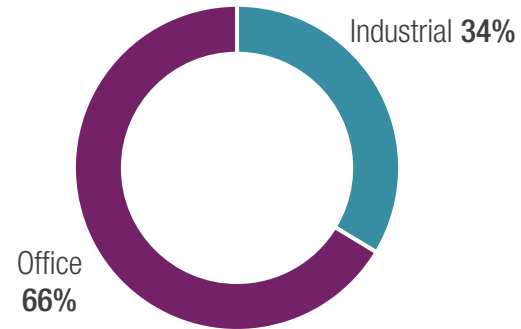
Office	\$257.1m
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May not sum due to rounding

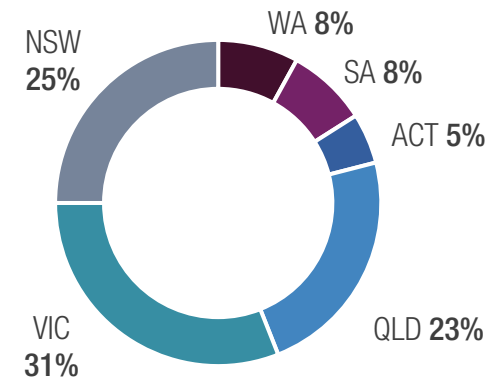
Property portfolio Portfolio summary.

As at 30 June 2022

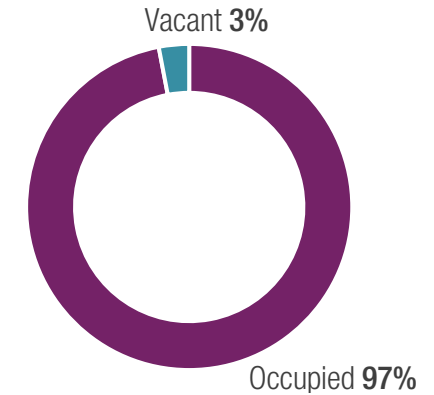
Sector diversity
by value



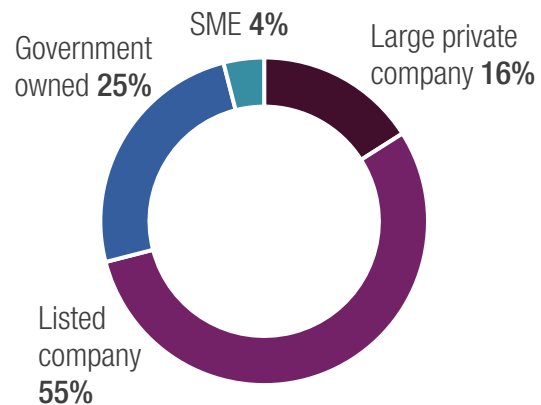
Geographic diversity
by value



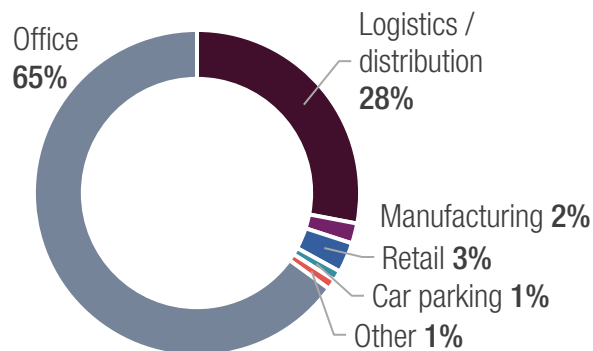
Occupancy
by income



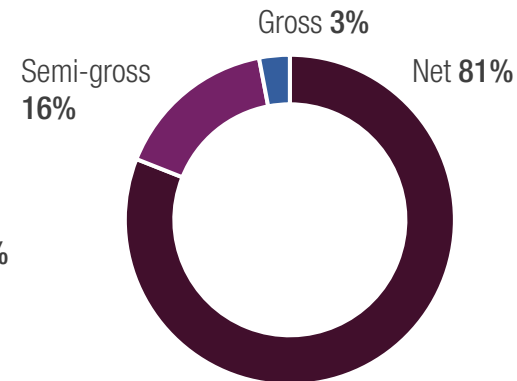
Tenant type
by income



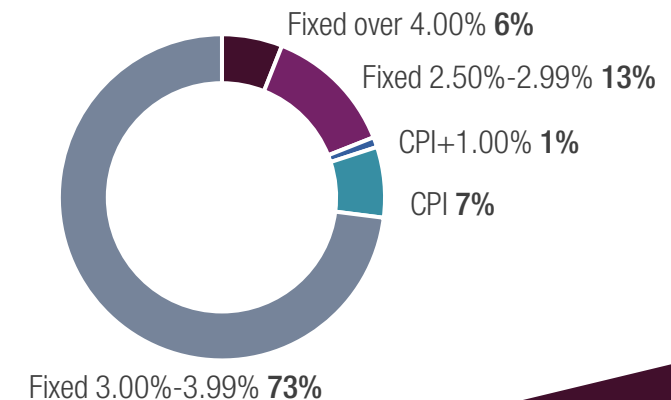
Tenant use
by income



Lease type
by income



Annual rent review type
by income



Property portfolio

Portfolio metrics.¹

Key metrics

	30 June 2022	30 June 2021
Number of assets	58	55
Property portfolio value	\$5.1 billion	\$4.5 billion
Number of tenants	170	145
Portfolio occupancy	97%	97%
Tenant retention ²	86%	77%
WALE	6.3 years	6.2 years
Weighted average property age ³	13.0 years	12.4 years
Weighted average cap rate	5.0%	5.2%
WARR	3.6%⁴	3.4% ⁵

Like-for-like NPI growth (FY21 to FY22)

	Office	Industrial	Distributions from equity investments	Total
NPI growth	2.8%	1.4%	1.7%	2.3%

1. Portfolio metrics exclude GSO Dandenong, 165-169 Thomas Street, Dandenong, Victoria which settled in July 2022

2. Weighted by income, includes tenant renewals in future periods

3. Calculated from year completed or last major refurbishment

4. Assumes CPI change of 6.1% per annum as per ABS release for FY22

5. Assumes CPI change of 3.8% per annum as per ABS release for FY21

Property portfolio

Top ten tenants – by income.



Total portfolio as at 30 June 2022

	% portfolio income	WALE (yrs)
Woolworths	12	6.6
NSW Police Force	8	22.5
Commonwealth of Australia	7	4.0
Country Road Group	4	10.0
Linfox	3	3.6
Bank of Queensland	3	4.6
Bunnings Warehouse	3	8.8
ANZ Banking Group	3	3.0
Lion	2	1.8
Samsung Electronics	2	4.7
Total / weighted average	47	8.4
Balance of portfolio ¹	53	4.5
Total portfolio	100	6.3

1. Includes vacancies



Office tenants as at 30 June 2022

	% portfolio income	WALE (yrs)
NSW Police Force	11	22.5
Commonwealth of Australia	10	4.0
Country Road Group	5	10.0
Bank of Queensland	5	4.6
Bunnings Warehouse	4	8.8
ANZ Banking Group	4	3.0
Lion	3	1.8
Samsung Electronics	3	4.7
Collection House	3	3.9
Fox Sports	3	8.5
Total / weighted average	51	9.2
Balance of portfolio ¹	49	4.2
Total portfolio	100	6.7



Industrial tenants as at 30 June 2022

	% portfolio income	WALE (yrs)
Woolworths	38	6.6
Linfox	11	3.6
Australian Post	6	9.0
HB Commerce	3	0.2
Brown & Watson International	3	3.1
Laminex Group	3	3.0
The Workwear Group	3	5.0
Eagers Automotive	2	10.6
Autocare Services	2	8.3
Symbion	2	9.5
Total / weighted average	73	6.0
Balance of portfolio ¹	27	3.4
Total portfolio	100	5.3

Property portfolio

Leasing – office leases executed in FY22.

FY22 leases
completed – %
office portfolio
income
11.2%

Ave.
lease term
6.0 yrs

Location	Tenant			Start date	Term (yrs)	NLA (sqm)	Car parks (no.)
15 Green Square Close	Fortitude Valley	QLD	Stella Rossa Leasing (1)	Jul-20	7.0	88	-
Building B, 211 Wellington Road	Mulgrave	VIC	M & F Pitts (1)	May-21	1.0	101	2
333 Ann Street	Brisbane	QLD	Revelian	Jul-21	5.3	506	-
Building C, 211 Wellington Road	Mulgrave	VIC	Concentrix	Jul-21	0.5	2,093	150
CB1, 22 Cordelia Street	South Brisbane	QLD	ACOR Consultants	Sep-21	5.4	709	5
CB2, 42 Merivale Street	South Brisbane	QLD	Rouge Hair Salon	Sep-21	5.0	80	1
Building 3, 570 Swan Street	Richmond	VIC	Siemens Gamesa	Sep-21	5.0	625	14
75 Dorcas Street	South Melbourne	VIC	First Parking	Sep-21	5.0	0	216
CB1, 22 Cordelia Street	South Brisbane	QLD	Blackmagic Design	Oct-21	5.0	365	4
33-39 Richmond Road	Keswick	SA	Smart Group	Oct-21	0.5	866	9
333 Ann Street	Brisbane	QLD	Kusch Group	Oct-21	3.0	111	-
333 Ann Street	Brisbane	QLD	Titan Recruitment	Oct-21	3.0	310	-
Building 3, 570 Swan Street	Richmond	VIC	Bunnings Warehouse	Nov-21	9.5	2,068	37
Building 3, 570 Swan Street	Richmond	VIC	Common Café Bar	Dec-21	10.0	47	1
100 Skyring Terrace	Newstead	QLD	Konica Minolta	Jan-22	5.1	742	16
CB1, 22 Cordelia Street	South Brisbane	QLD	Metcash Food & Grocery	Jan-22	5.0	558	0
A1, 32 Cordelia Street	South Brisbane	QLD	Kokoro Bento	Feb-22	5.0	87	-
Building C, 211 Wellington Road	Mulgrave	VIC	PerkinElmer	Feb-22	6.3	377	15
109 Burwood Road	Hawthorn	VIC	Scope	Mar-22	10.0	3,023	126
3 Murray Rose Avenue	Sydney Olympic Park	NSW	Samsung Electronics	Mar-22	5.0	13,423	220

Continued over page.

Property portfolio

Leasing – office leases executed in FY22 (cont.)

Location			Tenant	Start date	Term (yrs)	NLA (sqm)	Car parks (no.)
15 Green Square Close	Fortitude Valley	QLD	Tech Mahindra	Jun-22	5.0	1,482	-
15 Green Square Close	Fortitude Valley	QLD	Ampol Australia Petroleum	Jun-22	5.0	605	8
141 Camberwell Road	Hawthorn East	VIC	Stephan Independent Advisory	Jun-22	5.0	99	1
CB1, 22 Cordelia Street	South Brisbane	QLD	Australian Mines and Metals Association	Jun-22	5.0	337	-
Building B, 211 Wellington Road	Mulgrave	VIC	M & F Pitts (2)	Jun-22	1.0	101	2
333 Ann Street	Brisbane	QLD	Blue Book Insurance Brokers	Jul-22	1.0	83	-
333 Ann Street	Brisbane	QLD	CPA Australia	Jul-22	7.0	690	2
100 Skyring Terrace	Newstead	QLD	Hallmark	Jul-22	10.3	338	-
Building C, 211 Wellington Road	Mulgrave	VIC	Corning Optical Communications	Jul-22	5.0	652	30
333 Ann Street	Brisbane	QLD	ARQ Group Enterprise	Sep-22	5.0	866	2
100 Skyring Terrace	Newstead	QLD	NDC Property Co	Nov-22	3.0	233	1
Building C, 219-247 Pacific Highway	Artarmon	NSW	Fox Sports	Dec-22	8.0	8,092	114
109 Burwood Road	Hawthorn	VIC	Orora	Jun-25	2.0	1,334	64
15 Green Square Close	Fortitude Valley	QLD	Stella Rossa Leasing (2)	Jul-27	2.0	88	-
Weighted average / total					6.0	41,180	1,040

Property portfolio

Leasing – industrial leases executed in FY22.

FY22 leases
completed - %
industrial
portfolio income
30.3%

Ave.
lease term
4.5 yrs

Location	Tenant			Start date	Term (yrs)	NLA (sqm)
5 Viola Place	Brisbane Airport	QLD	Eagers Automotive	Dec-21	11.2	14,726
10 Butler Boulevard	Adelaide Airport	SA	IPEC	Feb-22	3.0	8,461
70 Distribution Street	Larapinta	QLD	Woolworths	Feb-22	5.0	76,109
9-11 Drake Boulevard	Altona	VIC	Prolife Foods (1)	Mar-22	7.0	5,481
1-3 Pope Court	Beverley	SA	Aluminium Specialties Group	May-22	3.0	5,576
81 Derby Street	Silverwater	NSW	IVE Group Australia	Sep-22	3.0	8,253
2 Hugh Edwards Drive	Perth Airport	WA	Mainfreight Distribution	Nov-22	3.0	11,376
60 Annandale Road	Melbourne Airport	VIC	Plantabl Packaging	Jun-23	10.0	11,293
27-49 Lenore Drive	Erskine Park	NSW	Linfox	Aug-23	2.0	29,476
9-11 Drake Boulevard	Altona	VIC	Prolife Foods (2)	Jan-24	5.2	6,637
120-132 Atlantic Drive	Keysborough	VIC	Symbion	Dec-28	0.4	15,773
Weighted average / total					4.5	193,161

13 Business Street, Yatala, QLD

Key market
metrics.



Key market metrics

Office markets.

R – Average face rent per sqm per annum
I – Average incentives
Y – Average core market yield

2% of Growthpoint Portfolio

Perth – West Perth

Vacancy 21.0%

	Prime	Secondary
R	\$361 net	\$263 net
I	37%	36%
Y	6.75-7.75%	7.00-9.25%

0% of Growthpoint Portfolio

Perth – CBD

Vacancy 20.1%

	Prime	Secondary
R	\$628 net	\$379 net
I	49%	51%
Y	5.00-7.50%	6.50-9.50%

0% of Growthpoint Portfolio

Adelaide – CBD

Vacancy 15.4%

	Prime	Secondary
R	\$547 gross	\$370 gross
I	39%	41%
Y	4.75-6.75%	6.00-8.50%

3% of Growthpoint Portfolio

Brisbane – CBD

Vacancy 15.4%

	Prime	Secondary
R	\$796 gross	\$625 gross
I	43%	45%
Y	5.00-6.25%	5.75-7.00%

15% of Growthpoint Portfolio

Brisbane – Fringe

Vacancy 18.5%

	Prime	Secondary
R	\$613 gross	\$478 gross
I	43%	43%
Y	5.50-7.25%	6.00-7.75%

11% of Growthpoint Portfolio

Sydney – Parramatta

Vacancy 18.3%

	Prime	Secondary
R	\$597 net	\$462 net
I	37%	31%
Y	4.63-5.63%	5.13-5.63%

5% of Growthpoint Portfolio

Sydney Olympic Park

Vacancy 18.1%

	Prime
R	\$442 net
I	35%
Y	5.00-5.75%

3% of Growthpoint Portfolio

Canberra

Vacancy 6.1%

	Prime	Secondary
R	\$487 gross	\$406 gross
I	24%	25%
Y	4.75-6.00%	5.50-9.25%

0% of Growthpoint Portfolio

Sydney – CBD

Vacancy 13.0%

	Prime	Secondary
R	\$1,262 net	\$926 net
I	34%	34%
Y	4.13-4.75%	4.50-5.00%

0% of Growthpoint Portfolio

Melbourne – CBD

Vacancy 15.0%

	Prime	Secondary
R	\$638 net	\$465 net
I	39%	34%
Y	4.25-5.13%	4.50-5.50%

19% of Growthpoint Portfolio

Melbourne – Fringe

Vacancy 15.9%

	Prime	Secondary
R	\$515 net	\$393 net
I	32%	32%
Y	4.63-5.25%	5.00-5.75%

3% of Growthpoint Portfolio

Melbourne – SES

Vacancy 11.7%

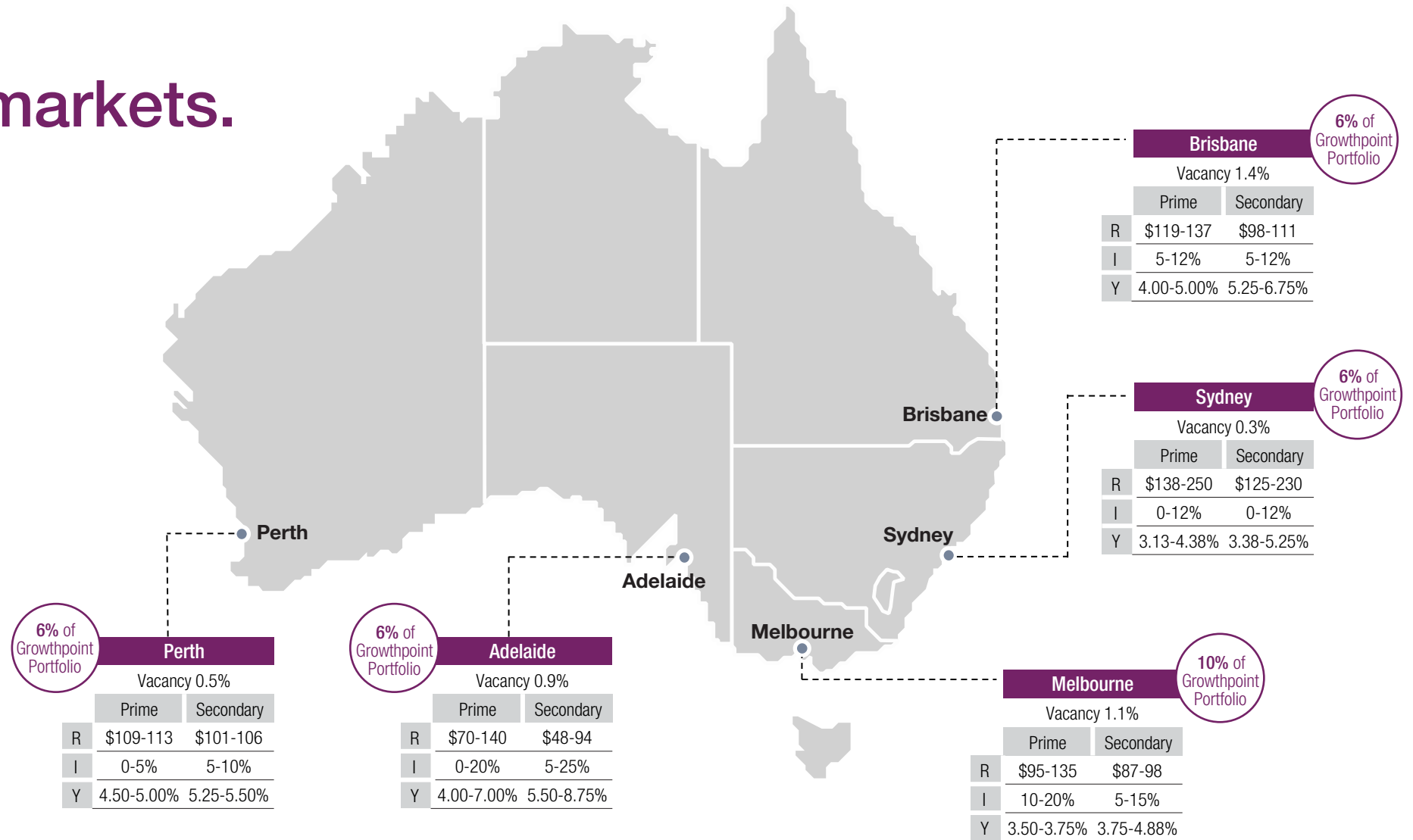
	Prime	Secondary
R	\$400 net	\$316 net
I	28%	27%
Y	4.75-5.75%	5.00-6.25%

Sources: JLL, Growthpoint research

Key market metrics

Industrial markets.

R – Average face rent per sqm per annum
I – Average incentives
Y – Average core market yield



Sources: JLL, CBRE, Growthpoint research

Market vacancy tracks 5,000sqm and above in Sydney and Melbourne and 3,000sqm and above in Brisbane, Perth and Adelaide

3&5 Murray Rose Avenue, Sydney Olympic Park, NSW

Additional
information.



Additional information

Glossary.

Term	Definition
ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory, Australia
AUM	Assets under management
A-REIT	Australian Real Estate Investment Trust
ASX	Australian Securities Exchange
b	Billion
Botanicca 3	Building 3, 570 Swan Street, Richmond, Victoria
bps	Basis points
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
CPI	Consumer price index
cps	Cents per security
Cushman & Wakefield	An international professional services and property investment firm
CY	Calendar year
DPS	Distribution per security
DXI	Dexus Industria REIT
FFO	Funds from operations
FUM	Funds under management
FY	Financial year
gearing	Interest bearing liabilities less cash divided by total assets less finance lease assets less cash

Term	Definition
GOZ	Growthpoint or Growthpoint's ASX trading code or ticker
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
LVR	Loan to value ratio
m	Million
MER	Management expense ratio
NABERS	National Australian Built Environment Rating System
net zero 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.
NLA	Net lettable area
NPI	Net property income plus distributions from equity related investments
NSW	New South Wales, Australia
NTA	Net tangible assets

Term	Definition
Payout ratio	Distributions (\$million) divided by FFO (\$million)
PV	Photovoltaic
Q	Quarter
QLD	Queensland, Australia
RBA	Reserve Bank of Australia
ROE or return on equity	Calculated as the percentage change in NTA plus the distributions for a given period divided by the opening NTA
SA	South Australia, Australia
SME	Small and medium-sized enterprise
sqm	Square metres
Total securityholder return	Change in security price plus distributions paid or payable for the relevant period
USPP	United States Private Placement
VIC	Victoria, Australia
WA	Western Australia, Australia
WACD	Weighted average cost of debt
WADM	Weighted average debt maturity
WALE	Weighted average lease expiry
WARR	Weighted average rent review
Women in leadership positions	includes EMT and senior managers (permanent employees that report to an EMT member, excluding assistants)
Woolworths	Woolworths Group Limited
yr	Year



Additional information

Important information.

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GROWTH-POINT
PROPERTIES



2022/23 calendar.

- **25 October** – 1Q FY23 update
- **17 November** – Annual General Meeting

Dates are indicative and subject to change.